

**NOTICE OF RECORDING AMENDED AND RESTATED DECLARATION
AND AMENDED AND RESTATED BY-LAWS**

**WOODBURY PLACE CONDOMINIUM ASSOCIATION, INC.
WOODBURY, CONNECTICUT**

WOODBURY PLACE CONDOMINIUM ASSOCIATION, INC., a non-stock corporation organized and existing under the laws of the State of Connecticut, acting herein by Mr. John Cavallaro, its President, having an office at Southbury, Connecticut (hereinafter referred to as the "Association"), as the Unit Owners Association of a condominium known and designated as **WOODBURY PLACE CONDOMINIUM**, which condominium was submitted pursuant to the Connecticut Unit Ownership Act by the original Declaration of Condominium dated July 23, 1979, and recorded on August 29, 1979 in Volume 124 at Page 908 of the Woodbury Land Records (referred to hereinafter as the "Declaration of Condominium"), acting pursuant to the Declaration at a meeting of unit owners, duly noticed, and held on Oct 26, 2016 and having obtained the affirmative vote of sixty-seven percent (67%) of the votes in the association as to the Amended and Restated Declaration and the affirmative vote of a majority of the unit owners as to the Amended and Restated By-Laws, and having given notice to mortgagees as required in Article 17 of the Declaration and Article 20 of the By-Laws, and as further provided in Section 47-236 of the Connecticut General Statutes.

IN WITNESS WHEREOF, the association, Woodbury Place Condominium Association, Inc., acting herein by its President, Mr. John Cavallaro, duly authorized, has hereunto caused this Amended and Restated Declaration and these Amended and Restated By-Laws to be executed and recorded this 23rd day of August, 2017.

**AMENDED AND RESTATED DECLARATION
OF WOODBURY PLACE CONDOMINIUM
1130 MAIN STREET SOUTH, WOODBURY, CT 06798**

This is the Amended and Restated Declaration of Woodbury Place Condominium Association, Inc., a condominium situated in the Town of Woodbury, the State of Connecticut. The original Declaration of the condominium was dated July 23, 1979 and recorded August 28, 1979 in Volume 124 at page 908 of the Woodbury Land Records. The intent of this Amended and Restated Declaration is to conform to and comply with the Connecticut Common Interest Ownership Act, Connecticut General Statutes, Sections 47-200, *et seq.*

**ARTICLE I
DEFINITIONS**

In the Community Documents, the following words and phrases shall have the following meanings:

Section 1.1 – Act

The Common Interest Ownership Act, Chapter 828, Sections 47-200 through 47-299 of the Connecticut General Statutes, as it may be amended from time to time. Amendments to the Act that are applicable to common interest communities already in existence will apply to this Common Interest Community, however amendments that are expressly applicable only to common interest communities created after the effective date of the amendments will not apply to this Common Interest Community unless the Declaration is amended to incorporate such amendments to the Act.

Section 1.2 – Allocated Interests

The undivided interest in the Common Elements, the Common Expense liability, and Votes in the Association allocated to the Units in the Common Interest Community. The Allocated Interests are described in Article VIII of this Declaration and shown on Schedule A of the original Declaration.

Section 1.3 – Association

Woodbury Place Condominium Association, Inc., a nonstock corporation organized under the laws of the State of Connecticut. It is the association of unit owners pursuant to Section 47-243 of the Act.

Section 1.4 – Bylaws

The Bylaws of the Association, as they may be amended from time to time.

Section 1.5 – Common Elements

All portions of the Common Interest Community other than the Units. Common Elements may include easements in favor of Units or the Common Elements over other Units and other interests in real property for the benefit of Unit Owners which are subject to this Declaration.

Section 1.6 – Common Expense Assessment

An assessment for Common Expenses against one (1) or more Units adopted by the Association. It includes fees, charges, late charges, fines, and interest charged against a Unit Owner pursuant to the Act, the Community Documents, or both.

Section 1.7 – Common Expenses

Expenditures made by, or financial liabilities of, the Association, together with any allocations to reserves, including, but not limited to:

- (a) Expenses of administration, operation, Maintenance, Repair, or Replacement of the Common Elements and those portions of the Units for which the Association is responsible;
- (b) Expenses necessary or useful for the operation of the Association or the accomplishment of its purposes, or that the Association incurs in exercising its powers or performing its duties under the Community Documents, the Act, or other applicable law;
- (c) Expenses declared to be Common Expenses by the Community Documents or by the Act;
- (d) Expenses agreed upon as Common Expenses by vote of a majority of the Votes cast by Unit Owners at a meeting at which a quorum is present.
- (e) Expenses incurred by the Association for electricity, gas, water, sewer, telecommunication, and other utility charges not billed by the provider to individual Units; and
- (f) Such reserves as may be established by the Association, whether held in trust or by the Association, including, but not limited to, reserves for Maintenance, Repair, Replacement, or addition to the Common Elements, to those portions of the Units for which the Association is responsible, and to any other real or personal property acquired or held by the Association.

Some costs and expenses imposed by the Association shall be Common Expenses but shall be assessed against fewer than all the Units as provided in Section 17.2 of this Declaration.

Section 1.8 – Common Interest Community

The Woodbury Place Community which shall mean all of the Property as described on Schedule B to the original Declaration, including the improvements thereon, and reference is made to maps, files and plans located in the Town Clerk's office of the Town of Woodbury.

Section 1.9 – Community Documents

The Declaration, Survey, and Plans recorded and filed pursuant to the provisions of the Act to create Woodbury Place Condominium, and the certificate of incorporation, the Bylaws, and the Rules of the Association, and Maintenance Standards, if any, as any of the foregoing may be amended from time to time. Any exhibit, schedule, or certification accompanying a document is a part of that document.

Section 1.10 – Damaged or Destroyed

A portion of the Common Interest Community is Damaged or Destroyed (or suffers Damage or Destruction) if it suffers physical damage that is of a type and is caused by an occurrence of a type covered by the insurance the Association is required to carry by Section 47-255 of the Act, by insurance the Association is required to carry by this Declaration, or by other insurance carried by the Association.

Section 1.11 – Intentionally Omitted

Section 1.12 – Declaration

This document, including any amendments.

Section 1.13 – Intentionally Omitted

Section 1.14 – Director

A member of the Executive Board.

Section 1.15 – Eligible Insurer

See the definition in Section 16.2 of this Declaration.

Section 1.16 – Eligible Mortgagee

See the definition in Section 16.2 of this Declaration.

Section 1.17 – Executive Board

The board of directors of the Association pursuant to Subsections 47-245(a) and (b) of the Act, and Sections 33-1080 through 33-1139 of the Nonstock Corporation Act, except where superseded by the Act.

Section 1.17A – Garage Unit. Detached garages for Avon and Bridgewater units only,

numbered G 17 through G 24 on Schedule A annexed to the original Declaration and made a part hereof and on the survey filed with the original Declaration, are garage units. Garage units have a separate percentage of undivided interest in the common elements appurtenant to them and have the same rights, privileges, duties and obligations as other units except for use. Garage units shall be used for the parking of motor vehicles and general storage provided that such storage does not interfere with the parking of motor vehicles therein.

Section 1.18 – Improvements

Any buildings, facilities, amenities, landscaping, or infrastructure existing from time to time on the land included in the Common Interest Community, including, but not limited to, buildings, paving, utility wires, pipes, light poles and trees, shrubbery, and lawns planted by the Declarant or the Association.

Section 1.19 – Limited Common Elements

A portion of the Common Elements allocated by the Declaration or by the operation of Subsections 47-221(2) or (4) of the Act for the exclusive use of one (1) or more but fewer than all of the Units. The Limited Common Elements in the Common Interest Community are described in Article V of this Declaration.

Section 1.20 – Maintain, Repair, and Replace

To Maintain, Repair, and Replace (or to perform Maintenance, Repair, and Replacement) is the act of addressing and correcting deterioration, decay, wear and tear, and obsolescence to any portion of the Property which has not suffered Damage or Destruction.

Section 1.21 – Manager

A Person engaged by the Association to perform management services for the Common Interest Community and the Association.

Section 1.22 – Material Adverse Action

See the definition in Section 16.2 of this Declaration.

Section 1.23 – Notice and Comment

The right of a Unit Owner to receive notice of an action proposed to be taken by or on behalf of the Association, and the right to comment thereon. The procedures for Notice and Comment are set forth in Section 22.1 of this Declaration.

Section 1.24 – Notice and Hearing

The right of a Unit Owner to receive notice of an action proposed to be taken by the Association, and the right to be heard thereon. The procedures for Notice and Hearing are set forth in Sections 22.2 and 22.3 of this Declaration.

Section 1.25 – Person

An individual, corporation, limited liability company, business trust, estate, trust, partnership, association, joint venture, public corporation, government, governmental subdivision or agency, instrumentality or any other legal or commercial entity.

Section 1.26 – Plans

The plans filed with the original Declaration, as they may be amended from time to time.

Section 1.27 – Property

The land, all Improvements, easements, rights, appurtenances, and any other interests in real property that have been submitted to the provisions of the Act by the Declaration as amended from time to time, and as further described on Schedule B of the original Declaration.

Section 1.28 – Rules

Rules for the use of Units and Common Elements and for the conduct of Persons within the Common Interest Community, adopted by the Executive Board pursuant to this Declaration, as they may be amended from time to time.

Section 1.29 – Security Interest

An interest in real property or personal property, created by conveyance or contract, which secures payment or performance of an obligation. The term includes a lien created by a mortgage, deed of trust, trust deed, security deed, contract for deed, land sales contract, lease intended as security, assignment of leases or rents intended as security, pledge of an ownership interest in the Association, and any other consensual lien or title retention contract intended as security for an obligation.

Section 1.30 – Special Assessment

Any Common Expense Assessment assessed against all of the Units that is not adopted in the same resolution as the budget for the overall operation of the Common Interest Community adopted in accordance with Section 17.5 of this Declaration. Special Assessments include amendments to the current budget and assessments which, by their terms, become part of the budget once adopted.

Section 1.31 – Intentionally Omitted

Section 1.32 – Structure, Structural

The Structure of a building includes all components that support any portion of the building, that enclose the building or that keep the building weather-tight. Any portion of the Structure of a building is Structural.

Section 1.33 – Survey

The survey filed with the original Declaration, as it may be amended from time to time.

Section 1.34 – Unit

A physical portion of the Common Interest Community designated for separate ownership or occupancy, the boundaries of which are described in Schedule E of the original Declaration. There are garage units and residential units.

A residential “Unit”, in addition to the statutory definition, shall include the living space, garage in Colebrook and Deerfield models, loft and attic storage over the residential area. Although garages for Colebrook and Deerfield models, loft and attic space are included in the definition of unit, those areas are not included in the square foot computations set forth in Schedule A of the original Declaration. Schedule C also contains a general description of each unit.

There are also separate garage units, described in Section 1.17A.

Residential units are limited to residential occupancy and garage units may only be used to store motor vehicles and for general storage, not for residential occupancy.

Section 1.35 – Unit Owner

The Declarant or other Person who holds legal title to a Unit. Unit Owner does not include a Person having an interest in a Unit solely as security for an obligation.

Section 1.36 – Votes

The votes allocated to each Unit as shown on Schedule A of the original Declaration.

**ARTICLE II
NAME AND TYPE OF COMMON INTEREST COMMUNITY
AND ASSOCIATION**

Section 2.1 – Common Interest Community

The name of the Common Interest Community is Woodbury Place Condominium. Woodbury Place Condominium is a condominium.

Section 2.2 – Association

The name of the Association is Woodbury Place Condominium Association, Inc. It is a nonstock corporation organized under the laws of the State of Connecticut.

**ARTICLE III
DESCRIPTION OF PROPERTY, BUILDINGS AND UNITS**

Section 3.1 – Description of Property

The Common Interest Community is the real property situated in the Town of Woodbury, Connecticut described in Schedule B (as annexed to the original Declaration);

Section 3.2 – Description of Buildings

A detailed description of each building on the Property described in Section 3.1 hereof, which description sets forth, for each such building, the number of stories and basements, the number of Units and the principal materials of which each is constructed and is more particularly set forth in Schedule C (as annexed to the original Declaration) which is made a part hereof and which also contains a general description of each Unit.

Section 3.3 – Description of Units

A detailed description of the Units is set forth in Schedule A (as annexed to the original Declaration), including a list of each building, Unit number, and location of each Unit, Unit type, number of rooms, approximate area and percentage of undivided interest in the Common Elements.

**ARTICLE IV
MAXIMUM NUMBER OF UNITS, IDENTIFICATION, AND BOUNDARIES**

Section 4.1 – Number of Units

The Common Interest Community contains 24 residential units.

Section 4.2 – Identification of Units

All Units are identified by number and are shown on Schedule A and A-1 of the original Declaration, and on the Survey or Plans or both.

Section 4.3 – Unit Boundaries

The boundaries of each Unit are the planes or surfaces located as shown on the Survey and Plans and are more particularly described in the balance of this Section. The outside-facing surfaces of elements or materials included within the Unit and the inside-facing surfaces of elements or materials excluded from the Unit define the boundaries of the Unit. An outside-facing surface is one which faces away from the interior of the Unit and towards a Common

Element, another Unit or the outside of the Common Interest Community. An inside-facing surface is one which faces away from a Common Element, another Unit, or the outside of the Common Interest Community and towards the interior of the Unit. Where elements or materials are not contiguous, planes extended from the applicable surfaces of such elements or materials are the boundaries of the Unit.

(a) Ceiling.

- (i) Except as otherwise provided, the ceiling of each level of the Unit is the upper boundary of the Unit or portion of the Unit.
- (ii) When a ceiling is a boundary, the outside-facing surfaces of the outermost of the following elements and materials define the Unit boundary, and the following elements and materials, if present, are included within the Unit:
 - (A) Lath;
 - (B) Furring;
 - (C) Wallboard;
 - (D) Plasterboard;
 - (E) Plaster, joint compound, and joint tape;
 - (F) Paneling;
 - (G) Tiles;
 - (H) Wallpaper;
 - (I) Closed dampers of fireplaces;
 - (J) Finish trim, paint, and any other materials constituting any part of the finished surfaces of the ceilings;
 - (K) Ceiling hatchway doors, and their jambs, frames, hardware, and trim;
 - (L) Ventilation grilles and trim; and
 - (M) Ceiling lights, outlets, switches, and fixtures, including enclosures and trim.
- (iii) When a ceiling is a boundary, the inside-facing surfaces of the following elements and materials define the Unit boundary, and the following elements and materials, if present, are excluded from the Unit:
 - (A) Covered Structural elements, including studs, rafters, beams, and hardware;
 - (B) Visible Structural elements, beneath their finishes; and
 - (C) Skylights, frames, trim, and hardware.

- (b) Floor. Except as otherwise provided, the floor of each level of the Unit is the lower boundary of the Unit or portion of the Unit.
- (i) When a floor is a boundary, the outside-facing surfaces of the outermost of the following elements and materials define the Unit boundary, and the following elements and materials, if present, are included within the Unit:
- (A) Tiles;
 - (B) Floorboards;
 - (C) Resilient finished floor covering, including, linoleum, asbestos, vinyl, and rolled plastic flooring material;
 - (D) Finished flooring, finish trim, paint, and any other materials constituting any part of the finished surfaces of the floor;
 - (E) Ventilation grilles and trim;
 - (F) Switches, lights, outlets, and fixtures, including enclosures and trim;
 - (G) Wall-to-wall installed carpet;
 - (H) Plumbing fixtures, including faucets, sinks, bathtubs, shower enclosures, and toilets; and
 - (I) Cabinets and enclosures.
- (ii) When a floor is a boundary, the inside-facing surfaces of the following elements and materials define the Unit boundary, and the following elements and materials, if present, are excluded from the Unit:
- (A) Covered Structural elements, including rafters, joists, beams, and hardware;
 - (B) Visible Structural elements, beneath their finishes;
 - (C) Sub-flooring;
 - (D) Fireplace surfaces and hearths; and
 - (E) Poured concrete and gypsum-concrete floors.
- (c) Walls. Except as otherwise provided, the walls that separate the Unit from other Units or from the Common Elements are the vertical boundaries of the Unit.
- (i) When a wall is a boundary, the outside-facing surfaces of the outermost of the following elements and materials define the Unit boundary, and the following elements and materials, if present, are included within the Unit:
- (A) Lath;
 - (B) Furring;
 - (C) Wallboard;
 - (D) Plasterboard;
 - (E) Plaster, joint compound, and joint tape;
 - (F) Paneling;
 - (G) Tiles;
 - (H) Wallpaper;

- (I) Finish trim, paint, and any other materials constituting any part of the finished surfaces of the walls, with the exception that interior, and non-bearing partition walls are a part of the Unit;
 - (J) Ventilation grilles and trim;
 - (K) Wall lights, outlets, switches, and fixtures, including enclosures and trim;
 - (L) Plumbing fixtures, including faucets, sinks, bathtubs, shower enclosures, and toilets; and
 - (M) Cabinets and enclosures.
- (ii) When a wall is a boundary, the inside-facing surfaces of the following elements and materials define the Unit boundary, and the following elements and materials, if present, are excluded from the Unit:
- (A) The unfinished surfaces of windows, sills, frames, trim, and hardware;
 - (B) The unfinished surfaces of exterior doors, jambs, sills, frames, trim, and hardware;
 - (C) Visible Structural elements, beneath their finishes; and
 - (D) Covered Structural elements, including studs, rafters, beams, poured concrete or masonry, and hardware.
- (d) Additional Inclusions. Each Unit will include the following, the surfaces of which constitute the boundaries of the Unit, whether or not such spaces are contiguous:
- (i) The spaces and Improvements lying within the boundaries described in Subsections 4.3(a), (b) and (c) above;
 - (ii) Those spaces, and the Improvements within such spaces, containing electrical switches and outlets, circuit breakers, wiring, pipes, valves, ducts, conduits, smoke, fire, burglar and other alarm systems, sprinklers, meters, meter boxes and telecommunication systems serving such Unit exclusively, but located outside of the boundaries described in Subsections 4.3(a), (b) and (c) above;
 - (iii) Decorative elements affixed to and penetrating the walls, ceilings, or floors;
 - (iv) Any space heating, water heating, or air conditioning machinery or equipment, serving such Unit exclusively, but located outside of the boundaries described in Subsections 4.3(a), (b) and (c) above, together with any pipes, wires, ducts, or other items serving such machinery or equipment; and
 - (v) privacy areas, privacy/picket fences, porches and stoops.

- (e) Additional Exclusions. Except when specifically included by other provisions of this Section 4.3, the following are excluded from each Unit and are part of the Common Elements:
- (i) The spaces and Improvements lying outside of the boundaries described in Subsections 4.3(a), (b) and (c) above;
 - (ii) All chutes, pipes, flues, ducts, wires, conduits, and other facilities running through or within any interior wall or partition of the Unit for the purpose of furnishing utility and similar services to one (1) or more other Units or to the Common Elements; and
 - (iii) Any element located within the Unit that provides support for or materially contributes to the support of the building.
- (f) Easements for Structures Serving Other Units or Common Elements and Access. Each Unit is subject to an easement in favor of the Association and the Unit Owners of other Units for any Common Elements, including, but not limited to, Limited Common Elements and portions of other Units located within the boundaries of such Unit.
- (g) Monuments as Boundaries. Physical Improvements described as defining the boundaries will be boundary monuments as described in Section 47-233 of the Act, regardless of the location of the boundary as shown on the Survey or Plans.
- (h) Guide to Interpretation. In applying or interpreting the Unit boundary definitions set out in this Section 4.3, the following principles shall be used where the boundary definitions do not otherwise provide a clear answer:
- (i) Elements and materials that are visible from the outside of a Unit are part of the Common Elements.
 - (ii) Elements and materials that support the building in which a Unit is located or that keep that building weather-tight are part of the Common Elements.
 - (iii) Elements and materials that are visible only from the interior of the Unit and that may be subject to change or redecoration without fundamental change to the Structure of the building in which a Unit is located are part of the Unit.
 - (iv) The hardware and supports necessary to operate any element, to permit it to move or function or to keep it in place are of the same character (Unit, Common Element, or Limited Common Element) as the element they serve.
- (i) Inconsistency with Plans. If the Plans are inconsistent with this definition, then this definition will control.

ARTICLE V
LIMITED COMMON ELEMENTS

Section 5.1 – Limited Common Elements

The following portions of the Common Elements are designated as Limited Common Elements and are allocated as stated. If any portion of the Property described in this Section is part of a Unit then it is not a Limited Common Element, even though it is listed in this Section.

- (a) If any chute, flue, pipe, duct, wire, conduit, or any other fixture lies outside the designated boundaries of a Unit and is not otherwise included in the Unit, any portion thereof serving only a single Unit is a Limited Common Element allocated to the Unit it serves. Any portion thereof serving more than one (1) Unit or serving any portion of the Common Elements is not a Limited Common Element.
- (b) Any windows, skylights, doors, shutters, awnings, window boxes, doorsteps, porches, balconies, decks, patios, terraces, or other fixtures designed to serve a single Unit, but located outside the Unit's boundaries, are Limited Common Elements allocated exclusively to that Unit. Their use is restricted to the particular Unit to which they are immediately adjacent and from which they are reached directly by a door, sliding glass or otherwise, from each Unit.
- (c) Maintenance, repair and replacement of items identified in (b) & (d) is the responsibility of the Unit Owner.
- (d) Any space heating, water heating, and air conditioning apparatus and all electrical switches, television, telephone, telecommunications and electrical receptacles, and light switches serving one (1) Unit exclusively, but located outside of the boundaries of the Unit and not otherwise included in the Unit, are Limited Common Elements allocated exclusively to that Unit and their use is limited to that Unit.
- (e) Privacy yards also known as privacy areas, and associated privacy/picket fences, porches and stoops are limited common elements.

As to each of the foregoing, a right of use is reserved as an appurtenance to the particular Unit or Units as described above. The fee ownership of the Limited Common Elements, however, is vested in all of the Unit Owners.

**ARTICLE VI
MAINTENANCE, REPAIR, AND REPLACEMENT**

Section 6.1 – Common Elements

The Association shall Maintain, Repair, and Replace all of the Common Elements, except the portions of the Limited Common Elements that are required by this Declaration to be Maintained, Repaired, or Replaced by the Unit Owners.

Section 6.2 – Units

Each Unit Owner shall Maintain, Repair, and Replace, at the expense of the Unit Owner, all portions of the Unit, except the portions thereof to be Maintained, Repaired, or Replaced by the Association. By Rule, the Association may adopt additional standards concerning Maintenance, Repair, and Replacement of Units for the purpose of avoiding adverse effects on the condition, use, or enjoyment of other Units or the Common Elements.

Section 6.3 – Limited Common Elements

Notwithstanding the provisions of Section 6.1 and Section 6.2 of this Declaration:

- (a) Each Unit Owner shall be personally responsible for the routine maintenance, upkeep, cleaning and snow removal for all privacy area, associated privacy/picket fences, porches and stoops associated with his or her Unit.

Section 6.4 – Access

(a) Access by Association

- (i) Any Person authorized by the Executive Board shall have the right of access to all portions of the Property for the purpose of carrying out the Association's powers and duties including, but not limited to:
 - (A) Performing inspections;
 - (B) Adjusting insurance claims;
 - (C) Maintaining, Repairing, and Replacing the Common Elements and portions of the Units for which the Association is responsible;
 - (D) Restoring portions of the Units and the Common Elements that have been Damaged or Destroyed;
 - (E) Making additions, alterations, and improvements to the Common Elements;
 - (F) Exterminating insects and vermin; and

- (G) Correcting any condition threatening a Unit or the Common Elements.
 - (ii) Requests for entry to a Unit or Limited Common Element shall be made in advance and any such entry shall be made at a time reasonably convenient to the affected Unit Owner consistent with the availability of contractors and others employed or engaged by the Association. In case of an emergency, no such request or notice shall be required and such right of entry shall be immediate, whether or not the Unit Owner is present at the time.
 - (iii) If a Unit is damaged as a result of access obtained under this Subsection 6.4(a), the Association will be responsible for the prompt repair of the Unit, except as provided in Subsection 17.2(f) of this Declaration.
- (b) Access by Unit Owners
- (i) A Unit Owner or a qualified contractor or professional engaged by the Unit Owner shall have the right of access to all portions of the Property for the purpose of carrying out the Unit Owner's powers and duties to Maintain, Repair, or Replace the Unit and the portions of the Common Elements for which the Unit Owner is responsible including, but not limited to:
 - (A) Performing inspections;
 - (B) Maintaining, Repairing, and Replacing the Unit and portions of the Common Elements for which the Unit Owner is responsible; and
 - (C) Making additions, alterations, and improvements to the Unit and, when permitted, to the Common Elements.
 - (ii) Requests for entry to a Unit or Limited Common Elements shall be made in advance and any such entry shall be made at a time reasonably convenient to any affected Unit Owner or the Association, as the case may be, consistent with the availability of contractors and others employed or engaged by the Unit Owner making the request. In case of an emergency, immediate access to other Units may be arranged through the Association, whether or not the Owner of the other Unit is present at the time.
 - (iii) If a Unit or the Common Elements are damaged as a result of access obtained under this Subsection 6.4(b), the Unit Owner obtaining access will be responsible for the prompt repair of the Unit or Common Elements as the case may be.

Section 6.5 – Failure to Maintain, Repair, and Replace

- (a) If a Unit Owner fails to Maintain, Repair, or Replace a Unit or any other portion of the Common Interest Community for which the Unit Owner is responsible after the Unit Owner knew or should have known that such Maintenance, Repair, or Replacement was needed, and such failure causes damage to another Unit or to the Common Elements, the Unit Owner shall reimburse the Owner of the damaged Unit, or the Association, as the case may be, for the cost of restoring the damage in excess of any insurance proceeds received by the Association under its insurance policy, whether the portion results from the application of a deductible or otherwise.
- (b) If the Association fails to Maintain, Repair, or Replace the Common Elements or any other portion of the Common Interest Community for which it is responsible after the Association knew or should have known that such Maintenance, Repair, or Replacement was needed, and such failure causes damage to a Unit:
 - (i) If the damage is covered by the Association's insurance policy, the Association shall restore it in accordance with Article XXI of this Declaration; or
 - (ii) If the damage is not covered by the Association's insurance policy, the Association shall reimburse the Owner of the damaged Unit for the reasonable cost of restoring the damage.
- (c) If a Unit Owner fails to Maintain, Repair, or Replace a Unit or any other portion of the Common Interest Community for which the Unit Owner is responsible and such failure creates a condition that threatens another Unit or the Common Elements, the Association may take such actions as are necessary to correct such condition without prior notice or with only such prior notice as can reasonably be given consistent with the threat. If the Association does take such action, the Unit Owner shall reimburse the Association for the cost of correcting the condition.

Section 6.6 – Inspection, Repair, and Replacement of High-Risk Components or Conditions.

- (a) Notwithstanding the provisions of this Article VI, the Executive Board may, from time to time, after Notice and Comment, determine that certain portions of the Units required to be Maintained, Repaired, or Replaced by the Unit Owners under the Declaration or Subsection 47-249(a) of the Act, or certain objects, fixtures, components, or conditions within the Units, pose a particular risk of damage to, or could have an adverse effect on, other Units or the Common Elements if they are not properly inspected, operated, treated, Maintained, Repaired, or Replaced. By way of example, but not of limitation, these portions, objects, fixtures, components, or conditions might include smoke detectors, washer hoses, chimneys, insect infestations, and water heaters. In this Section 6.6, those items

determined by the Executive Board to pose such a particular risk are referred to as "High-Risk Components or Conditions."

- (b) At the same time that it designates a High-Risk Component or Condition or at a later time, the Executive Board, after Notice and Comment, may require one (1) or more of the following with regard to the High-Risk Component or Condition:
 - (i) That it be inspected at specified intervals by the Association, an inspector or inspectors designated by the Association, or an inspector or inspectors having particular licenses, training or professional certification;
 - (ii) That it be operated in a specified manner, or that it be operated or not operated at specified times or under specified conditions;
 - (iii) That it be Maintained, Repaired, Replaced, or treated at specified intervals, or with reference to manufacturers' warranties, whether or not the individual component is deteriorated or defective;
 - (iv) That it be Maintained, Repaired, Replaced, or treated with items or components meeting particular standards or specifications established by the Executive Board;
 - (v) That when it is Maintained, Repaired, or Replaced, the installation include additional components or installations specified by the Executive Board;
 - (vi) That it be Maintained, Repaired, Replaced, or treated by contractors having particular licenses, training, or professional certification or by contractors approved by the Association; or
 - (vii) If the Maintenance, Repair, Replacement, or treatment is completed by a Unit Owner, that it be inspected by a Person designated by the Association, or an inspector or inspectors having particular licenses, training, or professional certification.
- (c) The imposition of requirements by the Executive Board under Subsection 6.6(b) shall not relieve a Unit Owner of any obligation under Section 6.2 of this Declaration, including, but not limited to, the obligation to perform and pay for Maintenance, Repair, and Replacement.
- (d) If any Unit Owner fails to Maintain, Repair, or Replace a High-Risk Component or Condition, or have the High-Risk Component or Condition inspected, in accordance with the requirements established by the Executive Board pursuant to this Section 6.6, the Association may, in addition to any other rights and powers granted to it under the Community Documents and the Act:
 - (i) Enter the Unit in accordance with Section 6.4 of this Declaration, and inspect, Maintain, Repair, or Replace the High-Risk Component or

Condition, and charge the cost to the Unit Owner as a Common Expense attributable to the Unit under Section 17.2 of this Declaration;

- (ii) Fine the Unit Owner or the occupant of the Unit or both under Subsection 23.1(n) of this Declaration; and
- (iii) Bring an action against the Unit Owner for specific performance of the Unit Owner's duties under this Section 6.6.

Section 6.7 – Conduct of Maintenance, Repair, and Replacement by the Association.

- (a) The Association, acting at the direction of the Executive Board, and not the Unit Owner of any affected Unit, shall have the exclusive authority to select, contract with, direct, retain, and replace all contractors and vendors for all activities to Maintain, Repair, and Replace portions of the Property for which funds of the Association are used or to be used.

Section 6.8 – Work Done By or at the Direction of Unit Owners or Tenants of Units.

- (a) Any work done to any portion of the Property by any Unit Owner or tenant of a Unit or by any Person hired by or working at the direction of any Unit Owner or tenant of a Unit, whether compensated or not, shall be subject to the requirements set out below. These requirements shall be in addition to any requirements created by or pursuant to other portions of the Community Documents or by applicable law.
- (b) Any Person performing work for which a license or registration is required, must hold the appropriate license or registration.
- (c) If a permit is required from any department or governmental authority for the work, the permit must be obtained at the expense of the Unit Owner or tenant of the Unit before the work is commenced.
 - (i) Any applications for such permit shall be executed by the Unit Owner only. Such execution shall not, however, create any liability on the part of the Association or any of its members to any contractor, subcontractor, or material supplier on account of any addition, alteration, or improvement or to any Person having any claim for injury to Person or damage to property arising there from.
 - (ii) Copies of all permits, as well as inspection reports, orders, and certificates of occupancy or completion issues in relation to the permit shall be furnished to the Association.
- (d) Any Person performing work, who is required to carry workers' compensation insurance by the State of Connecticut, shall maintain such insurance.

- (e) Any Person performing work, except for Unit Owners and tenants of Units and members of their respective households, shall maintain liability insurance in an amount of not less than one million (\$1,000,000.00) dollars for bodily injury or for property damage for any single occurrence.
- (f) The Executive Board may adopt other reasonable requirements for the performance of such work by Rule.

**ARTICLE VII
INTENTIONALLY OMITTED**

**ARTICLE VIII
ALLOCATED INTERESTS**

Section 8.1 – Allocation of Interests.

The table showing Unit numbers of each Unit and their Allocated Interests is attached as Schedule A to the original Declaration. These interests have been allocated in accordance with the formulas set out in this Article VIII. These formulas are to be used in reallocating interests if Units are added to the Common Interest Community. In the event of discrepancy between the Allocated Interests of a Unit shown on Schedule A and the results derived from the formulas set out in this Article VIII, the Allocated Interests shown on Schedule A of the original Declaration shall prevail.

Section 8.2 – Formulas for the Allocation of Interests.

The Allocated Interests for each Unit have been calculated by applying the following formulas.

- (a) Undivided Interest in the Common Elements. The percentage of the undivided interest in the Common Elements allocated to each Unit is based on the relative floor area of each Unit as shown on the Plans compared to the floor area of all of the Units in the Common Interest Community. For the purpose of this calculation, the floor areas of basements and attics, if any, are not to be counted.
- (b) Liability for Common Expense. The percentage of liability for Common Expenses allocated to each Unit is based on the relative floor area of each Unit as shown on the Plans compared to the floor area of all of the Units in the Common Interest Community. For the purpose of this calculation, the floor areas of basements and attics, if any, are not to be counted.

Nothing in this Subsection shall prohibit certain Common Expenses from being apportioned to particular Units under Article XVII of this Declaration.

- (c) Votes. Each Unit in the Common Interest Community shall have one (1) equal Vote. Any specified percentage, portion, or fraction of Unit Owners, unless otherwise stated in the Community Documents, means the specified percentage,

portion, or fraction of all of the Votes as shown in Schedule A of the original Declaration.

**ARTICLE IX
RESTRICTIONS ON USE AND OCCUPANCY AND ALIENATION**

Section 9.1 – Use and Occupancy Restrictions for the Units.

The following use and occupancy restrictions apply to all Units. Amendments to these restrictions may be made only in accordance with Subsection 14.3(a) of this Declaration.

- (a) Residential Use. Each residential Unit is restricted to residential use as a single-family residence including home occupations not involving employees, regular visits from the public or unreasonable levels of mail, shipping, trash, or storage. No sign indicating commercial or professional uses may be displayed outside a Unit. A single-family residence is defined as a single housekeeping unit, operating on a non-profit, non-commercial basis between its occupants, cooking and eating with a common kitchen and dining area.

Use of “Garage Units” is limited to general storage and motor vehicle storage, and Garage Units may not be occupied as residences.

- (b) Intentionally Omitted.
- (c) Use Affecting Insurance. Nothing may be done or kept in any Unit that will increase the rate of insurance on any Improvements, or the contents of other Units, beyond the rates generally applicable to similar residential common interest communities, without prior written consent of the Executive Board. No Unit Owner may permit anything to be done or kept in the Unit which will result in the cancellation of insurance on any of the Improvements or the contents of other Units.
- (d) Compliance with Laws. Unit Owners and occupants of Units shall comply with all laws, ordinances, and regulations, including, but not limited to, zoning and land use regulations, of all governmental bodies having jurisdiction over the Common Interest Community and the Units, and Unit Owners and occupants of Units shall hold the Association and other Unit Owners harmless from all fines, penalties, costs, and prosecutions arising out of any noncompliance or other violation.
- (e) Structural Integrity. Except pursuant to Article XII of the Declaration, nothing may be done to any Unit that will impair the Structural integrity of or change the Structure of any Improvement. No Unit Owner may do any work that may jeopardize the soundness or safety of the Property, reduce the value of any portion thereof, or impair any easements or any interest constituting a Common Element.

- (f) Rules Affecting the Use and Occupancy of Units. Except as required or permitted by other provisions of the Declaration, the Association may adopt Rules that affect the use or occupancy of Units only to:
- (i) Implement a provision of the Declaration;
 - (ii) Regulate any behavior in or occupancy of a Unit which violates the Declaration or adversely affects the use and enjoyment of other Units or the Common Elements by other Unit Owners; or
 - (iii) Restrict the leasing of a Unit to the extent that the Rules are reasonably designed to meet underwriting requirements of institutional lenders that regularly make loans on units in common interest communities or regularly purchase such mortgages.
- (g) Offensive Activities. No noxious or unreasonably offensive activities may be carried on in any Unit, nor may anything be done therein either willfully or negligently that may be or become an unreasonable annoyance, that interferes with the proper use of the Property by Unit Owners or other occupants of Units, or that adversely affects other Units or the Common Elements.
- (h) Pets.
- (i) No animals, birds, or reptiles of any kind may be raised, bred, or kept in the Common Interest Community, except for dogs, cats, and other customary household pets, not to exceed two pets per unit, which may be kept subject to the rules and regulations to be adopted by Rule by the Board of Directors, provided that no change in a Rule shall require the removal of any pet then being kept in the Common Interest Community as long as the pet or the pet's owner does not behave improperly.
 - (ii) No animal of any kind that has venom or poisonous defense or capture mechanisms, or if let loose would constitute vermin, shall be allowed in the Common Interest Community.
 - (iii) Pets may not be kept, bred, or maintained for any commercial purposes.
 - (iv) Not more than two (2) pets may be kept in any Unit.
 - (v) No dog is permitted in any portion of the Common Elements unless carried or on a leash.
 - (vi) If the Executive Board, after Notice and Hearing, determines that a pet, or the pet's owner, has done or permitted any of the following, the owner will permanently remove the pet from the Common Interest Community upon three (3) days' written notice of the determination:

- (A) The pet repeatedly makes noise that disturbs Unit Owners or other occupants of Units;
 - (B) The pet attacks or attempts to attack a Person or another pet;
 - (C) The pet is repeatedly allowed to run loose; or
 - (D) The owner of the pet repeatedly fails to pick up after the pet or allows the urine or droppings from the pet to accumulate or soak into any portion of the Improvements.
- (vii) Trained guide dogs and other service or comfort animals are permitted if such animals serve as physical aides to Persons with disabilities and such animals have been trained or provided by an agency or service qualified to provide or train such animals. Other animals will be permitted as reasonable accommodations for Persons with disabilities to the extent they are permitted by applicable law.

Section 9.2 – Use and Occupancy Restrictions for the Common Elements

- (a) Each Limited Common Element is restricted to use by the Unit to which such limited common element is assigned
- (b) Nothing may be hung or displayed on the windows or placed on the outside walls of any of the buildings or within Common Elements in the buildings, unless it is permitted by Rule or by prior written approval from the Association.
- (c) No awnings, canopies, shutters, or other items may be affixed to or placed upon the exterior walls or roofs of any building without the prior written consent of the Executive Board.
- (d) No signs, including, but not limited to, “For Sale” signs and signs indicating commercial uses, may be placed in the window of any Unit, or on the exterior walls of any building, or anywhere else in the Common Elements, unless permitted by Rule or by the prior written consent of the Executive Board.
- (e) Flags and holiday decorations may be affixed to or placed upon a unit or on a limited common element adjoining a unit, under standards established by rule of the Association.
- (f) By Rule, the Association may provide additional restrictions on and definitions of signs, flags, and exterior displays as well as procedures for approval and for the administration of this Section. However:
 - (i) No Rule may prohibit display on a Unit or on a Limited Common Element adjoining a Unit, of the United States flag, the flag of the State of Connecticut or signs regarding candidates for public or Association office

or ballot questions but the Association may adopt reasonable Rules governing the time, place, size, number, and manner of those displays; and

- (ii) A Unit Owner or other resident of a Unit may attach to an entry door or entry door frame of such Unit an object, the display of which is motivated by observance of a religious practice or sincerely held religious belief, provided that, except to the extent allowed by the First Amendment to the United States Constitution and Section 3 of Article First of the Constitution of the State of Connecticut, such item may not:
 - (A) Threaten the public health or safety;
 - (B) Hinder the opening and closing of an entry door;
 - (C) Violate any federal, state, or local law;
 - (D) Contain graphics, language, or any display that is obscene or otherwise patently offensive;
 - (E) Individually or in combination with each other item displayed or affixed to an entry door frame have a total size greater than twenty-five (25) square inches; or
 - (F) Individually or in combination with each other item displayed or affixed on an entry door have a total size greater than four (4) square feet.
- (g) Except for removable clotheslines or fixtures for the drying of laundry, which may be affixed only in such locations approved by the Executive Board and are not visible from the streets, drives, and walkways of the Common Elements, no clotheslines are permitted in the Common Elements. Clotheslines that are permitted must be removed when not in use.
- (h) The use of the Common Elements is subject to the Bylaws and the Rules of the Association.

Section 9.3 – Limitations on Activities within Units or the Common Elements.

Activities within the Units and Common Elements are restricted by the following limitations. Because these limitations are neither use nor occupancy restrictions, they may be amended by the vote or agreement of Unit Owners of Units to which at least sixty-seven percent (67%) of the Votes in the Association are allocated in accordance with Section 14.1 of this Declaration.

- (a) Trash. Trash may not be stored, either inside or outside of any building, in such a manner as to promote the spread of fire or vermin. No accumulation of trash, garbage, recyclable materials, rubbish, debris, or unsightly material shall be

permitted inside or outside of any building, except in designated and approved trash storage containers. By Rule, the Association may provide additional restrictions, procedures, and requirements concerning the deposit, storage, and removal of trash, for the location of trash containers, and for administration of this provision.

- (b) Cleanliness. Each Unit Owner or occupant of a Unit shall keep the Unit in a good state of preservation and cleanliness. By Rule, the Association may provide additional standards concerning preservation and cleanliness of Units.
- (c) Intentionally Omitted.
- (d) Insects and Vermin. Each Unit Owner or occupant of a Unit shall keep the Unit free of insects and vermin, including, but not limited to, bedbugs. If insects or vermin are found in a Unit, the Unit Owner or occupant shall take whatever action is reasonably necessary to eliminate them and to prevent their return.
- (e) Bylaws and Rules. Activities within the Common Elements are subject to the Bylaws and the Rules of the Association.
- (f) Antennas. The Association may adopt Rules regulating and restricting the installation of antennas in the Common Interest Community. However, any such Rule, as it applies to the Units and Limited Common Elements may not exceed the limitations set by the Federal Communications Act.
- (g) Automobiles. . All commercial vehicles, commercial trucks, motor bikes, vans, boats, trailers and or motor cycles must be parked in the garage. They must not be stored outside of the garage or on any other part of the property, except those vehicles temporarily on the property for purposes of servicing the property itself or one of the Units.

Section 9.4 – Time-Sharing Prohibited

A Unit may not be conveyed pursuant to a time-sharing plan as defined under Chapter 734b of the Connecticut General Statutes.

Section 9.5 – Leasing Less Than an Entire Unit

A Unit Owner may not lease less than an entire Unit.

Section 9.6 – Intentionally Omitted.

Section 9.7 – Written Agreements Between Unit Owners and Tenants of Units.

The Executive Board, after Notice and Comment, may adopt a Rule establishing a form of addendum to be executed by any Unit Owner who leases a Unit or otherwise grants exclusive possession of the Unit to another Person and by the tenant or other occupant of the Unit. The

form of addendum may contain provisions which, in the opinion of the Executive Board, will help to ensure that the tenant or other occupant, as well as the Unit Owner, abides by the Community Documents. These provisions may include, but are not limited to:

- (a) A requirement that the Association be notified of the names, work addresses, telephone numbers, and motor vehicle information for all tenants and occupants;
- (b) A requirement that the Unit Owner furnish the tenants or other occupants with a copy of the Community Documents and an acknowledgment by the tenants and other occupants that they have received the copy;
- (c) An acknowledgment by the tenants and other occupants that they are aware that the Unit is located in the Common Interest Community and that they agree to be bound by the terms of the Community Documents as if these terms were contained in the lease of the Unit;
- (d) An agreement by the tenants and other occupants that the Association has all of the same enforcement powers against the tenants and other occupants as it has against the Unit Owner, including the power to fine after Notice and Hearing;
- (e) An agreement by the tenants and other occupants and the Unit Owner landlord that if the tenants or other occupants violate any of the provisions of the Community Documents, or the Act, the Association has the same power to bring a summary process action against them that the Unit Owner landlord has for a violation of the lease;
- (f) An agreement by the tenants and other occupants and the Unit Owner that they will be jointly and severally liable to the Association for any assessment against the Unit, including, but not limited to, fines, attorney's fees and costs, charges resulting from misconduct, and any other sums that may be due to the Association, as a result of the occupancy of the Unit by the tenants or other occupants or by their conduct or the conduct of the members of their household or their guests in the Common Interest Community;
- (g) An agreement that copies of any notice relating to the occupancy of the Unit or the Common Interest Community by the tenants and other occupants which the Association is required to give or may choose to give may, at the Association's option, be given to both the Unit Owner and the tenants and other occupants; and
- (h) An agreement by the Unit Owner landlord and the tenants and other occupants that the Association shall not be liable to any of them for any action it takes in good faith to enforce the terms of the Community Documents or the Act against the tenants and other occupants including, but not limited to, bringing a summary process action.

No later than the time the tenants or other occupants first occupy the Unit, the Unit Owner shall furnish the Association with a copy of the addendum, executed by the parties,

together with any other documents and information which the addendum requires to be furnished to the Association.

**ARTICLE X
EASEMENTS AND LICENSES**

All easements or licenses appurtenant to the Common Interest Community or to which the Common Interest Community is presently subject are recited in Schedule A-1 to this Declaration. In addition, the Common Interest Community may be subject to other easements or licenses granted by the Declarant pursuant to its powers under Article VII of this Declaration.

**ARTICLE XI
ALLOCATION AND REALLOCATION OF LIMITED COMMON ELEMENTS**

Section 11.1 – Intentionally Omitted

Section 11.2 – Intentionally Omitted

Section 11.3 – Reallocation of Existing Limited Common Elements

- (a) Except as otherwise provided in this Section 11.3, no Limited Common Element may be reallocated between units by an amendment to the Declaration.
- (b) Limited Common Elements may also be reallocated between Units as part of the reallocation of the boundaries of adjoining Units pursuant to Article XIII of this Declaration.
- (c) The reallocation of Limited Common Elements between Units, as permitted by this Section 11.3 shall be effected by an amendment to the Declaration executed by the Unit Owners between whose Units the reallocation is made. Such amendment shall require the written approval of all holders of Security Interests in the affected Units, which approval shall be attached to the amendment. The Persons executing the amendment shall provide an executed copy thereof to the Association which, if the amendment complies with the provisions of this Declaration and the Act, shall endorse its approval on the amendment and record it. The amendment shall contain words of conveyance between the Unit Owners and shall be recorded and indexed in the names of the parties and of the Common Interest Community. The parties executing the amendment shall be responsible for the preparation of the amendment and shall reimburse the Association for its reasonable attorney's fees in connection with the review of the amendment, and for recording costs.

**ARTICLE XII
ADDITIONS, ALTERATIONS, AND IMPROVEMENTS**

Section 12.1 – Additions, Alterations, and Improvements to Units by Unit Owners

A Unit Owner:

- (a) May make any Improvements or alterations to the interior of the Unit that do not impair the Structural integrity or mechanical systems or lessen the support of any portion of the Common Interest Community.
- (b) After acquiring an adjoining Unit or an adjoining part of an adjoining Unit, may remove or alter any intervening partition or create apertures therein, even if the partition in whole or in part is a Common Element, if those acts do not impair the Structural integrity or mechanical systems or lessen the support of any portion of the Common Interest Community. The plans for such changes shall be first submitted to the Executive Board for approval as to Structural integrity, safety, and compliance with building and other codes. Removal of partitions or creation of apertures under this Subsection is not an alteration of boundaries.

Section 12.2 – Additions, Alterations, and Improvements to or Affecting Common Elements by Unit Owners

- (a) Unless permitted by the Executive Board as provided in Section 12.3 of this Declaration, a Unit Owner:
 - (i) May not make any improvements or alterations to the interior of the Unit that may impair the Structural integrity or mechanical systems or lessen the support of any portion of the Common Interest Community; and
 - (ii) May not make any addition, alteration, or improvement to, attach anything to or change the appearance of any portion of the Common Elements or the exterior appearance of any other portion of the Common Interest Community.
- (b) A Unit Owner or occupant of a Unit may make Structural or nonstructural changes to the Unit or to the Common Elements in order to accommodate the needs of handicapped individuals as required by the Federal Fair Housing Amendments Act of 1988. The plans for such changes shall first be submitted to the Executive Board for approval as to Structural integrity, safety, compliance with building and other codes, and consistency with the aesthetic integrity of the Common Interest Community. All exposed elements of such changes will be surfaced, painted, and trimmed in a manner consistent with surface materials, paint colors, and trim styles of the other Improvements.

Section 12.3 – Approval by Executive Board of Certain Additions, Alterations, and Improvements by Unit Owners

- (a) A Unit Owner may submit a written request to the Executive Board for approval to do anything that is otherwise prohibited or regulated under Section 12.2 of this Declaration. The Executive Board shall answer any written request for such approval. Failure to answer within such time, as it shall be extended by agreement of the applicant, shall be deemed to be a denial by the Executive Board of the proposed action.
- (b) In acting on any request made under Subsection 12.3(a), the Executive Board shall observe the requirements and limitations of all applicable laws, ordinances, and regulations, including, but not limited to the Federal Fair Housing Amendments Act of 1988.
- (c) The Executive Board may establish time limits and impose conditions on its approval of an application under Subsection 12.3(a). These may include, but are not limited to, the following:
 - (i) That the addition, alteration, or improvement be made by contractors holding particular licenses or certifications, having particular qualifications, or having specified levels of insurance coverage.
 - (ii) That, subject to the requirements of Subsection 12.4(a) of this Declaration, the Unit Owner obtain and pay for all necessary permits and other governmental approvals for the addition, alteration, or improvement.
 - (iii) That the work be done in a specified manner or only during specified times.
 - (iv) That the addition, alteration, or improvement be completed by a certain deadline.
 - (v) That the Unit Owner Maintain, Repair, and Replace the addition, alteration, or improvement or reimburse the Association for the costs of Maintenance, Repair, and Replacement.
 - (vi) That the approval and the conditions imposed on the approval be incorporated in a written agreement, signed on behalf of the Association and by the Unit Owner and recorded on the land records of each town in which any portion of the Common Interest Community is located.
- (i) The Association may require the Unit Owner to pay an application fee, at the time the application is made, at such later time as the Executive Board determines, or both, to reimburse the Association for its costs in considering and acting on the

application including, but not limited to, recording charges and the reasonable fees of attorneys and design professionals.

- (ii) In the absence of a recorded agreement to the contrary, any addition, alteration, or improvement installed by a Unit Owner will be Maintained, Repaired, and Replaced by the Unit Owner at the expense of the Unit Owner. If the Unit Owner fails to Maintain, Repair, or Replace the addition, alteration, or improvement, the Association may, in addition to any other remedies available under the Community Documents or the Act, and after Notice and Hearing:
 - (i) Perform the needed Maintenance, Repair, or Replacement and assess the cost of the work against the Unit; or
 - (ii) Remove the addition, alteration, or improvement, restore the affected portions of the Property to their original condition and assess the cost of the restoration against the Unit.
- (iii) The Executive Board may grant approval for a type or class of modifications or installations by adopting a Rule, after Notice and Comment.
- (iv) The Executive Board may establish forms and procedures for the making and processing of applications under this Section.
- (v) Nothing in this Section shall be deemed to require the Executive Board to approve or disapprove any particular request. Neither shall the approval or disapproval of any prior request require the Executive Board to approve or disapprove any other request at a later date.

Section 12.4 – General Provisions Relating to Additions, Alterations, and Improvements by Unit Owners

- (a) Any applications to any department or to any governmental authority for a permit to make any addition, alteration, or improvement to any Unit or to the Common Elements by a Unit Owner shall be executed by the Unit Owner. Such execution shall not, however, create any liability on the part of the Association or any of its members to any contractor, subcontractor or material supplier on account of such addition, alteration, or improvement or to any Person having any claim for injury to person or damage to property arising therefrom.
- (b) No additions, alterations, and improvements to the Units and Common Elements that will materially increase the premiums of any insurance policies carried by the Association or by the owners of any other Units shall be made by any Unit Owner unless approved in writing by the Executive Board.

Section 12.5 – Additions, Alterations, and Improvements by Executive Board

Subject to the limitations of Sections 17.4 and 17.5 of this Declaration, the Executive Board may make any additions, alterations, and improvements to the Common Elements, which, in its judgment, it deems necessary, appropriate, or useful.

**ARTICLE XIII
RELOCATION OF BOUNDARIES BETWEEN ADJOINING UNITS**

Section 13.1 – Application and Amendment

Subject to the approval, if any, required pursuant to Article XII of this Declaration, and any governmental approvals that may be required, the boundaries between adjoining Units may be relocated by an amendment to this Declaration on application to the Association by the owners of the Units affected by the relocation. If the owners of the adjoining Units have specified a reallocation between their Units of their Allocated Interests, the application shall state the proposed reallocation. Unless the Executive Board determines, within thirty (30) days after receipt of the application, that the reallocations are unreasonable, or the Unit Owners have failed to obtain the required governmental approvals, the Association shall consent to the reallocation and prepare an amendment that identifies the Units involved, states the reallocation and indicates the Association's consent. The amendment shall be executed by those Unit Owners and contain words of conveyance between them, and the approval of the Association shall be endorsed thereon. Such amendment shall also require the written approval of all holders of Security Interests in the affected Units, which approval shall be attached to the amendment. On recording, the amendment shall be indexed in the names of the Unit Owners as grantor and grantee, and in the name of the Association and the Common Interest Community as grantee.

The applicants shall reimburse the Association for its reasonable costs incurred in the review and preparation of the amendment and any required Surveys or Plans including, but not limited to, the fees of architects, attorneys and other professionals engaged by the Association, and recording costs.

Section 13.2 – Surveys and Plans

The Association shall prepare and record Surveys or Plans necessary to show the altered boundaries between adjoining Units, and their dimensions and identifying numbers.

**ARTICLE XIV
AMENDMENTS TO DECLARATION**

Section 14.1 – Amendment – Generally

- (a) Except as otherwise provided in the Act or in this Declaration, including the Survey and Plans, this Declaration may be amended only by vote or agreement of Unit Owners of Units to which at least sixty-seven percent (67%) of the Votes in the Association are allocated.

- (b) Certain provisions of this Declaration which are mandated or limited by the Act or other applicable law may not be freely amended. Amendments to certain provisions may require corresponding amendments to other provisions of this Declaration or of other Community Documents. It is recommended that no amendment be made to this Declaration or to other Community Documents without the advice of knowledgeable counsel. It is intended that this recommendation not provide a basis for a new cause of action against the Executive Board, although it may be relevant to the standard of care for the Executive Board.

Section 14.2 – When Unanimous Consent Required

Except to the extent expressly permitted or required by other provisions of the Act or this Declaration, including, but not limited to, Sections 13.1 and 14.4 of this Declaration, no amendment may create or increase Special Declarant Rights, increase the number of Units, or change the boundaries of any Unit or the Allocated Interests of any Unit in the absence of the unanimous consent of the Unit Owners.

Section 14.3 – Amendments Relating to Use and Occupancy

- (a) By vote or agreement of Unit Owners of Units to which at least eighty percent (80%) of the Votes in the Association are allocated, Section 9.1 of the Declaration may be amended and other amendments to the Declaration may be adopted which prohibit or materially restrict the permitted uses or occupancy of a Unit or the number or other qualifications of Persons who may occupy Units or which alter any such existing prohibitions or material restrictions.
- (b) Amendments to the Declaration which impose or alter other limitations on activities within a Unit or the Common Elements, such as those provided in Sections 9.2 and 9.3 of this Declaration, may be adopted under the general amendment provisions set out in Section 14.1 of this Declaration.
- (c) Any amendment approved under this Section, must provide reasonable protection for a use or occupancy permitted at the time the amendment was adopted.

Section 14.4 – Intentionally Omitted

Section 14.5 – Other Amendments

- (a) Certain amendments relating to the allocation or reallocation of Limited Common Elements are governed by and shall be made in accordance with the provisions of Article XI of this Declaration.
- (b) Certain amendments relating to the relocation of boundaries between adjoining Units are governed by and shall be made in accordance with the provisions of Article XIII of this Declaration.

Section 14.6 – Notice to Unit Owners of Amendments to the Declaration

Following the adoption of an amendment to this Declaration by the Association, the Association shall give all Unit Owners notice of its action and include with it a copy of such amendment.

Section 14.7 – Limitation on Challenges

No action to challenge the validity of an amendment adopted by the Association pursuant to this Article may be brought more than one (1) year after the amendment is recorded.

Section 14.8 – Recording and Execution of Amendments

Every amendment to this Declaration shall be recorded on the land records of each town in which any portion of the Common Interest Community is located and is effective only on recording. An amendment, except an amendment pursuant to Article XIII of this Declaration, shall be indexed in the name of the Common Interest Community and the Association as grantees and in the name of the parties executing the amendment as grantors.

- (a) Amendments to this Declaration required by the Act to be recorded by the Association, which have been adopted in accordance with this Declaration and the Act, shall be prepared, executed, recorded, and certified on behalf of the Association by any officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association.

Section 14.9 – Consent of Holders of Security Interests

Amendments are subject to the consent requirements of Article XVI of this Declaration.

**ARTICLE XV
TERMINATION**

Termination of the Common Interest Community may be accomplished only in accordance with Section 47-237 of the Act.

**ARTICLE XVI
MORTGAGEE PROTECTION**

Section 16.1 – Introduction

This Article establishes certain standards and covenants for the benefit of the holders, insurers, and guarantors of certain Security Interests. This Article is supplemental to, and not in substitution for, any other provisions of the Community Documents, but in the case of conflict, this Article shall control.

Section 16.2 – Supplemental Definitions

As used in this Article and elsewhere in this Declaration, the following terms shall have the following meanings:

- (a) “Eligible Insurer” shall mean an insurer or guarantor of a first Security Interest in a Unit that has notified the Association in writing, of its name and address, that it has insured or guaranteed such Security Interest, and the identification of the Unit on which it has insured or guaranteed such Security Interest. Such notice shall be deemed to include a request that the Association give the Eligible Insurer the notices and other rights described in this Article.
- (b) “Eligible Mortgagee” shall mean the holder of a first Security Interest in a Unit that has notified the Association in writing, of its name and address, that it holds a first Security Interest in a Unit, and the identification of the Unit on which it holds such Security Interest. Such notice shall be deemed to include a request that the Association notify the Eligible Mortgagee of any proposed action requiring the consent of a specified percentage of holders of first Security Interests and that the Eligible Mortgagee be given the other notices and rights described in this Article.
- (c) “Material Adverse Action” shall mean any amendment to the Declaration or any action of the Executive Board or the Association that is of a material adverse nature to holders of first Security Interests in a Unit, including, but not limited to, any of the following:
 - (i) Abandonment, partition, subdivision, encumbrance, sale, or transfer of any Common Elements, other than the granting of easements for public utilities or other public purposes consistent with the intended use of the Common Elements;
 - (iii) Any change in the procedures that protect the interest of a holder of a first Security Interest when handling any losses or proceeds from condemnation, destruction, or liquidation of all or part of the Common Interest Community, or from termination of the Common Interest Community;
 - (iv) Any change in the Unit Owner’s interest in or obligations to the Common Interest Community in order to levy assessments or charges, to allocate distribution of homeowner’s insurance proceeds or condemnation awards, or to determine Unit Owner’s interest in the Common Elements;
 - (v) Changes in the priority of liens for assessments made against the Units;
 - (vi) Reductions in reserves for Maintenance, Repair, and Replacement of Common Elements (other than use of reserves for the purpose for which the reserve as established);

- (vii) Responsibility for Maintenance, Repair, and Replacement of the Common Elements;
- (viii) Reallocations of interests in the Common Elements or rights to their use, except reallocation made under Article XI of this Declaration;
- (ix) Redefinition of any Unit boundaries (except that when only boundaries between adjoining Units are involved, then only the approval of the Unit Owners of such Units and the holders of all Security Interests in such Units is required);
- (x) Conversion of Units into Common Elements or of Common Elements into Units;
- (xi) Expansion or contraction of the Common Interest Community, or the addition, annexation, or withdrawal of property to or from the Common Interest Community, except pursuant to the exercise of Development Rights or as otherwise provided in this Declaration;
- (xii) Imposition of any restrictions on the leasing or rental of Units;
- (xiv) Imposition of any restrictions on a Unit Owner's right to sell or transfer a Unit; and
- (xv) Any action to terminate the Common Interest Community or use of insurance proceeds for any purpose other than to rebuild.

Notwithstanding the foregoing, no amendment or action that is taken pursuant to the exercise of Development Rights shall constitute a Material Adverse Action.

Section 16.3 – Consent Required

- (a) No Material Adverse Action may be taken by the Association or by the Executive Board or shall be effective until approved by Eligible Mortgagees holding Security Interests in more than fifty percent (50%) of the Units that are subject to Security Interests held by Eligible Mortgagees (or any greater Eligible Mortgagee approval required by this Declaration). The foregoing consents do not apply to the exercise of any Development Right.
- (b) The approval or consent of any Person holding a Security Interest in a Unit of any Material Adverse Action shall be deemed granted if a refusal to consent in a record is not received by the Association within sixty (60) days after the Association delivers notice of the proposition requiring consent to the holder of the Security Interest or mails the notice to such holder by certified mail, return receipt requested. The Association may rely on the last-recorded Security Interest of record in delivering or mailing notice to the holder of such Security Interest.

- (c) Unless otherwise expressly provided, wherever in this Declaration the request, approval or consent of a specified percentage of holders of Security Interests on Units is required, it shall mean the request, approval, or consent of holders of first Security Interests in Units which, in the aggregate, have allocated to them such specified percentage of Votes in the Association when compared to the total allocated to all Units then subject to first Security Interests.

Section 16.4 – Notice of Certain Actions or Events

The Association shall give prompt written notice by certified mail, return receipt requested, or by any express or courier service that produces a receipt, to each Eligible Mortgagee and Eligible Insurer, and each Unit Owner hereby consents to and authorizes such notice, of the following:

- (a) Any condemnation loss or any casualty loss which affects a material portion of the Common Interest Community (for this purpose material includes a condemnation or property loss greater than ten percent (10%) of the annual Common Expense budget) or any Unit in which there is a first Security Interest held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable;
- (b) Any delinquency or default in the payment of Common Expense Assessments owed by an Owner whose Unit is subject to a first Security Interest held, insured, or guaranteed, by such Eligible Mortgagee or Eligible Insurer, which remains uncured for a period of sixty (60) days;
- (c) Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; or
- (d) Any proposed action which would require the consent of a specified percentage of holders of first Security Interests on Units.

Section 16.5 – Intentionally Omitted

Section 16.6 – Other Mortgagee Rights

- (a) The Association shall permit any Eligible Mortgagee or Eligible Insurer to inspect the books and records of the Association during normal business hours on the same terms as Unit Owners.
- (b) A majority of the holders of first Security Interests on Units may require professional management of the Common Interest Community.

Section 16.7 – Financial Statements

- (a) The Association shall provide any Eligible Mortgagee or Eligible Insurer, which submits a written request, with a copy of the most recently available annual financial statement of the Association.
- (b) If so requested by a majority of the holders of first Security Interests on Units, the Association shall have its financial records audited.

Section 16.8 – Enforcement

The provisions of this Article are for the benefit of Eligible Mortgagees and Eligible Insurers and their successors, and may be enforced by any of them by any available means, at law, or in equity.

Section 16.9 – Attendance at Meetings

Any representative of an Eligible Mortgagee or Eligible Insurer may attend any meeting which a Unit Owner may attend.

ARTICLE XVII ASSESSMENT AND COLLECTION OF COMMON EXPENSES

Section 17.1 – Apportionment of Common Expenses

Except as provided in Section 17.2 of this Declaration, all Common Expenses shall be assessed against all Units in accordance with their share of the Common Expenses as shown on Schedule A to the Declaration.

Section 17.2 – Common Expenses Attributable to Fewer than All Units

- (a) Intentionally Omitted.
- (b) Any Common Expenses associated with the Maintenance, Repair, or Replacement of an awning shall be assessed against the Unit to which the awning is assigned as a Limited Common Element.
- (c) Any increase in insurance premiums attributable to a particular Unit or Units by virtue of the occupancy of, activities in or construction of the Unit or Units shall be assessed against that Unit or Units.
- (d) Fees, charges, late charges, fines, and interest charged against a Unit Owner or the occupant of a Unit pursuant to the Community Documents and the Act are enforceable as Common Expense Assessments against the Unit or Units owned by such Unit Owner.
- (e) If the Association, or anyone acting at the direction of the Association, incurs any expense for Maintenance, Repair, or Replacement of any portion of a Unit, made or performed for the purpose of correcting a condition threatening another Unit or

the Common Elements including, but not limited to, gaining entry to the Unit in order to correct such condition, pursuant to Section 6.4 of this Declaration, the Association may assess that expense against the Unit Owner and the Unit, following Notice and Hearing to the affected Unit Owner.

- (f) If any tax is imposed on the Association or upon any goods or services purchased by the Association by virtue of the use or occupancy of some, but less than all, of the Units, including, but not limited to, the use of any Unit for the production of income, such tax shall be paid as a Common Expense and assessed exclusively against the Unit or Units whose use or occupancy gives rise to the imposition of the tax. The assessment shall be allocated among the Units against which it is assessed in the same proportion as each Unit's share of liability for Common Expenses bears to the liability for Common Expenses of all Units against which the assessment is assessed. The Association may require certificates of status from Unit Owners in order to enforce and determine applicability of such impositions.
- (g) Notwithstanding the provisions of Subsection 21.2(b) of this Declaration, if any Common Expense is caused by the willful misconduct, failure to comply with a written maintenance standard promulgated by the Association, or gross negligence of any Unit Owner or tenant or a guest or invitee of a Unit Owner or tenant, the Association may, after Notice and Hearing, assess the portion of that Common Expense in excess of any insurance proceeds received by the Association under its insurance policy, whether that portion results from the application of a deductible or otherwise, exclusively against that Unit Owner's Unit.
- (h) Any charges assessed against a Unit in connection with additions, alterations, or improvements applied for or approved under Section 12.3 of this Declaration.
- (i) Portions of the cost of restoring Units allocated to individual Units under the provisions of Subsection 21.2(b) of this Declaration shall be assessed against the Unit or Units to which they are allocated.
- (j) The Association may, from time to time, provide services to individual Units, their Unit Owners or their occupants at the request of or with the authorization of the Unit Owner. These services may be provided pursuant to a schedule of services and charges established by the Association or they may be provided on an ad hoc basis. The Common Expenses for such services shall be assessed against the Unit to which the service was provided or to whose Unit Owner or occupant the service was provided.
- (k) Intentionally Omitted.
- (l) All reasonable attorney's fees and costs incurred by the Association in collecting past due common charges, assessments and other sums due from a Unit Owner, with or without the commencement of a foreclosure action or other legal

proceedings, or incurred in representing the Association in any foreclosure actions brought against a Unit Owner in which the Association is named as a defendant, shall be added to and included in the amount due to the Association from the Unit Owner as a Common Expense.

- (m) All reasonable attorney's fees and costs incurred by the Association in enforcing the provisions of the Declaration, the Bylaws, and the Rules or any applicable law, ordinance, or regulation relating to the Common Interest Community against a Unit Owner or a tenant or other occupant of a Unit, with or without the commencement of litigation, arbitration, mediation, administrative proceedings, or hearings before the Executive Board, may be assessed against the Unit and its Unit Owner as a Common Expense:
 - (i) by the Executive Board after Notice and Hearing; or
 - (ii) as awarded by a court or arbitration.

Section 17.3 – Liens and Lien Foreclosures

- (a) The Association has a statutory lien on a Unit to the maximum extent, for the maximum amount, and with the maximum priority permitted by the Act and other applicable law from time to time.
- (b) This Section does not affect the priority of mechanics' or materialmen's liens, or the priority of liens for other assessments made by the Association.
- (c) This Section does not prohibit actions against Unit Owners to recover sums for which the Association has a lien or prohibit the Association from taking a deed in lieu of foreclosure.
- (d) A judgment or decree in any action brought under this Section shall include costs and reasonable attorney's fees for the prevailing party.
- (e) Subject to the provisions of Subsection 17.3(f), the Association's lien may be foreclosed in like manner as a mortgage on real property.
- (f) The Association may not commence an action to foreclose a lien on a Unit under this Section unless:
 - (i) The Unit Owner, at the time the action is commenced, owes a sum equal to at least two (2) months of Common Expense assessments based on the periodic budget last adopted by the Association pursuant to Section 17.4 of this Declaration;
 - (ii) The Association has made a demand for payment in a written or electronic communication as required by the Act;

- (iii) The Executive Board has either voted to commence a foreclosure action specifically against that Unit or has adopted a standard policy that provides for foreclosure against that Unit; and
 - (iv) The Association has complied with any other provisions of the Act relating to the commencement of an action to foreclose its lien.
- (g) In any action by the Association to collect assessments or to foreclose a lien for unpaid assessments, the court may appoint a receiver of the Unit Owner pursuant to Section 52-504 of the Connecticut General Statutes to collect all sums alleged to be due from that Unit Owner prior to or during the pendency of the action. The court may order the receiver to pay any sums held by the receiver to the Association during the pendency of the action to the extent of the Association's Common Expense assessments based on a periodic budget adopted by the Association pursuant to Section 17.4 of this Declaration.
 - (h) If a holder of a first or second Security Interest in a Unit forecloses that Security Interest, the purchaser at the foreclosure sale is not liable for any unpaid assessments against that Unit which became due before the sale, other than the assessments which are prior to that Security Interest under the Act. Any unpaid assessments not satisfied from the proceeds of sale become Common Expenses collectible from all the Unit Owners, including the purchaser.
 - (i) Any payments received by the Association in the discharge of a Unit Owner's obligation may be applied to the oldest balance due or in such other order as the Executive Board may determine, notwithstanding any designation or other indication from the Unit Owner as to how the payment is to be applied.
 - (j) Every aspect of a foreclosure, sale, or other disposition under this Section, including the method, advertising, time, date, place, and terms, shall be commercially reasonable.

Section 17.4 – Budget Adoption, Rejection, and Approval

- (a) The Executive Board, at least annually, shall adopt a proposed budget for the Common Interest Community for consideration by the Unit Owners.
- (b) Not later than thirty days after the adoption of a proposed budget, the executive board shall provide to all unit owners a summary of the proposed budget, including a statement of the amount of any reserves, and a statement of the basis on which such reserves are calculated and funded. Simultaneously, the board shall set a date not less than ten days or more than sixty days after providing the summary for either a meeting of the unit owners or a vote by ballot without a meeting to consider approval or rejection of the proposed budget. If, at that meeting or in the vote by ballot, a majority of all unit owners or any larger number specified in the declaration votes to reject the proposed budget, the proposed budget shall be rejected. If, at that meeting or in the vote by ballot, a

majority of all unit owners or any larger number specified in the declaration does not vote to reject the proposed budget, the proposed budget shall be approved. The absence of a quorum at such meeting or participating in the vote by ballot shall not affect rejection or approval of the proposed budget. If a proposed budget is rejected, the budget last approved by the unit owners continues until unit owners approve a subsequent budget. If a proposed budget is not rejected in accordance with the provisions of this subdivision, the proposed budget shall be deemed approved.

Section 17.5 – Adoption, Rejection, and Approval of Special Assessments

- (a) The Executive Board, at any time, may propose a Special Assessment.
- (b) Not later than thirty days after adoption of a proposed special assessment, the executive board shall provide to all unit owners a summary of the proposed special assessment. Unless the declaration or bylaws otherwise provide, if the proposed special assessment, together with all other special and emergency assessments proposed by the executive board in the same calendar year, do not exceed fifteen per cent of the association's last adopted periodic budget for that calendar year, the proposed special assessment is effective without approval of the unit owners. Otherwise, the board shall set a date not less than ten days or more than sixty days after providing the summary for either a meeting of the unit owners or a vote by ballot without a meeting to consider approval or rejection of the proposed special assessment. If, at that meeting or in the vote by ballot, a majority of all unit owners or any larger number specified in the declaration votes to reject the special assessment, the special assessment shall be rejected. If, at such meeting or in the balloting, a majority of all unit owners or any larger number specified in the declaration does not vote to reject the special assessment, the special assessment shall be approved. The absence of a quorum at such meeting or participating in the vote by ballot shall not affect the rejection or approval of the special assessment. If a proposed special assessment is not rejected in accordance with the provisions of this subdivision, the proposed special assessment shall be deemed approved.
- (c) Special Assessments as proposed by the Executive Board may be payable in installments, may be payable over periods in excess of one (1) year and may provide for lump sum prepayment at a discount. If a special assessment is adopted to repay a loan to the Association, the assessment resolution may provide for the adjustment of the assessment when and if the loan payments are adjusted in accordance with the terms of the loan.
- (d) Notwithstanding the provisions of Subsection 17.5(b), if the Executive Board determines by a two-thirds (2/3) vote that a Special Assessment is necessary to respond to an emergency:
 - (i) the Special Assessment becomes effective immediately in accordance with the terms of the vote;

- (ii) notice of the Special Assessment must be provided promptly to all Unit Owners; and
- (iii) the Executive Board may spend the funds paid on account of the Special Assessment only for the purposes described in the vote.

Section 17.6 – Certificate of Payment of Common Expense Assessments

The Association on request made electronically or in writing shall furnish to a Unit Owner a statement in recordable form setting forth the amount of unpaid Common Expense Assessments against the Unit. The statement shall be furnished within ten (10) business days after receipt of the request and is binding on the Association, the Executive Board and every Unit Owner. The Executive Board may, from time to time, establish a fee for the preparation of the statement.

Section 17.7 – Payment of Common Expense Assessments

- (a) All Common Expenses assessed under Section 17.4 of this Declaration shall be due and payable monthly unless the resolution adopting the budget provides for some other schedule of payment.
- (b) All other Common Expenses shall be due and payable on the first day of the month following the month in which they are assessed or charged unless other payment terms are established by the Executive Board in the resolution adopting the assessment.

Section 17.8 – Acceleration of Common Expense Assessments

In the event of default by any Unit Owner in the payment of any Common Expense Assessment levied against the Unit for a period of ten (10) days after the payment is due, the Executive Board may, after Notice and Hearing, require all unpaid assessments for the pertinent fiscal year to be immediately due and payable and, at a later date, to reverse such a requirement.

Section 17.9 – Commencement of Common Expense Assessments

Common Expense Assessments shall begin on the first day of the month following the month in which conveyance of the first Unit to a Unit Owner other than the Declarant occurs.

Section 17.10 – No Waiver of Liability for Common Expenses

Unit Owners may not exempt themselves from liability for payment of the Common Expenses by waiver of the use or enjoyment of the Common Elements or by abandonment of the Unit against which the assessments are made.

Section 17.11 – Personal Liability of Unit Owners

The Owner of a Unit at the time a Common Expense Assessment or portion thereof is due and payable is personally liable for the assessment. Personal liability for the assessment shall not pass to a successor in title to the Unit unless such successor agrees to assume the obligation.

**ARTICLE XVIII
ASSOCIATION BORROWING AND ASSIGNMENT OF FUTURE INCOME**

Section 18.1 – Notice of Proposed Borrowing

At least fourteen (14) days before the closing of any loan to the Association, the Executive Board shall:

- (a) Disclose in a written or electronic communication to all Unit Owners the amount and terms of the loan and the estimated effect of such loan on any Common Expense Assessment; and
- (b) Afford the Unit Owners a reasonable opportunity to submit written or electronic comments to the Executive Board with respect to such loan. The Unit Owner approval percentage vote required is described in Section 18.2.

Section 18.2 – Approval of Assignment of Future Income

The Association may borrow money and assign its right to future income as security for a loan only provided:

- (a) The loan transaction and the assignment have been approved by the Executive Board;
- (b) Unit Owners holding a majority of all of the Votes in the Association vote in favor of or agree to the assignment; and
- (c) The Association has complied with the requirements of Section 18.1 of this Declaration.

**ARTICLE XIX
PERSONS AND UNITS SUBJECT TO DOCUMENTS; RULES AND ENFORCEMENT**

Section 19.1 – Compliance with Community Documents

All Unit Owners, tenants, holders of Security Interests, and occupants of Units shall comply with the Community Documents. The acceptance of a deed or mortgage or the exercise of any incident of ownership, or the entering into a lease, or the entering into occupancy of a Unit constitutes agreement that the provisions of the Community Documents are accepted and ratified by such Unit Owner or other Person and shall bind any Person having at any time any interest or estate in such Unit.

Section 19.2 – Compliance with Laws

All Unit Owners, tenants, holders of Security Interests, and occupants of Units shall comply with all laws, ordinances, and governmental regulations applicable to the Common Interest Community or the activities of Persons within the Common Interest Community.

Section 19.3 – Adoption of Rules

- (a) The Executive Board may adopt and amend Rules only after Notice and Comment.
- (b) Rules concerning the Common Elements, including Limited Common Elements, may regulate any conduct, condition, or activity, including use and occupancy.
- (c) Rules concerning the Units may regulate any conduct, condition, or activity that is not use and occupancy.
- (d) Rules concerning the Units may also regulate the use and occupancy of a Unit only to the extent permitted by Subsection 9.1(f) of this Declaration.
- (e) The Executive Board may not adopt a Rule which contravenes an express provision of this Declaration or a right reasonably inferable from an express provision of this Declaration, but the Executive Board may adopt a Rule implementing, refining, or applying an express provision of this Declaration so long as such Rule does not contravene an express provision of this Declaration or a right reasonably inferable therefrom.

Section 19.4 – Notice to the Unit Owners of Changes to Rules

Following the adoption, amendment, or repeal of a Rule, the Association shall give all Unit Owners notice of its action and include with it a copy of any new or amended Rule.

Section 19.5 – Limitation on Challenges

No action to challenge the validity of any adoption, amendment, or repeal of a Rule adopted may be brought more than one (1) year after the date that notice of the amendment was given to the Unit Owners.

Section 19.6 – Certification of Rules

Amendments to the Rules that have been duly adopted shall be prepared and certified on behalf of the Association by any officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association.

Section 19.7 – Recording of Rules

The Rules and all amendments to the Rules shall be recorded on the land records of every town in which any portion of the Common Interest Community is located and are effective only on recording. The Association shall request that the town clerk index the Rules and all amendments to the Rules in the name of the Common Interest Community and in the name of the Association as both grantors and grantees. The Rules are not part of the Declaration and are not to be considered to be title documents. Such recorded Rules shall not be considered a muniment of title, additional encumbrances, or covenants affecting land.

Section 19.8 – Abatement and Enjoinment of Violations by Unit Owners

The violation or breach of any provision of the Community Documents shall give the Association the right, after Notice and Hearing except in case of an emergency, in addition to any other rights set forth in this Declaration:

- (a) To enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any Improvement, thing, or condition (except for additions or alterations of a permanent nature that may exist therein) that creates a danger to the Common Elements or other Units contrary to the intent and meaning of the provisions of the Community Documents, and the Association shall not thereby be deemed liable for any manner of trespass;
- (b) To bring appropriate legal proceedings, either at law or in equity, to enjoin, abate, or remedy the continuance of any such breach;
- (c) To bring appropriate legal proceedings, either at law or in equity, for specific performance of the Community Documents; and
- (d) To levy fines for violations of any provisions of the Community Documents, provided that the fine for a single violation may not, under any circumstances, exceed \$100.00. For each day that a violation continues after notice, it shall be considered a separate violation. Any fine so levied is to be considered as a Common Expense to be levied against the particular Unit Owner involved, and collection may be enforced by the Board of Directors in the same manner as they are entitled to enforce collection of Common Expenses.

Section 19.9 – Suspension of Privileges for Non-Payment or Breach

- (a) If a Unit Owner fails to pay any Common Expense Assessment, the Executive Board, after Notice and Hearing, may suspend any right or privilege of the Unit Owner and all occupants of the Unit, except as provided in Subsection 19.9(c), until such assessment is paid.
- (b) If a Unit Owner or occupant of the Unit violates or breaches any provision of the Community Documents, the Executive Board, after Notice and Hearing, may suspend any right or privilege of the Unit Owner and all occupants of the Unit,

except as provided in Subsection 19.9(c), for a period not to exceed the longer of thirty (30) days or until the breach is cured.

- (c) The suspension of any right or privilege under this Section:
- (i) Shall not deny a Unit Owner or other occupant of a Unit access to the Unit or the Limited Common Elements appurtenant to the Unit;
 - (ii) Shall not suspend a Unit Owner's right to vote or participate in meetings of the Association;
 - (iii) Shall not prevent a Unit Owner from seeking election as a Director or officer of the Association;
 - (iv) Shall not permit the Association to withhold services provided to a Unit or a Unit Owner by the Association if the effect of withholding the service would be to endanger the health, safety, or property of any Person;
 - (v) Shall not take effect until ten (10) days after the Executive Board notifies the Unit Owner of its decision to suspend the use of the Common Elements; and

ARTICLE XX INSURANCE

Section 20.1 – Coverage

The Association shall obtain and maintain insurance coverage required by this Article to the extent such coverage is reasonably available. If it is not and the Executive Board determines that any insurance described in this Article will not be maintained, the Association shall cause notice of that fact to be given to all Unit Owners, Eligible Mortgagees, and Eligible Insurers.

Section 20.2 – Property Insurance

- (a) Property insurance will cover:
- (i) The project facilities (which term means all buildings on the Property, including the Units and, except to the extent provided in Subsection 20.2(a)(ii), all fixtures, equipment, improvements and betterments, including improvements and betterments installed by Unit Owners, whether part of a Unit or a Common Element, and such personal property of Unit Owners as is normally insured under building coverage), but excluding land, excavations, portions of foundations below the undersurface of the lowest basement floors, underground pilings, piers, pipes, flues, and drains and other items normally excluded from property policies.

- (ii) Instead of providing property insurance covering all betterments and improvements, the Association may elect to insure only those betterments and improvements set out on a standard schedule, in which case the Association shall:
 - (A) Prepare and maintain a schedule of the standard fixtures, improvements, and betterments in the Units, including any standard wall, floor, and ceiling coverings covered by the Association's insurance policy;
 - (B) Provide such schedule at least annually to the Unit Owners in order to enable Unit Owners to coordinate their homeowners insurance coverage with the coverage afforded by the Association's insurance policy; and
 - (C) Include such schedule in any resale certificate prepared pursuant to Section 47-270 of the Act.
- (iii) All personal property owned by the Association.
- (b) Property insurance shall be for the following amounts:
 - (i) The project facilities for full replacement; and
 - (ii) Personal property owned by the Association for an amount equal to its actual cash value.
- (c) The deductible may not exceed ten thousand dollars (\$10,000.00) per occurrence. This maximum deductible amount shall be increased by the percentage increase, if any, in the value of the "Index" (as defined in Subsection 47-213(a) of the Act) as of the first day of July following the first anniversary of the recording of this Declaration and any subsequent first day of July over the value of the Index as of the end of the calendar year in which this Declaration is recorded, provided that, the percentage change shall be rounded to the nearest whole percentage point and no adjustment shall be made until the percentage increase is at least ten percent (10%) and any percentage of change in excess of a multiple of ten percent (10%) shall be disregarded so that the maximum deductible amount shall increase only in multiples of ten percent (10%). The Index shall be revised as provided in Subsection 47-213(c) of the Act, provided, however, if property insurance is reasonably available only with larger minimum deductibles, deductibles that apply on a basis other than per occurrence, or both, the Association may purchase insurance with such deductibles.
- (d) The Executive Board is authorized to obtain appraisals periodically for the purpose of establishing the replacement cost of the project facilities and the actual cash value of the personal property, and the cost of such appraisals shall be a Common Expense.

- (e) The insurance shall afford protection against all risks of direct physical loss commonly insured against and such other perils as the Executive Board deems it appropriate to cover.
- (f) Insurance policies required by this Section shall provide all of the following.
 - (i) The insurer waives its right to subrogation under the policy against any Unit Owner or member of the Unit Owner's household.
 - (ii) No act or omission by any Unit Owner, unless acting within the scope of the Unit Owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy.
 - (iii) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.
 - (iv) The loss shall be adjusted with the Association.
 - (v) Insurance proceeds shall be paid to any insurance trustee designated in the policy for that purpose, and, in the absence of such designation, to the Association, in either case to be held in trust for each Unit Owner and such Unit Owner's mortgagee.
 - (vi) The insurer may not cancel or refuse to renew the policy until sixty (60) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Unit Owner and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued, at their respective last known addresses.
 - (vii) The insured shall be the Association (designated by name) for the use and benefit of the individual Unit Owners.

Section 20.3 – Flood Insurance

Flood insurance as required by the National Flood Insurance Act if:

- (a) the Property is located in a flood hazard area as defined in such act; and
- (b) the Unit Owners vote to direct the Association to purchase the insurance.

Section 20.4 – Liability Insurance

Liability insurance, including medical payments insurance, in an amount determined by the Executive Board but in no event less than one million dollars (\$1,000,000), covering all

occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the Common Elements.

Insurance policies carried pursuant to this Section shall provide all of the following:

- (a) Each Unit Owner is an insured Person under the policy with respect to liability arising out of the Unit Owner's interest in the Common Elements or membership in the Association.
- (b) The insurer waives its rights to subrogation under the policy against any Unit Owner or member of the Unit Owner's household.
- (c) No act or omission by any Unit Owner, unless acting within the scope of the Unit Owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy.
- (d) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.
- (e) The insurer may not cancel or refuse to renew the policy until sixty (60) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Unit Owner and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued, at their respective last known addresses.

Section 20.5 – Fidelity Insurance

Fidelity insurance shall be obtained for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The insurance policy shall name the Association as the insured and shall cover the maximum funds that will be in the custody of the Association or the Manager at any time while the policy is in force and in no event less than the sum of three (3) months' assessments plus reserve funds. The insurer may not cancel or refuse to renew the policy until sixty (60) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Unit Owner and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued, at their respective last known addresses.

Section 20.6 – Unit Owner Policies

- (a) Other Insurance. An insurance policy issued to the Association does not prevent a Unit Owner from obtaining insurance for their own benefit.
- (b) Notice to Unit Owners. At least once in each calendar year and any time the deductible under the Association's property insurance policy is changed, the Association shall give notice to each Unit Owner of the need to obtain individual coverage for restoration costs that may be allocated against the individual Units

under the provisions of Subsection 21.2(b) of the Declaration. However, the failure of the Association to furnish such notice shall not create any liability on the part of the Association or prevent it in any way from making the allocations provided for in that Subsection.

Section 20.7 – Workers’ Compensation Insurance

No employees of the Association.

Section 20.8 – Directors’ and Officers’ Liability Insurance

The Executive Board shall obtain and maintain directors’ and officers’ liability insurance, if available, covering all of the Directors and officers of the Association as well as other individuals typically covered under such policies. The insurance shall, as far as reasonably available, include such coverage as is necessary to satisfy the Association’s duty of indemnification to its officers and Directors.

Section 20.9 – Other Insurance

The Association may carry such other insurance as the Executive Board considers appropriate to protect the Association or the Unit Owners.

Section 20.10 – Premiums

Insurance premiums for insurance carried by the Association shall be a Common Expense.

Section 20.11 – Compliance with Insurance Requirements

No Unit Owner, tenant, holder of a Security Interest, or occupant of a Unit shall do or suffer to be done any action in the Common Interest Community, shall allow any condition to exist in the Common Interest Community, or shall bring or suffer to be brought any article or substance into the Common Interest Community that may render any insurance purchased by the Association void or voidable or cause the non-renewal of such insurance or an increase in the premiums for such insurance. By Rule, after Notice and Comment, the Executive Board may designate and regulate or prohibit particular actions, conditions, articles, and substances which violate or may violate the provisions of this Section.

**ARTICLE XXI
DAMAGE TO OR DESTRUCTION OF PROPERTY**

Section 21.1 – Restoration

- (a) Any portion of the Property for which insurance is required under Section 47-255 of the Act or for which insurance carried by the Association is in effect, whichever is more extensive, which is Damaged or Destroyed shall be restored promptly by the Association unless:

- (i) The Common Interest Community is terminated;
 - (ii) Restoration would be illegal under any state or local statute or ordinance governing health or safety; or
 - (iii) Eighty percent (80%) of the Unit Owners, including every Unit Owner of a Unit or assigned Limited Common Element that will not be rebuilt, vote not to rebuild.
- (b) The Association, acting through the Executive Board, and not the Unit Owner or Unit Owners of affected Units, shall have the exclusive authority to select, contract with, direct, retain, and replace all contractors and vendors for all activities to restore any portion of the Property that has been Damaged or Destroyed for which funds of the Association or insurance proceeds payable to the Association are used or to be used.

Section 21.2 – Cost

- (a) Except as provided in Subsection 21.2(b), the cost of restoring Damage or Destruction in excess of insurance proceeds shall be a Common Expense assessed against all Units under Section 17.1.
- (b) The cost of restoring Damage or Destruction in excess of insurance proceeds to the extent of the application of a deductible up to the limits set out in Subsection 20.2(c), shall be a Common Expense, allocated as follows:
 - (i) If the restoration is entirely to the Common Elements, such excess shall be assessed against all Units under Section 17.1.
 - (ii) If the restoration is entirely to a single Unit, such excess shall be assessed against the affected Unit only, under Subsection 17.2(j).
 - (iii) In all other cases, such excess shall be prorated among the affected Unit or Units and Common Elements, as the case may be, in the same proportion as the total cost of restoration of each of the affected Units and Common Elements bears to the total cost of restoration of all of the affected Units and Common Elements. In calculating this proration, the Association may rely on itemized bills or reports from the contractor or contractors making the restorations or on estimates prepared by an adjuster or construction estimator engaged by the company issuing the property insurance coverage required under Section 20.2 or engaged by the Association. The portion of the excess allocated to an affected Unit under this Subsection 21.2(b)(iii) shall be assessed against the Unit under Subsection 17.2(j). The portion of the excess allocated to the Common Elements shall be assessed as a Common Expense against all Units under Section 17.1.

- (c) Nothing in this Section 21.2 shall limit the Association's ability to assess the Unit or the Unit Owner for Common Expenses caused by willful misconduct, failure to comply with a written maintenance standard, or gross negligence to the maximum amount permitted under Subsection 17.2(h) of this Declaration.

Section 21.3 – Plans

The Property that must be restored shall be restored to its original condition, subject to changes in building codes and other applicable laws and regulations and to the availability of building components and materials and in accordance with either the original Plans and specifications, if available, or other plans and specifications which have been approved by the Executive Board, Unit Owners holding a majority of all of the Votes in the Association, including the Unit Owners of every Unit for which the plans and specifications are proposed to be changed, and more than fifty percent (50%) of Eligible Mortgagees.

Section 21.4 – Restoration of Less Than the Entire Property

If all of the Property is not to be restored by the Association:

- (a) The insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Common Interest Community;
- (b) Except to the extent that other Persons will be distributees:
- (i) The insurance proceeds attributable to Units and Limited Common Elements that are not restored shall be distributed to the owners of those Units and the owners of the Units to which those Limited Common Elements were allocated, or to lien holders, as their interests may appear; and
- (ii) The remainder of the proceeds shall be distributed to all the Unit Owners or lien holders, as their interests may appear, in proportion to the Common Expense liabilities of all the Units.
- (c) If the Unit Owners vote not to restore any Unit, that Unit's Allocated Interests are automatically reallocated on the vote as if the Unit had been condemned under Subsection 47-206(c) Act, and the Association shall promptly prepare, execute, and record an amendment to this Declaration reflecting the reallocations.

Section 21.5 – Insurance Proceeds

The insurance trustee, or if there is no insurance trustee, then the Association, shall hold any insurance proceeds in trust for the Association, Unit Owners, and lien-holders as their interests may appear. Subject to the provisions of Section 21.1, the proceeds shall be disbursed first for the restoration of the damaged Property, and the Association, Unit Owners, and lien holders are not entitled to receive payment of any portion of the proceeds unless there is a

surplus of proceeds after the Property has been completely restored, or the Common Interest Community is terminated.

Section 21.6 – Certificates by the Executive Board

An insurance trustee, if any, may rely on the following certifications in writing made by the Executive Board:

- (a) Whether or not Damaged or Destroyed Property is to be restored; and
- (b) The amount or amounts to be paid for restoration and the names and addresses of the parties to whom such amounts are to be paid.

Section 21.7 – Certificates by Attorneys

If payments are to be made to Unit Owners, holders of Security Interests, or other lien holders, the Executive Board and the insurance trustee, if any, shall obtain and may rely on an attorney's certificate of title or a title insurance policy based on a search of the land records of each town in which any portion of the Common Interest Community is located from the date of the recording of the original Declaration stating the names of the Unit Owners, holders of Security Interests, and other lien holders.

ARTICLE XXII

RIGHTS TO NOTICE AND COMMENT AND TO NOTICE AND HEARING

Section 22.1 – Notice and Comment

Before the Executive Board amends the Bylaws or the Rules, whenever the Community Documents require that an action be taken after Notice and Comment, and at any other time the Executive Board determines it is in the interest of the Association to do so, the Association shall give notice to the Unit Owners at least ten (10) days before the date on which the Executive Board will act. The notice shall include:

- (a) A statement that the Executive Board is considering an amendment to the Bylaws or the Rules or other action;
- (b) A copy of the text of the proposed amendment, addition, or deletion; and
- (c) The date on which the Executive Board will act on the proposal after considering comments from the Unit Owners.

Section 22.2 – Notice and Hearing – Generally

- (a) The procedures set out in this Section 22.2 shall be followed:
 - (i) Whenever the Community Documents require that an action be taken after Notice and Hearing; and

- (ii) Before the Association brings an action or institutes a proceeding against a Unit Owner other than a Declarant, except if the action is brought to prevent immediate or irreparable harm or to foreclose a lien for an assessment attributable to a Unit or fines imposed against a Unit Owner.
- (b) The hearing must be held during a regular or special meeting of Executive Board.
- (c) Not less than ten (10) business days prior to the hearing, the Association shall send written notice of the hearing to the Unit Owner, and to any other parties the Association considers appropriate.
 - (i) The notice shall be sent to the affected Unit Owner by certified mail, return receipt requested, and by regular mail.
 - (ii) The notice shall be sent to any other parties in any manner permitted by the Bylaws.
 - (iii) The notice given under this Subsection 22.2(c) shall be in addition to any other notice of the meeting of the Executive Board required to be given by Association.
- (d) The notice shall include the following:
 - (i) The date, time, and place of the hearing;
 - (ii) A description of the alleged violation or the nature of the claim against the Unit Owner;
 - (iii) Instructions as to how the Unit Owner can participate in the hearing and present the Unit Owner's position; and
 - (iv) An explanation of the consequences of not participating in the hearing.
- (e) At the hearing, the Unit Owner shall have the right, personally or through a representative, to present information orally, in writing, or both, subject to reasonable rules of procedure established by the Executive Board to assure a prompt and orderly resolution of the issues. The Executive Board may also receive information from anyone else who, in the opinion of the Executive Board, will assist it in making a decision. The hearing shall not be conducted as a formal trial. All information presented shall be considered in making a decision but shall not bind the decision makers.
- (f) The Executive Board shall make its decision and send notice of its decision within thirty (30) days after the conclusion of the hearing. Notice of the decision shall be sent to the Unit Owner by certified mail, return receipt requested, and by regular mail.

Section 22.3 – Notice and Hearing – On the Request of a Unit Owner

- (a) Any Unit Owner, other than the Declarant, seeking to enforce a right granted or obligation imposed by the Act or the Community Documents against the Association or another Unit Owner other than the Declarant, may submit a written request to the Association for a hearing. The request shall include:
 - (i) A statement of the nature of the claim being made;
 - (ii) The names of the party or parties against whom the claim is being made; and
 - (iii) A reference to the provision or provisions of the Act or of the Community Documents on which the claim is based.
- (b) Not later than thirty (30) days after the Association receives such request, it shall schedule a hearing to be held during a regular or special meeting of the Executive Board. The meeting must be held not more than forty-five (45) days after the Association receives the request.
- (c) Not less than ten (10) business days prior to the hearing, the Association shall send written notice of the hearing to the Unit Owner who requested the hearing, to any Unit Owner against whom a claim is being made, and to any other parties the Executive Board considers appropriate.
 - (i) The notice shall be sent to the Unit Owner requesting the hearing and to any Unit Owner against whom a claim is being made by certified mail, return receipt requested and by regular mail.
 - (ii) The notice shall be sent to any other parties in any manner permitted by the Bylaws.
 - (iii) The notice given under this subsection shall be in addition to any other notice of the meeting of the Executive Board required to be given by the Community Documents or by applicable law.
- (d) The notice shall include the following:
 - (i) The date, time, and place of the hearing;
 - (ii) A copy of the request received by the Association under Subsection 22.3(a) above; and
 - (iii) If the notice is sent to anyone other than the Unit Owner who requested the hearing, it shall also include copies of any other material submitted to

the Association by the Unit Owner requesting the hearing in connection with the request.

- (e) At the hearing, the Unit Owner requesting the hearing and the Unit Owner, if any, against whom the claim is made shall have the right, personally or through a representative, to present information orally, in writing, or both, subject to reasonable rules of procedure established by the Executive Board to assure a prompt and orderly resolution of the issues. The Executive Board may also receive information from anyone else which, in the opinion of the Executive Board, will assist it in making a decision. The hearing shall not be conducted as a formal trial. All information presented shall be considered in making a decision but shall not bind the decision makers.
- (f) The Executive Board shall make its decision and send notice of its decision within thirty (30) days after the conclusion of the hearing to the Unit Owner requesting the hearing and any Unit Owner against whom a claim is being made by certified mail, return receipt requested, and by regular mail.

ARTICLE XXIII EXECUTIVE BOARD

Section 23.1 – Powers and Duties

The Executive Board may act in all instances on behalf of the Association, except as provided in this Declaration, the Bylaws, or the Act. The Executive Board acts only pursuant to the procedures set out in the Declaration, the Bylaws, the Association's certificate of incorporation, and the Act. The activities of the Association are administered by its officers and designated agents in performing their authorized functions. The Executive Board shall have, subject to the limitations contained in this Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Common Interest Community, which shall include, but not be limited to, the power to do the following:

- (a) Except as limited by Subsection 23.2(d), shall adopt and may amend Bylaws, and may adopt and amend Rules;
- (b) Shall adopt and may amend budgets, may adopt and amend Special Assessments, and may invest funds of the Association;
- (c) May collect assessments for Common Expenses from Unit Owners;
- (d) May hire and discharge managing agents;
- (e) May hire and discharge employees, agents other than managing agents, and independent contractors;
- (f) May institute, defend, or intervene in litigation or in arbitration, mediation, or administrative proceedings in its own name on behalf of itself or two (2) or more

Unit Owners on matters affecting the Common Interest Community, subject to the limitations placed on the Association's authority to institute and maintain proceedings alleging construction defects set out in Section 47-261f of the Act;

- (g) May make contracts and incur liabilities;
- (h) May regulate the use, Maintenance, Repair, Replacement, and modification of Common Elements;
- (i) May cause additional improvements to be made as a part of the Common Elements;
- (j) May acquire, hold, encumber, and convey in its own name any right, title, or interest to real property or personal property, but the Common Elements may be conveyed or subjected to a Security Interest only pursuant to Section 47-254 of the Act;
- (k) May grant easements through or over the Common Elements, for any period of time including permanent easements;
- (l) May grant leases, licenses, and concessions through or over the Common Elements provided that they are either:
 - (i) For a term of no more than one (1) year; or
 - (ii) For a term of more than one (1) year if the lease, license, or concession does not materially interfere with the use and enjoyment of the Property by the Unit Owners.

The grant of any other lease, license, or concession through or over the Common Elements must be approved by both the Executive Board and by a majority of the Votes cast at a meeting of the Unit Owners at which a quorum is present.

- (m) May impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Elements, other than Limited Common Elements described in Subsections 47-221(2) and (4) of the Act, and for services provided to Unit Owners;
- (n) May impose charges or interest or both for late payment of assessments and, after Notice and Hearing, levy reasonable fines for violations of this Declaration, the Bylaws, and the Rules of the Association;
- (o) May impose reasonable charges for the preparation and recordation of amendments to this Declaration, resale certificates required by Section 47-270 of the Act, or statements of unpaid assessments;

- (p) May provide for the indemnification of its officers and Directors and maintain directors' and officers' liability insurance;
- (q) Subject to Subsection 47-261e(e) of the Act and Article XVIII of the Declaration, may assign its right to future income, including the right to receive Common Expense Assessments;
- (r) May exercise any other powers conferred by this Declaration or the Bylaws;
- (s) May exercise all other powers that may be exercised in this state by legal entities of the same type as the Association;
- (t) May exercise any other powers necessary and proper for the governance and operation of the Association;
- (u) May require, by regulation, that disputes between the Executive Board and Unit Owners or between two (2) or more Unit Owners regarding the Common Interest Community must be submitted to nonbinding alternative dispute resolution in the manner described in the regulation as a prerequisite to commencement of a judicial proceeding;
- (v) Subject to the limitations set out in Subsection 19.9(c), may suspend any right or privilege of a Unit Owner who fails to pay an assessment;
- (w) By resolution, establish one (1) or more committees that are composed only of incumbent Directors, which committees may be authorized to exercise the power of the Executive Board to the extent specified by the Executive Board in the resolution establishing such committee. All such committees must maintain and publish notice of their actions to the Executive Board and otherwise comply with applicable provisions of the Bylaws; and
- (x) By resolution, establish one (1) or more committees that are not authorized to exercise the power of the Executive Board that are composed of such individuals as may be specified in the resolution establishing such committee. All such committees must maintain and publish notice of their actions to Unit Owners and the Executive Board and otherwise comply with applicable provisions of the Bylaws.

Section 23.2 – Executive Board Limitations

The Executive Board may not act on behalf of the Association:

- (a) To amend this Declaration;
- (b) To terminate the Common Interest Community;

- (c) To elect Directors, except that the Executive Board may fill vacancies in its membership until the next meeting at which Directors are elected; or
- (d) To determine the qualifications, powers and duties, or terms of office of Directors.

Section 23.3 – Board Discretion

- (a) In addition to any other discretion the Executive Board has under applicable law, the Executive Board may determine whether to take enforcement action by exercising the Association’s power to impose sanctions, by commencing an action for a violation of the Community Documents, or by commencing or defending any other action or proceeding relating to the rights, powers, or obligations of the Association, which may include a determination of whether to compromise any claim for unpaid assessments or other claim made by or against the Association. The Executive Board does not have a duty to take enforcement or other action if it determines that, under the facts and circumstances presented:
 - (i) The Association’s legal position does not justify taking any or further action;
 - (ii) The covenant, restriction, or Rule being enforced is, or is likely to be construed as, inconsistent with law;
 - (iii) Although a violation may exist or have occurred, it is not so material as to be objectionable to a reasonable Person or to justify expending the Association’s resources; or
 - (iv) It is not in the Association’s best interests to take enforcement action.
- (b) The Executive Board’s decision under Subsection 23.3(a) not to take action under one (1) set of circumstances does not prevent the Executive Board from taking action under another set of circumstances, except that the Executive Board may not be arbitrary or capricious in taking enforcement action.

**ARTICLE XXIV
CONDEMNATION**

If part or all of the Common Interest Community is taken by any power having the authority of eminent domain, all compensation and damages for and on account of the taking shall be payable in accordance with Section 47-206 of the Act.

**ARTICLE XXV
MISCELLANEOUS**

Section 25.1 – Captions

The captions contained in the Community Documents are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of the Community Documents or the intent of any provision thereof.

Section 25.2 – Number and Gender

The use of the masculine gender refers to the feminine and neuter genders and the use of the singular includes the plural, and vice versa, whenever the context of the Community Documents so requires.

Section 25.3 – Waiver

No provision contained in the Community Documents is abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 25.4 – Invalidity

The invalidity of any provision of the Community Documents does not impair or affect in any manner the validity, enforceability, or effect of the remainder, and in such event, all of the other provisions of the Community Documents shall continue in full force and effect.

Section 25.5 – Conflict

In the event of any conflict between the Community Documents and the provisions of the statutes, the provisions of the statutes shall control. In the event of any conflict between this Declaration and any other Community Document, this Declaration shall control.

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