DECLARATION

OF

AUTUMN ESTATES

FARMINGTON, CONNECTICUT

(as Amended as of _____)

DECLARATION OF AUTUMN ESTATES FARMINGTON, CONNECTICUT

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DECLARATION OF AUTUMN ESTATES

J.C. DEVELOPMENT, INC., a Connecticut corporation with an office at Southington, Connecticut does hereby submit the real property in the Town of Farmington, Connecticut, described in Schedule A-1, to the provisions of the Common Interest Ownership Act, Chapter 828 of the Connecticut General Statutes, as amended, for the purpose of creating Autumn Estates.

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.

<u>Section 1.2 – Age Qualified Individuals</u>

An Age Qualified Individual is a Person who is fifty-five (55) years of age or older.

Section 1.3 - 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-2.

Section 1.4 - Association

Autumn Estates 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 1.5 – Building Box

See the definition in Section 12.1 of this Declaration.

Section 1.6 - Bylaws

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

Section 1.7 – 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 1.8 – 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 1.9 – 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 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, 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.

<u>Section 1.10</u> – Common Interest Community

Autumn Estates.

Section 1.11 – Community Documents

The Declaration, Survey, and Plans recorded and filed pursuant to the provisions of the Act to create Autumn Estates, and the certificate of incorporation, the Bylaws, and the Rules of the Association, 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 1.12 – 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 1.13 – Declarant

J.C. Development, Inc., a Connecticut corporation and its successors, if any, as defined in Subsection 47-202(14) of the Act.

Section 1.14 – Declaration

The Declaration of Autumn Estates filed in 2007 in the Farmington, Connecticut land records, as amended from time to time.

Section 1.15 – Development Rights

The rights reserved by the Declarant under Section 7.1 of this Declaration.

Section 1.16 – Director

A member of the Executive Board.

Section 1.17 – Eligible Insurer

An insurer or guarantor of a first Security Interest in a Unit which has notified the Association in writing of its name and address and that it has insured or guaranteed a first Security Interest in a Unit. Such notice shall be deemed to include a request that the Eligible Insurer be given the notice and other rights described in Article XVI.

Section 1.18 – Eligible Mortgagee

The holder of a first Security Interest in a Unit which has notified the Association, in writing, of its name and address, and that it holds a first Security Interest in a Unit. Such notice shall be deemed to include a request that the Eligible Mortgagee be given the notices and other rights described in Article XVI.

Section 1.19 - 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 1.20 - 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 1.21 – 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 1.22 - 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 1.23 - Manager

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

Section 1.24 – 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 1.25 – 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 1.26 – 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 1.27 – Plans

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

Section 1.28 – 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 this Declaration as amended from time to time.

Section 1.29 – 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.

<u>Section 1.30 – Security Interest</u>

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 1.31 – 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 1.32 – Special Declarant Rights

Rights reserved for the benefit of a Declarant pursuant to Article VII of this Declaration.

Section 1.33 – 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 1.34 – Survey

The survey filed with this Declaration as Schedule A-3, as it may be amended from time to time.

Section 1.35 – Unit

A physical portion of the Common Interest Community designated for separate ownership or occupancy, the boundaries of which are described in Section 4.3 of this Declaration.

Section 1.36 – 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. The Declarant is the initial owner of each Unit created by this Declaration.

Section 1.37 – Votes

The vote allocated to each Unit set forth in Section 8.2(c) of this Declaration.

<u>Section 1.38</u> – Planned Community

A common interest community that is not a condominium or a cooperative.

Section 1.39 – Building Box

Is defined as that area as shown on the map or plans of Autumn Estates designated by broken lines within which the Unit was or will be constructed.

ARTICLE II Name and Type of Common Interest Community and Association

6

<u>Section 2.1 – Common Interest Community</u>

The name of the Common Interest Community is Autumn Estates. Autumn Estates is a condominium.

Section 2.2 – Association

The name of the Association is Autumn Estates Association, Inc. It is a nonstock corporation organized under the laws of the State of Connecticut.

ARTICLE III

Description of Property

Section 3.1 – Description of Property

The Common Interest Community is situated in the Town of Farmington, Connecticut and is located on the real property described in Schedule A-1.

> ARTICLE IV Maximum Number of Units, Identification, and Boundaries

Section 4.1 – Number of Units

The Common Interest Community contains thirty (30) Units. The Declarant may not create additional Units. The Common Interest Community contains a maximum of thirty (30) Units.

Section 4.2 – Identification of Units

All Units are identified by number and are shown on the Survey or Plans or both.

Section 4.3 - Unit Boundaries

A Unit is real property consisting of the space within the boundaries hereinafter described, including all improvements within that space, except as otherwise herein provided. Units created by the Declaration and by amendments hereto are shown on the Survey as it may be amended from time to time. Each Unit has an identifying number as set forth in the schedules attached to this Declaration, including the Survey. The boundaries of a Unit are as follows:

(a) <u>Perimeter and lower boundaries</u>. Except for the area within the Improvements, the lower boundary of each Unit is the surface of the land which lies within the vertical planes which intersect the surface of the land at the boundary lines of each Unit as shown on the Survey as it may be amended from time to time. There are no upper boundaries. All land below the surface of the land and all space within the Common Interest Community which is outside of the vertical boundaries of Units, as shown on said Survey, as it may be amended from time to time are Common Elements. The space lying below the vertical boundaries of the Improvements (basements, foundations and footings) to under surface thereof shall be part of the Unit.

- (b) <u>Vertical Boundaries</u>. The vertical boundaries are shown on the Survey.
- (c) <u>Exclusions</u>. Except when specifically included by other provisions of Section 4.3, the following is excluded from each Unit: The space and Improvements lying outside of the boundaries described in Subsection 4.3(a) and (b) above, pipes, ducts, wire, conduits, septic systems, drainage systems and other facilities running through or within any Unit for the purpose of furnishing sewerage, utilities, access, water and any other similar services to any other Unit or Common Element.
- (d) <u>Inconsistency with Survey</u>. If the Survey is inconsistent with this definition, then this definition shall control.
- (e) Reference herein to the intersection of the vertical planes which form the vertical boundaries of Units as intersecting the "surface of the land" of the boundary lines of each Unit as shown on the Survey should not be construed as a "subdivision" of the land as defined in Section 8-18 of the Connecticut General Statutes.

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 shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, decks, patios, and all exterior doors, windows, storm windows, storm doors and screens, 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.
- (c) 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.

- (d) The area located below the lower boundary of a Unit continuing to the center of the earth is a Limited Common Element allocated to that Unit, but excluding therefrom that portion occupied by a centralized underground watering system as installed by the Declarant which is part of the Common Elements, easements located on or under a Unit as shown on Schedule A-3, (other than those reserved for the benefit of the Declarant or conveyed to a third party), pipes, ducts, wires, conduits, drainage systems and other facilities running through or within the Limited Common Element described in this paragraph for the purposes of furnishing sewerage, utilities, access, water and any other similar services to any other Unit or Common Element are part of the Common Elements.
- (e) Any driveway designed to serve a single Unit, but located outside the Unit's boundaries, is a Limited Common element allocated exclusively to that Unit and its use is limited to that Unit.

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 Maintain, Repair, and Replace the following Limited Common Elements:

- Any space heating, water heating, and air conditioning apparatus and all electrical switches, television, telephone, telecommunications and electrical receptacles, and light switches serving the Unit Owner's Unit exclusively; and
- (ii) Any awnings designed to serve the Unit Owner's Unit, but located outside the Unit's boundaries.
- (b) Each Unit Owner shall Maintain, Repair and Replace at his or her own expense, all portions of his or her Unit, including the driveway and walkways serving their specific Unit. Each Unit owner shall be responsible for removing all household debris or personal property from all patios, decks, walkways, stairs and stoops located in the Unit except that the Association shall be responsible for the following maintenance, repair and replacement, the cost of which shall be a Common Expense apportioned among all of the Units pursuant to Section 17.1:
 - (i) Removal of ice and snow from driveways and front walkways, and stairs, stoops and that portion of the front porch providing a walkway to the front door.
 - Lawn mowing and care, replacement of that landscaping (but excluding plants and shrubbery) within Units deemed by the Association necessary to maintain a reasonable level and quality of landscaping.
 - (iii) Watering the portions of lawns within the Units serviced by a centralized underground watering system and the maintenance, repair and replacement of the underground watering system.
- (c) The Executive Board of the Association may, or may not appoint a Committee which shall, enforce minimum standards for the landscaping, maintenance, care and upkeep of the Units and the buildings and other improvements situated therein. These standards, after review and approval by the Executive Board of the Association, shall be uniformly applied to the Units, improvements within the Units, and the Unit Owners in order to insure that the general appearance, residential character and aesthetic integrity inherent in the community as initially designed and constructed is maintained. The basic minimum standards shall include that grounds be well groomed, neat and trimmed and free of clutter, debris or unreasonable accumulations of personal property which detract from the visual continuity of the neighborhood. The exteriors of, and improvements within, Units shall be well preserved and maintained to a standard which cause the Town and/or an institutional lender to find the exterior of the Unit or improvements to be in good condition upon appraisal for tax assessment or mortgage lending purposes respectively.

In the event a Unit Owner shall fail to comply with a Unit Owner's obligation within the Community Documents to meet these standards, the Association shall have the right, duty and obligation to use reasonable efforts to encourage compliance and, if unsuccessful, to perform the maintenance, repair and/or upkeep necessary to cause the Unit and/or buildings and other improvements to conform to the standards. The cost of any such work done by the Association for the Unit Owner shall be charged to the Unit and Unit Owner involved.

In case of emergency as determined by the Executive Board, it may act immediately; and in all other cases the Executive Board may act hereunder following thirty (30) days' written notice to the Unit Owner. All expenses incurred by the Executive Board or the Association as a result of taking action under this Section shall be chargeable to the Unit Owner as provided for under Section 17.2 hereof.

Section 6.4 – Access

- (a) Access by Association
 - 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.
 - (D) Restoring 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(d) of this Declaration.

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 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.

ARTICLE VII Development Rights and Other Special Declarant Rights

Section 7.1 - Reservation of Development Rights

The Declarant reserves the following Development Rights:

(a) The right to add Units, Common Elements, and Limited Common Elements in the location shown as 'Development Rights Reserved in this Area" on the Survey and Plans. The right to create Units shall include the right to construct houses within the Units created. The Unit boundaries shown on Schedule A-3, as to Units not yet declared, are shown as Declarant's intention as of the initial Public Offering Statement. Declarant may designate boundaries for future Units other than as shown on Schedule A-3 and may construct houses in locations other than within the boundaries shown for possible future units on Schedule A-3. The depiction of Units on Schedule A-3 which have not been declared shall not

be construed as a representation that said Units will be declared or houses built within said units.

(b) The right to construct underground utility lines, pipes, wires, ducts, conduits and other facilities across the land not designated "Development Rights Reserved in this Area" on the survey and not occupied by a permanent structure within a declared Unit for the purpose of furnishing utility and other services to buildings and Improvements to be constructed on the land designated "Development Rights Reserved in this Area" on the Survey. The Declarant also reserves the right to grant easements to public utility companies and to convey Improvements within those easements or anywhere in the Common Interest Community not occupied by a permanent structure within a declared unit for the above-mentioned purposes. If the Declarant grants any such easements, Schedule A-1 shall be amended to include reference to the recorded easement.

Section 7.2 – Limitations on Development Rights

The Development Rights reserved in Section 7.1 are limited as follows:

- (a) The Development Rights may be exercised at any time, but not more than twenty-one (21) years after the recording of the initial Declaration;
- (b) Not more than thirty (30) total Units may be created under the Development Rights;
- (c) No garages or carports as Limited Common Elements may be built under the Development Rights;
- (d) The quality of construction of any buildings and Improvement to be created on the Property shall be consistent with the quality of those constructed pursuant to this Declaration as initially recorded;
- (e) All Units and Common Elements created pursuant to the Development Rights will be restricted to residential use in the same manner and to the same extent as the Units created under this Declaration as initially recorded;
- (f) No Development Rights may be exercised unless approved pursuant to Section 16.5 of this Declaration.

Section 7.3 – Phasing of Development Rights

No assurances are made by the Declarant regarding the portions of the areas shown as "Development Rights Reserved in this Area" on the Plans and Survey as to the portions where the Declarant will exercise its Development Rights or the order in which such portions, or all of the areas, will be developed.

The exercise of Development Rights as to some portions will not obligate the Declarant to exercise them as to other portions.

Section 7.4 – Special Declarant Rights

The Declarant reserves the following Special Declarant Rights, to the maximum extent permitted by law, which may be exercised, where applicable, anywhere within the Common Interest Community:

- (a) To complete Improvements indicated on the Survey and Plans filed with this Declaration;
- (b) To exercise any Development Right reserved in this Declaration;
- (c) To maintain sales offices, management offices, signs advertising the Common Interest Community, and models;
- (d) To use or grant easements through the Common Elements or Limited Common Elements for the purpose of making Improvements within the Common Interest Community;
- (e) To appoint or remove any officer of the Association or any Executive Board member during any period of Declarant control subject to the provisions of Section 7.9 of this Declaration.

Section 7.5 - Models, Sales Offices and Management Offices

As long as the Declarant is a Unit Owner, the Declarant and its duly authorized agents, representatives and employees may maintain any Unit owned by the Declarant or any portion of the Common Elements as a model Unit or sales office or management office.

Section 7.6 - Construction; Declarant's Easement

The Declarant reserves the right to perform warranty work, and repairs and construction work, and to store materials in secure areas, in Units and Common Elements, and the further right to control all such work and repairs, and the right of access thereto, until its completion. All work may be performed by the Declarant without the consent or approval of the Executive Board. The Declarant has such an easement through the Common Elements as may be reasonably necessary for the purpose of discharging the Declarant's obligations or exercising Special Declarant Rights, whether arising under the Act or reserved in this Declaration.

Section 7.7 - Signs and Marketing

The Declarant reserves the right to post signs and displays in the Common Elements to promote sales of Units, and to conduct general sales activities, in a manner as will not unreasonably disturb the rights of Unit Owners.

Section 7.8 - Declarant's Personal Property

The Declarant reserves the right to retain all personal property and equipment used in the sales, management, construction and maintenance of the premises that has not been represented as property of the Association. The Declarant reserves the right to remove from the property, promptly after the sale of the last Unit, any and all goods and improvements used in development, marketing and construction, whether or not they have become fixtures.

Section 7.9 - Declarant Control of Association

This Section left intentionally blank.

Section 7.10 - Limitations on Special Declarant Rights

Unless sooner terminated by a recorded instrument executed by the Declarant, any Special Declarant Right may be exercised by the Declarant during such period of time as the Declarant is obligated under any warranty or obligation, holds a Development Right to create additional Units or Common Elements, owns any Unit, or holds any Security Interest in any Unit, or for twenty-one (21) years after recording this Declaration, whichever is earliest. Earlier termination of certain rights may occur by statute.

Section 7.11 - Interference with Special Declarant Rights

Neither the Association nor any Unit Owner may take any action or adopt any rule that will interfere with or diminish any Special Declarant Right without the prior written consent of the Declarant.

Section 7.12 - Easements/Licenses.

The Declarant shall reserve the right to grant any and all easements or licenses necessary for the development of the property at any time during the period of development. The Units within Autumn Estates, whether conveyed prior to or subsequent to the granting of the easements or licenses, shall be subject to such easements or licenses.

ARTICLE VIII Allocated Interests

Section 8.1 - Allocation of Interests

The table showing Unit numbers and their allocated interests is attached as Schedule A-2. 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.

Section 8.2 - Formulas for the Allocation of Interests

The Interests allocated to each Unit have been calculated on the following formulas:

- (a) <u>Liability for Common Expenses</u>. The percentage share of liability for Common Expenses allocated to each Unit is based on thirty (30) Units with each Unit paying one-thirtieth (1/30) of all common expenses.
- (b) <u>Undivided Interests in Common Elements</u>. The percentage of the undivided interests in the Common Elements allocated to each Unit is based upon the total number of Units divided into 100.
- (c) <u>Votes</u>. Each Unit in the Common Interest Community shall have one 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 allocated in Schedule A-2 to the Declaration.

ARTICLE IX Restrictions on Use, Alienation and Occupancy

Section 9.1 - Use and Occupancy Restrictions

Subject to the Special Declarant Rights reserved under Article VII, the following use restrictions apply to all Units and to the Common Elements:

(a) <u>Residential Use</u>. Each Unit is restricted to residential use as a single-family dwelling. Each residential dwelling may be used only as a single-family residence including home professional pursuits not involving employees and not requiring 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, with no more occupants than two per bedroom and in no event more than three occupants per Unit.

- (b) <u>Use Affecting Insurance</u>. 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.
- (c) <u>Compliance with Laws</u>. 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.
- (d) <u>55 and Older</u>. The residence of each Unit is limited to:
 - (i) a person or persons who are 55 years of age or older;
 - (ii) a "personal care attendant" who has been employed on behalf of a resident who is 55 years of age or older, to attend to that resident's(s') medical and/or health needs, provided that (1) the personal care attendant is 21 years of age or older, registered with the Town Planner's office, if required, and not paying the resident any form of rent; (2) the resident(s) in question has a note from his/her doctor stating that the condition of the resident is such that a personal care attendant is warranted; and (3) the personal care attendant has complied with all such other requirements established by the appropriate boards and commissions of the Town of Farmington;
 - (iii) the spouse of a resident who is 55 years of age or older; or the spouse who survives a resident who was 55 years of age or older provided that any such spouse who remarries or cohabitates must meet the age requirements of Section 9.1(a)(i) above; or the spouse of a resident who becomes a resident of a long term continuing care facility provided that any such spouse who cohabitates must meet the age requirements of Section 9.1(a)(i); and
 - (iv) one child 21 years or older who resides with his/her parents;
- (e) <u>No non-resident</u>. No Unit shall be owned by anyone who is not a resident of the Unit, except that a family member or an entity solely owned by family members or member may purchase or own a Unit for use by a family member who otherwise complies with these provisions. For the

purposes of this Article IX, a "family member" shall mean, the son, daughter, son-in-law, daughter-in-law, grandchild.

- (f) <u>Subject to By-laws and Rules</u>. In addition to the provisions of this Declaration, the use of the Common Elements is subject to the By-laws and the Rules of the Association.
- (g) <u>Board Regulation</u>. The powers of the Board to regulate the use and occupancy of Units, including leasing, is described in Article 23.1.
- (h) <u>Garages; Motor Vehicles</u>. Garages are restricted to use as parking spaces for motor vehicles used by the occupants of the Unit and for the storage of personal goods and household items. However:
 - No vehicle having a capacity in excess of one-half (1/2) ton or possessing more than four (4) wheels may be parked overnight in the Common Interest Community;
 - (ii) No vehicle may be kept in a garage if it cannot fit in the garage with the garage door closed;
 - (iii) If personal goods and household items are stored in a garage, enough space must be left to permit one (1) motor vehicle to be parked in each parking bay of the garage, with the garage door closed; and
 - (iv) Unit Owners or occupants of Units may not keep more than two (2) motor vehicles in the Common Interest Community.
- (i) <u>No Business Activities</u>. Except for those activities conducted as part of the marketing and development program of the Declarant, and except for those activities described in Section 9.1(a) above, no industry, business, trade, commercial activity or other nonresidential use of a Unit is permitted in the Common Interest Community. No signs, window displays or advertising is permitted. No Unit may be used or rented for transient, hotel or motel purposes.
- (j) <u>Offensive Activities</u>. 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.
- (k) <u>Pets</u>.
 - (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, which may be regulated as to activities, character, breed, size, number, and species by Rule, 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 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.
- (l) <u>Displays</u>. Nothing may be hung or displayed on the windows or placed on the outside walls of any of the Units or on Common Elements, unless it is permitted by Rule or by prior written approval from the Association.

- (m) <u>Awnings, Etc.</u> No awnings, canopies, shutters, or other items may be affixed to or placed upon the exterior walls or roofs of any Unit without the prior written consent of the Executive Board.
- (n) <u>Signs</u>. 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 or roofs of any Unit, or anywhere in the Common Elements, unless permitted by Rule or by the prior written consent of the Executive Board.
- (o) <u>Flags, Etc.</u> Flags and holiday decorations may be affixed to or placed upon the exterior walls or roofs of any Unit under standards established by Rule of the Association. 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:
 - 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 two (2) square feet.
- (p) <u>Rules Affecting the Use and Occupancy of Units</u>. 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.

Section 9.2 - Restriction and Alienation

The following restrictions on alienation apply to the Common Interest Community.

- (a) A Unit may not be conveyed pursuant to a time-sharing plan as defined under Chapter 734b of the Connecticut General Statutes.
- (b) A Unit may not be leased or rented other than to any person other than a resident who qualifies under Section 9.1(d). All leases and rental agreements shall be in writing, shall be for a term of not less than one (1) year, and shall be subject to the requirements of the Community Documents and the Association.

Section 9.3 - Housing for Older Persons and Age Restrictions

The Common Interest Community is intended to comprise and be operated as "housing for older persons" as such phrase is defined by the Fair Housing Amendments Act of 1988, 42 United States Code Sections 3601 et seq. Accordingly, the occupancy of each Unit shall be further restricted as follows:

- (i) Except as otherwise specifically provided in this Subsection 9.3, each Unit that is occupied shall be occupied by at least one (1) Age-Qualified Individual.
- (ii) Notwithstanding any other provision contained in this subsection 9.3, if a Unit has been occupied by an Age-Qualified Individual and by the spouse or partner of an Age-Qualified Individual, and the spouse or partner survives, divorces, or legally separates from the Age-Qualified Individual, the spouse or partner may continue to occupy the Unit, even if the spouse or partner is not an age-Qualified Individual, so long a sat least eighty

percent (80%) of the Units in the Common Interest Community are occupied by at least one (1) Age-Qualified individual.

- (iii) Notwithstanding any other provision contained in this Subsection 9.3, if a Unit has been occupied by an Age-Qualified Individual and by the spouse or partner of an Age-Qualified Individual, and the Age-Qualified Individual ceases to occupy the Unit because the individual has become the resident of a nursing home, continuing care facility, or assisted living facility, the spouse or partner of the Age-Qualified Individual may continue to occupy the Unit, even if the spouse or partner is not an Age-Qualified Individual, so long as at least eighty (80%) of the Units in the Common Interest Community are occupied by at least one (1) Age-Qualified Individual.
- (iv) If the occupying spouse in any of the circumstances set forth in paragraphs
 (b) and/or (c) of this Subsection 9.3 subsequently remarries or cohabitates, one of the occupants of the Unit must be an Age-Qualified Individual.
- (v) The Association shall publish and adhere to policies and procedures that demonstrate the intent to provide housing for older persons as required under 42 U.S.C. 3607(b) as it may be amended from time to time.
- (vi) The Association shall comply with the rules issued by the Secretary of Housing and Urban Development for verification of occupancy of Unit.
- (vii) The Association shall govern and operate the Common Interest Community in a manner that complies with all other requirements of the Fair Housing Amendments Act of 1988 concerning housing for older persons, including any amendments to and judicial interpretation of that Act.
- (viii) No individual who is under the age of twenty-one (21) may be domiciled within any Unit or stay overnight as a visitor within any Unit for more than fourteen (14) days within any twelve (12) consecutive months. This prohibition includes any individual under the age of twenty-one (21) domiciled with either a parent or another individual having legal custody of the individual, or the designee of such parent or other individual having legal custody with the written permission of such parent or other individual. However, the prohibition does not apply to a live-in care giver for an Age-Qualified Individual or other reasonable accommodation required under Fair Housing or other applicable law.

Section 9.4 - Use and Occupancy Restrictions for the Common Elements

(a) The use of the Common Elements is subject to the Bylaws and the Rules of the Association.

(b) For any period during which any Common Expense assessment remains unpaid or, after Notice and Hearing, for any period not to exceed thirty (30) days, for any infraction of its published rules, the Executive Board may suspend the right to use Common Elements not necessary to give access to a public street.

Section 9.5 – 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) <u>Trash</u>. 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) <u>Cleanliness</u>. 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) <u>Smoking</u>. Smoking, including but not limited to the smoking of all tobacco products, cigarettes, pipes, and cigars, is prohibited in the Common Elements of the Common Interest Community, including the Limited Common Elements. Smoking is also prohibited in the Units if the smoke can be smelled or otherwise detected in other Units or in the Common Elements.
- (d) <u>Insects and Vermin</u>. 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) <u>Bylaws and Rules</u>. Activities within the Common Elements are subject to the Bylaws and the Rules of the Association.
- (f) <u>Antennas</u>. No antennas are permitted in the Common Interest Community.

Section 9.6 - 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 9.7 – Leasing Less Than an Entire Unit

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

Section 9.8 – Limitations on Occupancy of Units by Lessees

The Executive Board, after Notice and Comment, may adopt one (1) or more Rules restricting the leasing of Units, which restrictions shall be in addition to those set forth in Section 9.2(b) of this Declaration.

Section 9.9 – 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.

Section 9.10 - Limitations on Occupancy of Units by Lessees

Except as provided in Subsections 9.10 (b) and (c), no Unit Owner may lease a Unit to another Person until the Unit Owner has first resided in the Unit for at least one (1) year. For purposes of this Section, a lease includes any grant of exclusive possession of a Unit to another Person, whether or not for consideration.

- (a) For purposes of this Section:
 - (i) In the case of a Unit Owner that is a trust, if one (1) or more beneficiaries of the trust have resided in the Unit for at least one (1) year, the trust shall be deemed to have satisfied the requirements of this Section 9.10 and
 - (ii) In the case of a Unit Owner that is a corporation, partnership, limited liability company, or other legal or commercial entity, if one (1) or more individuals who, among them, hold at least twenty percent (20%) of the capital of and voting interest in the entity

have resided in the Unit for at least one (1) year, the entity shall be deemed to have satisfied the requirements of this Section 9.10.

- (b) The provisions of this Section 9.10 shall not apply to:
 - Leases by an individual Unit Owner to the Unit Owner's spouse, civil union or domestic partner, parents, grandparents, children, grandchildren or siblings;
 - (ii) Leases by a trust to a beneficiary of the trust; or
 - (iii) Leases by a corporation, partnership, limited liability company or other legal entity to one (1) or more individuals who, among them, hold at least twenty percent (20%) of the capital of and voting interest in the entity;
 - (iv) Leases by a Declarant; or
 - (v) Leases by the holder of a first or second Security Interest in a Unit who acquires title to the Unit by foreclosure of its Security Interest, by deed in lieu of foreclosure, by redemption of the Unit in a tax foreclosure or in an action to foreclose the Association's lien for assessments, or by purchase at a foreclosure or tax sale;
 - (vi) Leases by any purchaser of a Unit at a foreclosure or tax sale; and
 - (vii) Leases by the immediate transferee of a Unit from any party described in Subsection 9.10(b)(v).
- (c) The Executive Board, upon written application and after Notice and Hearing may waive the application of this Section 9.10 to a particular Unit Owner if it determines that such application would result in an unfair hardship to the Unit Owner.
- (d) For the purposes of Subsection 9.10(c), the Executive Board may determine an unfair hardship exists if it finds that the Unit Owner purchased the Unit with the intention of occupying it for at least one (1) year, but that such occupancy was made impossible or more difficult by change in familial status, loss or change of employment, call to active military service, change of place of employment, illness or physical disability.
 - (i) If a Unit Owner submits a written application under Subsection 9.10(c), the Executive Board shall answer the application after Notice and Hearing, within sixty (60) days. Failure to do so within such time shall not constitute consent by the Executive Board to the application.

(ii) The Executive Board may adopt Rules or procedures governing the review of applications. Any resolution granting or denying an application under Subsection 9.10(c) shall state the reason or reasons for such action and a copy of the resolution shall be furnished to each applicant with the answer of the Executive Board.

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

No portion of the Common Elements may be subsequently allocated as Limited Common Elements by the Declarant or by the Association.

ARTICLE XII Additions, Alterations and Improvements

Section 12.1 - Additions, Alterations and Improvements by Unit Owners

Unless permitted by the Executive Board as provided in Section 12.2 of this Declaration:

- (a) A Unit Owner may not expand the structure or improvements within the Unit or change in any way the exterior appearance of the Unit. No additions may be made to the Unit which would cause any portion of the Unit to extend beyond the dotted lines (Building Box) as shown on the plans for that Unit. The exterior appearance of a Unit shall mean and include the style and/or exterior colors of a house within the Unit, and any building alteration or addition in any Unit which is visible from the exterior of the Unit. "Structures and improvements within a Unit" shall include, without limitation, any house, windows, doors, outbuilding, storage shed, fence, wall, deck, patio, landscaping, garden, lawn ornament, plants, planter, bird feeder or any other decoration or item visible from the exterior of a Unit.
- (b) There shall be no painting of Common Elements and no alterations, additions or improvements may be made to the Common Elements. No clothes, sheets, blankets, laundry or any other kind of articles (other than curtains, blinds, conventional drapes, the American Flag or holiday

decorations, any of which may be hung, displayed or exposed on or at any window) shall be hung out of a Unit or building or exposed or placed on the outside walls, doors of a Unit or building or on trees, structures or improvements. No sign, awning, canopy, shutter or antenna shall be affixed to or placed upon the exterior walls, doors, roof or any part thereof or exposed on or at any window of any Unit or building.

- A Unit Owner may not change the exterior appearance of the structures or (c) improvements within the Unit, unless the prior written consent therefore is obtained from the Executive Board subject to the minimum standards set forth in Section 6.3(c). In no event may the Unit Owner expand the Unit. Patios may be expanded subject to the approval of the Architectural Review Committee and the Town of Farmington. The exterior appearance of a Unit shall include the style and/or exterior colors of a house within the Unit, any building alteration or addition in any Unit which is visible from the exterior of the Unit but shall not include the landscaping which an Owner may change provided it is kept well groomed. "Structures and Improvements within a Unit" shall include, without limitation, any house, outbuilding, storage shed, fence, wall, deck, patio or decoration visible from the exterior of a Unit. The exterior color or colors of buildings in the Units shall be the same color or colors as those initially established on the structures at the time of the original Declaration, or the colors of siding or paint/stain placed on the structures by the Declarant prior to the first sale of the Unit, unless the prior written consent therefore is obtained from the Executive Board for a color change.
- (d) 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.

<u>Section 12.2 – Approval by Executive Board of Certain Additions, Alterations,</u> and Improvements by Unit Owners

(a) A Unit Owner may submit a written request to the Executive Board of approval to do anything that is otherwise prohibited or regulated under Section 12.1 of this Declaration. The Executive Board shall answer any written request for such approval, after Notice and Hearing to the applicant, and any Unit Owner who in the sole opinion of the Executive Board may be especially impacted by the proposed improvements or alteration, within sixty (60) days after it receives the request. 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 12.2(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 12.2(a). These may include, but are not limited to, the following:
 - 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 12.3(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.
- (d) 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.
- (e) 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.
- (f) The Executive Board may grant approval for a type or class of modifications or installations by adopting a rule, after Notice and Comment.
- (g) The Executive Board may establish forms and procedures for the making and processing of applications under this Section.
- (h) 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.

<u>Section 12.3</u> – <u>General Provisions Relating to Additions, Alterations, and</u> 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 Association 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 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.
- (c) Notwithstanding the provisions of the other Sections of this Article XII and the restrictions in this Article XII, in the event any Unit is damaged as a result of any casualty or otherwise, the Unit Owner shall repair said damage or rebuild the damaged Unit so that the Unit is restored to the condition existing prior to the damage. In the event any materials which

are visible from the exterior of any Unit are desired to be substituted in the repair or rebuilding, the approval of the Executive Board must first be obtained in accordance with the provisions of this Article.

(d) The provisions of Sections 12.1 and 12.2 of this Declaration shall not apply to the Declarant in the exercise of any Special Declarant Right.

Section 12.4 – 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.
- (d) Although the boundaries between adjoining Units may be relocated pursuant to Article XII of the Declaration, no amendment may change the boundaries between any Unit and the Common Elements to incorporate Common Elements within the Unit except under the following procedure:
 - (i) The owner of a Unit who wishes his boundaries to be relocated to include Common Elements will make application to the Association with a plan for the relocated boundaries in sufficient specificity to act as an amendment to the Declaration and a survey showing the relocated building location outline in sufficient detail to amend the Survey attached as Exhibit A-3 to the Declaration. The application shall contain such other information as the Executive Board may reasonably require to evaluate the merits of the application and its effect on safety and structural soundness of any proposed change to the physical portions of the building involved. A fee sufficient to defer the costs of the Executive Board may be required to be paid.
 - (ii) The amendment will be reviewed by the Executive Board and such consultants as it feels is necessary.
 - (iii) If the Executive Board approves the amendment, it will be submitted to a vote of the membership at a special meeting called for that purpose. Unless persons entitled to cast at least sixtyseven percent of the Votes in the Association including sixty-seven percent of the Votes allocated to Units not owned by the Declarant agree to the action, the amendment will not be approved.
 - (iv) The amendment will be executed by the Unit Owner of the Unit whose boundary is being relocated and by the President of the Association pursuant to the resolution of the Executive Board approving the amendment, attested by the Secretary, contain words of conveyance between the Unit Owner and the Association and be recorded in the town land records and be indexed in the name of the Unit Owner as grantee, and the Association as Grantor or otherwise as appropriate.

Section 14.4 – Amendments Creating or Extending Development Rights

Provisions in this Declaration creating Development Rights or Special Declarant Rights that have not expired may not be amended without the consent of the Declarant.

Section 14.5 – Other Amendments

- (a) Amendments made by the Declarant in the exercise of its Development Rights shall be made in accordance with the provisions of Article VII of this Declaration.
- (b) 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.
- (c) 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 which are 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 Documents, but in the case of conflict, this Article shall control.

Section 16.2 - Percentage of Eligible Mortgagees

Wherever in this Declaration the approval or consent of a specified percentage of Eligible Mortgagees is required, it shall mean the approval or consent of Eligible Mortgagees holding 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 Security Interests held by Eligible Mortgagees.

Section 16.3 - Notice of Actions

The Association shall give prompt written notice to each Eligible Mortgagee and Eligible Insurer of:

- (a) Any condemnation loss or any casualty loss which affects a material portion of the Common Interest Community 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 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;
- (d) Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees as specified in Section 16.4; and
- (e) Any judgment rendered against the Association.

Section 16.4 - Consent Required

- (a) <u>Document Changes</u>. Notwithstanding any lower requirement permitted by this Declaration or the Act, no amendment of any material provision of the Documents by the Association or Unit Owners described in this Subsection 16.4(a) may be effective without the vote of at least sixtyseven percent (67%) of the Unit Owners (or any greater Unit Owner vote required in this Declaration or Chapter 828 of the Connecticut General Statutes) and until approved in writing by at least fifty-one percent (51%) of the Eligible Mortgagees (or any greater Eligible Mortgagee approval required by this Declaration). The foregoing approval requirements do not apply to amendments effected by the exercise of any Development Right. Material includes, but is not limited to, any provision affecting:
 - (i) Assessments, assessment liens or subordination of assessment liens;
 - (ii) Voting rights;
 - (iii) Reserves for maintenance, repair or replacement of Common Elements;
 - (iv) Responsibility for maintenance and repairs;
 - (v) Reallocation of interests in the Common Elements or Limited Common Elements except that when Limited Common Elements are reallocated by agreement between Unit Owners, only those Unit Owners and only the Eligible Mortgagees holding Security Interests in such Units must approve such action;
 - (vi) Rights to use Common Elements and Limited Common Elements;
 - (vii) Boundaries of Units except that when boundaries of only adjoining Units are involved, or a Unit is being subdivided, then only those Unit Owners and the Eligible Mortgagees holding Security Interests in such Unit or Units must approve such action;
 - (viii) Convertibility of Units into Common Elements or Common Elements into Units;
 - (ix) Expansion or contraction of the Common Interest Community, or the addition, annexation or withdrawal of property to or from the Common Interest Community;
 - (x) Insurance or fidelity bonds;

- (xi) Leasing of Units;
- (xii) Imposition of restrictions on a Unit Owner's right to sell or transfer his or her Unit;
- (xiii) Establishment of self-management when professional management had been required previously by any Eligible Mortgagee;
- (xiv) Restoration or repair of the project after a hazard damage or partial condemnation in a manner other than that specified in the Documents;
- (xv) Termination of the Common Interest Community after occurrence of substantial destruction or condemnation; and
- (xvi) Any provision that expressly benefits mortgage holders, insurers or guarantors.
- (b) <u>Actions</u>. Notwithstanding any lower requirement permitted by this Declaration or Chapter 828 of the Connecticut General Statutes, the Association may not take any of the following actions without the approval of at least fifty-one (51%) of the Eligible Mortgagees or such higher percentage as set forth herein:
- (i) The conveyance or encumbrance of the Common Elements or any portion thereof, as to which an eighty percent (80%) Eligible Mortgagee approval is required. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements for the benefit of the Common Interest Community shall not be deemed a conveyance or encumbrance within the meaning of this clause;
- (ii) The establishment of self-management when professional management had been required previously by any Eligible Mortgagee;
- (iii) The restoration or repair of the Property after hazard damage or a partial condemnation in a manner other than that specified in the Documents;
- (iv) The termination of the Common Interest Community, for reasons other than substantial destruction or condemnation, as to which a sixty-seven (67%) Eligible Mortgagee approval is required;
- (v) The alteration of any partition or creation of any aperture between adjoining Units when Unit boundaries are not otherwise being affected, in which case only the owners of Units affected and Eligible Mortgagees of those Units need approve the action;

- (vi) The merger of this Common Interest Community with any other Common Interest Community;
- (vii) The granting of any easements, leases, licenses and concessions through or over the Common Elements excluding, however, any utility easements serving or to serve the Common Interest Community and excluding any leases, licenses or concessions for no more than one (1) year;
- (viii) The assignment of the future income of the Association, including its right to receive Common Expense assessments; and
- (ix) Any action taken not to repair or replace the Property.

The foregoing consents do not apply to the exercise of any Development Right.

- (c) The Association may not change the period for collection of regularly budgeted Common Expense assessments to other than monthly without the consent of all Eligible Mortgagees.
- (d) The failure of an Eligible Mortgagee to respond within forty-five (45) days to any written request of the Association for approval of a nonmaterial addition or amendment to the Documents shall constitute an implied approval of the addition or amendment.

Section 16.5 - Development Rights

No Development Rights may be exercised or voluntarily abandoned or terminated by the Declarant unless all persons holding Security Interests in the Development Rights consent to the exercise, abandonment, or termination.

Section 16.6 - Inspection of Books

The Association shall permit any Eligible Mortgagee or Eligible Insurer to inspect the books and records of the Association during normal business hours.

Section 16.7 - Financial Statements

The Association shall provide any Eligible Mortgagee or Eligible Insurer which submits a written request, with a copy of an annual financial statement within ninety (90) days following the end of each fiscal year of the Association. Such financial statement shall be audited by an independent certified public account if:

- (a) The Common Interest Community contains fifty (50) or more Units, in which case the cost of the audit shall be a Common Expense; or
- (b) Any Eligible Mortgagee or Eligible Insurer requests it, in which case the Eligible Mortgagee or Eligible Insurer shall bear the cost of the audit.

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 representatives 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-2 to the Declaration.

Section 17.2 – Common Expenses Attributable to Fewer than All Units

- (a) Any Common Expense for services provided by the Association to an individual Unit at the request of the Unit Owner shall be assessed against the Unit which benefits from such service.
- (b) 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.
- (c) 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.
- (d) 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.
- (e) Notwithstanding the provisions of Subsection 21.2(b) of this Declaration, if any Common Expense is caused by the willful misconduct, failure to

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comply with a written maintenance standard promulgated by the Association, or gross negligence of any Unit Owner or tenant or other occupant 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.

- (f) Any charges assessed against a Unit in connection with additions, alterations, or improvements applied for or approved under Section 12.2 of this Declaration.
- (g) 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. Unless the Association is required to provide such services to all Units by the Community Documents or the Act, or does provide such services to all Units pursuant to a policy or resolution adopted by the Executive Board, 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.
- (h) 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.
- (i) 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:
 - 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 (30) days after the adoption of a proposed budget, the Executive Board shall provide to all Unit Owners a summary of the 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 Executive Board shall set a date not less than ten (10) days or more than sixty (60) days after providing the summary for either a meeting of the Unit Owners or a vote by ballot without a meeting to consider approval of the budget. If, at that meeting or in the vote by ballot without a meeting, Unit Owners holding a majority of all of the Votes in the Association vote to reject the budget, the budget is rejected; otherwise the budget is approved. The absence of a quorum at such meeting or participation in the vote by ballot without a meeting shall not affect rejection or approval of the budget. If a proposed budget is rejected, the budget last approved by the Unit Owners continues until Unit Owners approve a subsequent budget.

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 (30) days after adoption of a proposed Special Assessment, the Executive Board shall provide to all Unit Owners a summary of the Special Assessment. If such Special Assessment, together with all other Special Assessments, including emergency Special Assessments, proposed by the Executive Board in the same calendar year, do not exceed fifteen percent (15%) of the Association's last adopted periodic budget for that calendar year, the Special Assessment is effective without approval of the Unit Owners. Otherwise, the Executive Board shall set a date not less than ten (10) days or more than sixty (60) days after providing the summary for either a meeting of the Unit Owners or a vote by ballot without a meeting to consider approval of the Special Assessment. If, at such meeting or in the balloting, Unit Owners holding a majority of all of the Votes in the Association vote to reject the Special Assessment, the Special Assessment shall be rejected; otherwise the Special Assessment shall be approved. The absence of a quorum at such meeting or participating in the vote by ballot without a meeting shall not affect the rejection or approval of the Special Assessment.
- (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.

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 – 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; or
- (c) To bring appropriate legal proceedings, either at law or in equity, for specific performance of the Community Documents.

Section 19.8 - 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 19.8(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 19.8(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
 - (vi) Shall not apply to the Declarant in the exercise of any Special Declarant Right.

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 Common Elements), but excluding the Units and 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) 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) The loss shall be adjusted with the Association.
 - (iv) Insurance proceeds shall be paid to the Association.
 - (v) 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.
 - (vi) The insured shall be the Association (designated by name).

Section 20.3 – 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) 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.

Section 20.4 - 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.

Section 20.5 - Unit Owner Policies

An insurance policy issued to the Association does not prevent a Unit Owner from obtaining insurance for their own benefit.

Section 20.6 - Workers' Compensation Insurance

The Executive Board shall obtain and maintain workers' compensation insurance to meet the requirements of the laws of the State of Connecticut.

Section 20.7 – 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 20.8 – Other Insurance

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

Section 20.9 – Premiums

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

Section 20.10 - 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 vote not to rebuild.
- (b) The Association, acting through the Executive Board, and not the Unit Owners, 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.
- (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 and Unit Owners holding a majority of all of the Votes in the Association.

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, the insurance 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.

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. 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.

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- (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

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(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;
- 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;

- 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;
- 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

- 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

The Community Documents are intended to comply with the requirements of the Act and the Connecticut Revised Nonstock Corporation Act. 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.

[End of Declaration]