

AMENDED
DECLARATION OF CONDOMINIUM
OF
CASWELL COVE MARINA

Declared by:

CASWELL COVE MARINA ASSOCIATION, INC.
275 POPES ISLAND ROAD
MILFORD, CT 06461

DECLARATION OF CASWELL COVE MARINA

ARTICLE 1

This AMENDED DECLARATION was duly adopted by the Condominium on the 14th day of December, 2010.

The Caswell Cove Condominium was established pursuant to Declaration recorded in Volume 1693, Page 281 of the Milford Land Records.

There have been no previous Amendments to the Declaration. The condominium currently consists of a total of 104 non-residential, recreational units (boat slips), as follows:

(The original Declaration of Condominium of Caswell Cove Marina was declared by Milford River Associates on December 29, 1988 and recorded in the City of Milford Land Records on September 19, 1988)

The affairs of the Caswell Cove Condominium shall be governed by the provisions of this Amended Declaration, Amended By-Laws and Amended Rules, and as said Documents may be further amended from time to time.

ARTICLE 2
DEFINITIONS

In the Common Interest Community Instruments, the following words and phrases mean:

Section 2.1 - Act. The Common Interest Ownership Act, Chapter 828 of the Connecticut General Statutes.

Section 2.2 - Allocated Interests. The undivided interest in the Common Elements, the Common Expense liability, and Votes in the Association, allocated to the Units in the Common Interest Community. The Allocated Interests are described in Article 6 of the Declaration and shown on Exhibit A-2.

Section 2.3 - Association. Caswell Cove Marina Association, Inc., a non-stock corporation organized under the laws of the State of Connecticut. It is the Association of Unit Owners pursuant to the Act.

Section 2.4 - Bylaws. The Bylaws of the Association, as they may be amended from time to time.

Section 2.5 - Common Elements. All portions of the Common Interest Community other than the Units.

Section 2.6 - Common Expenses.

- (i) Expenses of administration, maintenance, repair, or replacement of the Common Elements;
- (ii) Expenses declared to be Common Expenses by the Instruments or by the Act;
- (iii) Expenses agreed upon as Common Expenses by the Association; and
- (iv) Reasonable reserves, whether held in trust or by the Association, for repair, replacement or addition to the Common Elements or any other real or personal property acquired or held by the Association.

Section 2.7 - Common Interest Community. The real property described in Exhibit A-1, subject to the Declaration of Caswell Cove Marina, which is also hereinafter referred to as the Condominium.

Section 2.8 - Condominium. A Common Interest Community in which portions of the real property are designated for separate ownership and the remainder of the real property is designated for common ownership solely by the owners of those portions, and the undivided interest in the common elements are vested in the unit owners.

Section 2.9 - Damaged or Destroyed. A portion of the Common Interest Community is Damaged or Destroyed (suffers Damage or Destruction) if it suffers physical damage of a type and caused by an occurrence of a type covered by the casualty insurance required by Section 47-255 of the Act or by this Declaration, or for which insurance carried by the Association is in effect.

Section 2.10 - Declaration. The initial Declaration, including any prior amendments thereto and this Amended Declaration.

Section 2.11 - Director. A member of the Executive Board.

Section 2.12 - 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 notices and other rights described in Article 20.

Section 2.13 - Eligible Mortgagee. A mortgagee given certain rights as provided in Article 20 of this Declaration.

Section 2.14 - Executive Board. The board of directors of the Association pursuant to Chapter 600 of the Connecticut General Statutes. The "Executive Board" is sometimes called "The Board of Directors".

Section 2.15 - Improvements. Any construction or facilities existing or to be constructed on the land and within the Riparian Rights included in the Common Interest Community, such as piers, docks, ramps, pilings, buildings, paving, utility wires, pipes and light poles, and trees and shrubbery planted by the Association.

Section 2.16 - Instruments. The Declaration, survey and plans recorded and filed pursuant to the provisions of the Act, and the Bylaws. Any exhibit, schedule, or certification accompanying an Instrument is a part of that Instrument.

Section 2.17 - Limited Common Elements. A portion of the Common Elements allocated by this Declaration or by the operation of the Act for the exclusive use of one or more but fewer than all of the Units. The Limited Common Elements in this Common Interest Community are described in Article 7 of the Declaration.

Section 2.18 - Majority or Majority of Unit Owners. The owners of more than 50% of the Votes in the Association. Any specified percentage, portion, or fraction of Unit Owners, unless otherwise stated in the Instruments, means such percentage, portion, or fraction in the aggregate of such portion of Votes.

Section 2.19 - Manager. A person, firm, or corporation employed or engaged to perform management services for the Common Interest Community and the Association.

Section 2.20 - 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. These provisions are set forth in Section 29.1 of this Declaration.

Section 2.21 - 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. These provisions are set forth in Section 29.2 of the Declaration.

Section 2.22 - Person. An individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or other legal or commercial entity.

Section 2.23 - Plans. The survey and plans filed with this Amended Declaration.

Section 2.24 - Property. The land, all Improvements, easements, Riparian Rights or other rights and appurtenances, which have been submitted or in the future may be submitted to the provisions of the Act by this Declaration.

Section 2.25 - Record. "Record," used as a noun, means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

Section 2.26 - Riparian Rights. The rights to wharf out, and tie up a boat, together with the right to maintain a channel to the navigable waterways, and other rights to access the waterways.

Section 2.27 - 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 the Bylaws.

Section 2.28 - Security Interest. An interest in real property or personal property, created by contract or conveyance, 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 lease or rents intended as security, pledge of an ownership interest in an Association, and any other consensual lien or title retention contract intended as security for an obligation.

Section 2.29 - Survey. The survey filed with the initial Declaration as schedules and any Amendments to the plans filed with this Amended Declaration.

Section 2.30 - Trustee. The entity which may be designated by the Executive Board as the Trustee for the receipt, administration and disbursement of funds derived from insured losses, condemnation awards, special assessments for uninsured losses, and other like sources as defined in the Bylaws. If no Trustee has been designated, the Trustee will be the Directors from time to time constituted, acting by majority vote, as executed by the President and attested by the Secretary.

Section 2.31 - Unit. A physical portion of the Common Interest Community designated for separate ownership or occupancy the boundaries of which are described in Section 5.2.

Section 2.32 - Unit Owner. The person or persons owning a Unit in fee simple absolute and undivided interest in fee simple of Common Areas in the percentage specified and established in this Declaration.

Section 2.33 - Votes. The votes allocated to each Unit

Section 2.34 - All other terms set forth herein, unless the context requires otherwise, shall be defined as defined in the Act.

ARTICLE 3

NAME AND TYPE OF COMMON INTEREST COMMUNITY AND ASSOCIATION

Section 3.1 - Common Interest Community. The name of the Common Interest Community is The Caswell Cove Marina. The Common Interest Community is a Condominium, and said Common Interest Community is also referred to as Condominium in this document.

Section 3.2 - Association. The name of the Association is The Caswell Cove Marina Association, Inc. It is a non-stock corporation organized under the laws of the State of Connecticut.

ARTICLE 4
DESCRIPTION OF PROPERTY

The entire Common Interest Community is situated in the City of Milford, Connecticut. A legal description of the Common Interest Community is found at Exhibit A-1.

A Unit consists of a portion of the Riparian Rights alongside piers. The Units and any Improvements constructed within the Riparian Rights, including piers and pilings, are constructed, operated and maintained pursuant to authorizations, certificates or permits issued by the Connecticut Department of Environmental Protection and the United States Army Corps of Engineers. Such authorizations, certificates, or permits are subject to modification, suspension, or revocation by said Department of Corps of Engineers.

ARTICLE 5
MAXIMUM NUMBER OF UNITS; BOUNDARIES

Section 5.1 - Number of Units. The Common Interest Community presently contains 104 Units.

Section 5.2 - Boundaries. Boundaries of each Unit created by the Declaration are shown on the Survey and Plans as numbered Units with their identifying number and are described as follows:

(a) The boundaries of each Unit consist of the vertical planes intersecting the location of the boundary lines at sea level of the areas shown as Units on the Plans. They consist of the area of a portion of the Riparian Rights located within such boundaries. They have no horizontal boundary, but are subject to use restrictions set forth in the Declaration, By-laws, and Rules.

ARTICLE 6
ALLOCATED INTERESTS

Section 6.1 The table showing Unit numbers and their allocated interest is attached as Exhibit A-2. These interests have been allocated in accordance with the formulas set out in this Article 6. These formulas are to be used in reallocating interests if Units are added to the Condominiums.

Section 6.2 The interests allocated to each Unit have been calculated based on the following formula:

(a) Undivided Interests in the Common Elements: The fraction of the undivided interest in the Common Elements allocated to each Unit is the fraction of liability for Common Expenses allocated to each Unit and is equal to a fraction, the numerator of which is the length of the Unit and the denominator is the total length of all Units in the Condominium. The length of each Unit shall be determined by the distance from the main dock to the outer-most piling immediately adjacent to such Unit, and each Unit shall be deemed to have a length of either 30, 40, or 50 feet.

(b) Liability for the Common Expenses: The percentage of liability for Common Expenses allocated to each Unit shall be the same as the percentage of interest in the Common Elements allocated to each Unit. Nothing contained in this section shall prohibit or inhibit assessment of Common Expenses caused by or resulting from Unit Owner misconduct to that Unit.

Each Unit Owner shall be responsible for the payment of real estate taxes.

(c) Votes: Each Unit in the Condominium shall have one equal vote.

ARTICLE 7
LIMITED COMMON ELEMENTS

Section 7.1 - Limited Common Elements. The following portions of the Common Elements are Limited Common Elements assigned to the Units as stated:

(a) Finger docks contiguous to Units (the use thereof limited to the contiguous Units).

(b) Piles between finger docks and at the end of each Unit (the use thereof limited to the contiguous Units).

(c) Power pedestal as well as water and electrical lines running to the finger docks (any portion thereof serving only that Unit is a Limited Common Element to that Unit; any portion thereof serving only the Units is a Limited Common Element to the Units generally).

Section 7.2 - Expenses allocated to Limited Common Elements: The Association shall maintain, repair and replace all of the Common Elements except the portions of the Limited Common Elements which are required by this Declaration to be maintained, repaired or replaced by the Unit Owners. Any Common Expense associated with the maintenance,

repair, or replacement of enclosures and mechanical attachments, docks, and pilings to Unit Limited Common Elements will be assessed against all Units in accordance with their proportionate Allocated Interests in the Limited Common Expenses.

Section 7.3 - Easements to Limited Common Element. Each Unit Owner shall have a right to and an exclusive easement for the use of the Limited Common Element allocated to the Unit owned by such party.

ARTICLE 8
SUBSEQUENTLY ALLOCATED LIMITED COMMON ELEMENTS

The Executive Board of the Association, without need for a membership vote, is hereby authorized to create, to assign, and to reassign Limited Common Elements, by amendments to this Declaration, provided that any reassignment shall be made only with the prior written consent of the Unit Owner or Owners whose Unit or Units are affected.

ARTICLE 9
MAINTENANCE, REPAIR, AND REPLACEMENT

Section 9.1 - Common Elements. The Association will maintain, repair, or replace all of the Common and Limited Common Elements.

Section 9.2 - Units. Each Unit Owner will maintain, repair, and replace, at his or her own expense, all portions of his or her Unit, except the portions hereof to be maintained, repaired, or replaced by the Association. The Association will dredge the Units periodically to maintain water depth. During such time, Unit Owners will have to locate their boats elsewhere, which may, with the consent of the Association, be on the parking areas or other Common Elements. Spoil removed will belong to the Association.

Section 9.3 - Limited Common Elements. Each Unit Owner will be responsible for removing all dirt and debris from all finger piers adjacent to his or her Unit. If any such Limited Common Element is adjacent to two or more Units, the Unit Owners of those Units will be jointly responsible for such removal.

Section 9.4 - Access. Any person authorized by the Executive Board will have the right of access to all portions of the Property for the purpose of correcting any condition threatening a Unit or the Common Elements, and for the purpose of performing installations, dredging, alterations or repairs, and for the purpose of reading, repairing, and replacing utility meters and related pipes, valves, wires and equipment, provided that requests for entry are made in advance and that any such entry, except dredging, will be by schedule and is at a time reasonably convenient to the affected Unit Owner. In case of an emergency, no such request or notice is required and such right of entry will be immediate, whether or not the Unit Owner is present at the time. In the event that

a Unit Owner fails to remove his boat from the Unit to permit such dredging as scheduled, the Association may remove such Unit Owner's boat from his Unit and charge the cost thereof to the Unit Owner.

Section 9.5 - Repairs Resulting from Negligence. The cost to repair damage to any Unit or Common Element caused by willful misconduct, gross negligence or the failure to comply with a written Maintenance Standard promulgated by the Association by any Unit Owner, tenant, guest or invitee of a Unit Owner or tenant shall be assessed in accordance with Article 21 of this Amended Declaration.

ARTICLE 10
DEVELOPMENT RIGHTS AND SPECIAL DECLARANT RIGHTS

The Development Rights created under the Declaration as originally recorded have expired.

ARTICLE 11
RESTRICTIONS ON USE, ALIENATION, OR OCCUPANCY

Section 11.1 - Use and Occupancy Restrictions. The following use restrictions apply to all Units and to the Common Elements:

- (a) Each Unit is restricted to marine mooring use for a single non-commercial pleasure boat and its tender. No sign indicating commercial uses may be displayed at any Unit. A pleasure boat is defined as a registered pleasure boat, not licensed for carrying of passengers or cargo for hire, operated by its owners on a nonprofit, noncommercial basis. All boats and tender of Unit Owners must fit within the limits of the boundaries of the Units. The overall length of boats of Unit Owners must fit within the limits of the boundaries of the Units with the exception that boats may be permitted to extend no more than 5% of the length of the unit beyond the end of the unit (ie. 30' unit can accommodate a boat with overall length not to exceed 31.5' and as long as the boat does not protrude more than 1.5 feet past the end of the unit). All bowsprits, booms, pulpits, engines, outdrives, and other projections and overhangs shall not obstruct or impede the use of other Units or their Limited or Common Elements. All Unit Owners must abide by safe boating practices and obey all posted speed limits.
- (b) There shall be no obstructions of the Common Elements nor shall anything be stored in the Common Elements without the prior consent of the Executive Board, except as herein

expressly provided. Each Unit Owner shall be obligated to maintain his own Unit and keep it in good order and repair.

- (c) Unit Owners will not cause or permit anything to be hung or displayed at the pier, including steps on the finger piers, which extend beyond the Unit.
- (d) Nothing shall be done or kept in any Unit or the Common Elements which will increase the rate of insurance of the building or the contents thereof beyond the rates applicable for pleasure boat marinas without prior written consent of the Executive Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on any of the buildings or the contents thereof or which would be in violation of any law. No waste shall be committed in the Common Elements.
- (e) Dogs shall not be allowed on the Condominium Property unless on a leash. Each Unit Owner shall clean up after his or her dog. In the event any dog is interfering with the use and enjoyment by any other Unit Owner of his Unit, at the discretion of the manager of the Association, the manager may request that the Unit Owner permanently remove the dog from the Condominium. In the event the Unit Owner does not so permanently remove the dog from the Condominium within three days after notice from the Executive Board, or its designee, the Executive Board, or its designee, may remove said dog.
- (f) No noxious or offensive activities shall be carried on in any Unit or in the Common Elements, nor shall anything be done therein either willfully or negligently which may be or become an annoyance or nuisance to the other owners or occupants. Engines and generators which are loud or emit smoke or fumes may not be run at the pier longer than necessary to moor and depart together with reasonable warm up time for repair purposes. Noisy parties, drunkenness, or rowdiness will be prohibited. Radios and sound devices will not be played after 9:00 p.m. or before 9:00 a.m., so that they can be heard from other Units.
- (g) Nothing shall be done to any Unit which will impair the structural integrity of the piers or finger piers or buildings or which will structurally change them. No Unit Owner may do any work which may jeopardize the soundness or safety of the Property, reduce the value thereof or impair any easements, right of purchase, or any interest constituting a Common Element.

- (h) No industry, business, trade, occupation, or profession of any kind, be it commercial, religious, educational, or otherwise, may be conducted, maintained, or permitted on any part of the Property except as permitted in Subsection (a) hereof. No vehicles of any kind, other than an automobile, including campers, trailers, boats, motorbikes and motorcycles, may be parked or stored on any part of the Property, except in areas specifically designated therefore, if any, except those vehicles temporarily on the Property for purposes of servicing the Property itself or one of the Units. No use or practice shall be permitted on the Property which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the Property by its residents. All valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction hereof shall be observed. For purposes of this Subsection (g), all motor vehicle laws of the State of Connecticut will apply to the private drives of the Property and all operators of any vehicles of any kind, including but not limited to minibikes, snowmobiles, trailers, go-carts and the like, must be licensed.
- (i) The Executive Board shall have the power to make such regulations as may be necessary to carry out the intent of these use restrictions. The Executive Board shall further have the right to levy fines for violations of these regulations, provided that the fine for a single violation may not, under any circumstances, exceed \$50. For each day that a violation continues after notice, it shall be considered a separate violation. Any fine so levied is to be considered as a Common Expense to be levied against the particular Unit Owner involved, and collection may be enforced by the Executive Board in the same manner as it is entitled to enforce collection of Common Expenses. The Unit Owner shall be liable for all expenses of collection including attorney's fees.
- (j) From time to time, piers and boats may be required to be removed for maintenance, repairs, or periodic dredging, at which time the Units may be entered for such period as may be necessary. To the extent that fill is removed from the Units, it will be the property of the Association.
- (k) The use of Common Elements is subject also to the Bylaws and the Rules of the Association.
- (l) An Owner of a Unit may not use or occupy such Unit as his or her primary place of residence.

- (m) The main docks, finger docks, pilings, shall be Limited Common Elements, whose use is restricted to the owners of the appurtenant Units.

Section 11.2 - Restrictions on Alienation.

- (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 for a period of time less than one month without the express written consent of the Executive Board. Any lessee or tenant shall in all respects be subject to the terms and conditions of this Declaration, the Bylaws, and any rules and regulations adopted hereunder. All leases must be in writing, filed with the Association, and contain a provision that the lessee agrees to be bound by the Rules of the Association and that failure to abide by such Rules shall be an event of default under the lease.

A Unit may be leased; however, all leases and rental agreements shall be in writing and subject to the requirements of the Documents and the Association and may not be for a term of less than one (1) month. A copy of each lease must be delivered to the Association.

Section 11.3 - Rules and Regulations. Rules and regulations concerning the use of the Units and the Common Areas may be made and amended from time to time by the Board of Directors in accordance with the provisions of the ByLaws.

Section 11.4 - Abatement and Enjoinment of Violations by Unit Owners. The violation of any Rule or Regulation adopted by the Board of Directors, or the breach of any obligation contained in the ByLaws, or the breach of any obligation contained in the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth by the ByLaws:

(a) To enter the Unit in which, or as to which, such violations or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing, or condition that exists therein contrary to the intent and meaning of the provisions thereof, and the Board of Directors shall not thereby be guilty in any manner of trespass; or

(b) To enjoin, abate or remedy the continuance of any such breach by appropriate equitable proceedings included mandatory injunction, there being no appropriate legal remedy, at the cost of the Unit Owner, with reasonable attorney's fees and related costs of any such proceedings.

(c) To levy fines against a Unit Owner for such violation, in addition to such damages, provided that no fines may be levied for more than the amount set forth in the Rules and Regulations for any one violation; but for each day a violation continues after notice, it shall be considered a separate violation. Such fines may be imposed only after notice to the Unit Owner and an opportunity for a hearing before the Board of Directors. Collection of charges for damages or summary charges may be enforced against the Unit Owner or Owners involved as if the charge were a Common Charge owed by the particular Unit Owner or Owners.

Section 11.5 - Notice of Unit Purchase and Copy of Executed Conveyance Deed. Every new Owner shall return to Caswell Cove Marina Association c/o the property manager a copy of the fully executed conveyance deed and a completed "New Unit Owner Information Form" within ten (10) days of the date of the conveyance deed. The failure to provide the copy of the conveyance deed and the fully completed "New Unit Owner Information Form" shall constitute a violation of the Caswell Cove Marina Association Rules and may subject the Unit Owner to a fine as stated in the Condominium Rules for each day after the ten (10) day time period until the new Unit Owner fully complies with the requirements of this section.

Section 1.6 - Restriction on Leasing of Units. The Association may establish rules to restrict the leasing of units to the extent those rules are reasonably designed to meet first mortgage underwriting requirements of institutional lenders who regularly purchase or insure first mortgages on units in common interest communities; provided no such restrictions shall be enforceable unless notice thereof is recorded on the City of Milford land records. Such notice shall be indexed in the Grantor index of such land records in the name of the Association.

Section 11.7 - Association Right to take Direct Action Against Tenants. The Association shall have the right to take direct action against tenants in accordance with the provisions of the ByLaws.

ARTICLE 12
EASEMENTS, LICENSES, AND ENCUMBRANCES

All easements, licenses, or encumbrances to which the Common Interest Community is subject are listed in Exhibit A-1 to this Declaration. In addition, the Common Interest Community may be subject to such other easements of record as of the date the initial Declaration was recorded on the Milford Land Records.

ARTICLE 13
REALLOCATION AND ALLOCATION OF LIMITED COMMON ELEMENTS

Section 13.1 - Reallocation of Depicted Limited Common Elements. Limited Common Elements depicted on the Survey or Plans may be reallocated by an amendment to the Declaration executed by the Unit Owners between or among whose Units the reallocation is made. The persons executing the amendment shall provide a copy thereof to the Association, which shall record it. The amendment shall be recorded in the names of the parties and the Common Interest Community.

Section 13.2 - Allocation of Limited Common Elements Not Previously Allocated. A Common Element not previously allocated as a Limited Common Element may be so allocated only pursuant to provisions in Article 8 of the Declaration. The allocations shall be made by amendments to the Declaration.

ARTICLE 14
ADDITIONS, ALTERATIONS, AND IMPROVEMENTS

Section 14.1 - Additions, Alterations, and Improvements by Unit Owners.

- (a) No Unit Owner shall make any structural addition, structural alteration, or structural improvement in or to the Common Interest Community without the prior written consent thereto of the Executive Board. The Executive Board shall answer any written request by a Unit Owner for approval of a proposed structural addition, alteration, or improvement within sixty (60) days after such request. The Executive Board shall review requests in accordance with the provisions of its rules, and any applicable local, state, or federal regulations.
- (b) A Unit Owner may submit a written request to the Executive Board for approval to do anything that he or she is forbidden to do under this Article 14. The Executive Board shall answer any written request for such approval, after Notice and Hearing, within sixty (60) days after the request thereof.
- (c) Any applications to any department or to any governmental authority for a permit to make any addition, alteration, or improvement in or to any Unit shall be executed by the Association only. Such execution will not, however, create any liability on the part of the Association or any of its members to any contractor, subcontractor, or materialmen on account of any such addition, alteration, or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

- (d) All additions, alterations, and improvements to the Units and Common Elements shall not, except pursuant to prior approval by the Executive Board, cause any increase in the premiums of any insurance policies carried by the Association or by the owners of any Units other than those affected by such change.

ARTICLE 15
RELOCATION OF BOUNDARIES BETWEEN ADJOINING UNITS

Section 15.1 - Application and Amendment. The boundaries between adjoining units may be relocated by an amendment to the Declaration on application to the Association by the Owners of those Units. If the Owners of the adjoining Units have specified a reallocation between their Units of their allocated interests, the application shall state the proposed reallocations. Unless the Executive Board determines, within thirty days after receipt of the application, that the reallocations are unreasonable, the Association shall consent to the reallocation and prepare an amendment that identifies the Units involved, states the reallocations, and indicates the Association's consent. The amendment shall be executed by those Unit Owners, contain words of conveyance between them, and, on recordation, be indexed in the name of the grantor and the grantee, and in the grantee's index in the name of the Association.

Section 15.2 - Recording Amendments. The Association shall prepare and record Surveys or Plans necessary to show the altered boundaries between adjoining Units, and their dimensions and identifying numbers.

The applicants shall pay all costs of preparation of the amendment, surveys, plans, and its recording, including attorneys fees of the Association.

ARTICLE 16
CONDEMNATION

Section 16.1. If a Unit is acquired by eminent domain leaving the Unit Owner with a remnant that may not practically or lawfully be used for any purpose permitted by the Declaration, the award shall include compensation to the Unit Owner for that Unit and its allocated interests, whether or not any Common Elements or Limited Common Elements are acquired. On acquisition, unless the decree otherwise provides, that Unit's allocated interests are automatically reallocated to the remaining Units in proportion to the respective allocated interests of those Units before the taking, and the Association shall promptly prepare, execute, and record an amendment to the Declaration reflecting the real locations. Any remnant of a Unit remaining after part of a Unit is taken under this subsection is thereafter a Common Element.

Section 16.2. Except as provided in subsection 16.3, if part of a Unit is acquired by eminent domain, the award shall compensate the Unit Owner for the reduction in value of the Unit and its interest in the Common Elements and Limited Common Elements, whether or not any Common Elements or Limited Common Elements are acquired. On acquisition, unless the decree otherwise provides, (i) that Unit's allocated interests are reduced in proportion to the reduction in the size of the Unit, or on any other basis specified in the Declaration and (ii) the portion of the allocated interests divested from the partially acquired Unit are automatically reallocated to that Unit and to the remaining Units in proportion to the respective allocated interests of those Units before the taking, with the partially-acquired Unit participating in the reallocation on the basis of its reduced allocated interests.

Section 16.3. If part of the Common Elements or Limited Common Elements is acquired by eminent domain, the award shall compensate the Unit Owners affected by the taking for the reduction in value of the Units resulting from the acquisition and the portion of the award attributable to the Common Elements taken shall be paid to the Association. Any portion of the award attributable to the acquisition of a Limited Common Element shall be equally divided among the owners of the Units to which that Limited Common Element was allocated at the time of acquisition.

Section 16.4. The court decree shall be recorded in every town in which any portion of the Condominium is located.

Section 16.5. Any award involving a Unit or a part of a Unit only or a Limited Common Element as provided in subsection 16.2 above, shall be paid to a Unit Owner and the mortgagee(s) of that Unit as their respective interests may appear.

ARTICLE 17 AMENDMENTS TO DECLARATION

Section 17.1 - General. 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. This Declaration may also be amended in accordance with one (1) or more of the provisions of Section 47-236 of the ACT.

Section 17.2 - Limitation of Challenges. No action to challenge the validity of an amendment adopted by the Association pursuant to this section may be brought more than one year after the amendment is recorded.

Section 17.3 - Recordation of Amendments. Every amendment to the Declaration shall be recorded in every town in which any portion of the Common Interest Community is located and is effective only on recordation. An amendment, except an amendment pursuant to Article 13 of

this Declaration shall be indexed in the grantee's index in the name of the Common Interest Community and the Association in the grantor's index in the name of the parties executing the amendment.

Section 17.4 - When Unanimous Consent Required. Except to the extent expressly permitted or required by other provisions of the Act and the Declaration, no amendment may create or increase Special Declarant Rights, increase the number of Units, change the boundaries of any Unit, the Allocated Interest of a Unit, or the uses to which any Unit is restricted in the absence of unanimous consent of the Unit Owners.

Section 17.5 - Execution of Amendments. Amendments to the Declaration required by this Act to be recorded by the Association 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 17.6 - Consent of Holders of Security Rights. Amendments are subject to the consent requirements of Article 20.

ARTICLE 18
AMENDMENTS TO BYLAWS

The ByLaws may be amended only by a majority vote of the Unit Owners at a meeting of the Unit Owners called for such purpose at which a quorum is present.

ARTICLE 19
TERMINATION

Termination of the Common Interest Community may be accomplished only in accordance with Section 47-237 of the Connecticut General Statutes, as the same may be amended from time to time.

ARTICLE 20
MORTGAGEE PROTECTION

Section 20.1 - Introduction. This article establishes certain standards and covenants which are for the benefit of the holders of certain Security Interests and others, as identified in Section 20.2. This Article is supplemental to, and not in substitution for, any other provisions of the Common Interest Community, but in the case of conflict, this Article shall control.

Section 20.2 - Definitions. As used in this Article, the following terms are defined:

- (a) Eligible Mortgagee: The holder of a first Security Interest on a Unit who has notified the Association, in writing, of its name and address, and that it holds a mortgage on a Unit. Such notice shall be deemed to include a request that the Eligible Mortgagee be given notices and other rights described in this Article.
- (b) Eligible Insurer: An insurer or guarantor of a first mortgage who has notified the Association, in writing, of its name and address and that it is insured or guaranteed a first mortgage on a Unit. Such notice shall be deemed to include a request that the eligible insurer be given the notices and other rights described in this Article.
- (c) Percentage of Eligible Mortgagees: Whenever in this Article the approval or consent of a specified percentage of Eligible Mortgagees is required, it shall mean the approval or consent by Eligible Mortgagees holding Security Interests in Units which in the aggregate have allocated to them such specified percentage of votes when compared to the total votes allocated to all Units then subject to mortgages held by Eligible Mortgagees.
- (d) Mortgagee Consent if no Response. If the association sends notice of the proposed amendment or association action to a mortgagee by certified mail, return receipt requested, and the mortgagee fails to respond within forty five (45) days, the mortgagee is deemed to have given its consent. The association may rely on the last recorded security interest of record in the land records in delivering or mailing notice to the holder of that interest.

Section 20.3 - 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 on which there is a first mortgage 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 mortgage held, insured, or guaranteed, but such Eligible Mortgagee or Eligible Insurer, which remains uncured for a period of 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 20.4.
- (e) Any judgment rendered against the Association in an amount equal to or greater than 10% of the then current annual budget of the Association.

Section 20.4 - Prior Consent Required.

- (a) Document Changes. Notwithstanding any lower requirement permitted by the Declaration or the Act, no amendment of any material provision of the Instruments by the Association or Unit Owners described in this Subsection 20.4(a) may be adopted without the vote of at least 67% of the Unit Owners (or any greater Unit Owner vote required in the Declaration or the Act) and until approved in writing by at least 51% of the Eligible Mortgagees (or any greater Eligible Mortgagee approval required by the Declaration). 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, and replacement of Common Elements;
 - (iv) Responsibility for maintenance and repairs;
 - (v) Reallocation of interest 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 with a Security Interest on 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 with Security Interests on 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) Restrictions on alienation;
 - (xiii) Establishment of self-management when professional management had been required previously by an Eligible Mortgagee of a Unit;
 - (xiv) Restoration or repair of a project (after a hazard damage or partial condemnation) in a manner other than that specified in the Instruments;
 - (xv) Termination of the Common Interest Community after occurrence of substantial destruction or condemnation; and
 - (xvi) The benefits of mortgage holders, insurers, or guarantors.
- (b) Actions. Notwithstanding any lower requirement permitted by the Declaration or the Act, and subject to the limitations set forth in subsection (a) above, the Association may not take any of the following actions without the approval of at least 51% of the Eligible Mortgagees:
- (i) Convey or encumber the Common Elements or any portion thereof (as to which an 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 by the Common Interest Community shall not be deemed a transfer 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 a hazard damage or partial condemnation) in a manner other than that specified in the Instruments;

- (iv) Termination of the Common Interest Community (as to which a 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 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.
- (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.

Section 20.5 - Inspection of Books. The Association shall permit any Eligible Mortgagee and Eligible Insurer to inspect the books and records of the Association during normal business hours.

Section 20.6 - Financial Statements. The Association shall provide each Eligible Mortgagee and each Eligible Insurer with a copy of an annual financial statement within 90 days following the end of each fiscal year of the Association.

Section 20.7 - 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, in law, or in equity.

Section 20.8 - Attendance at Meetings. Any representative of an Eligible Mortgagee or Eligible Insurer may attend any meeting which a Unit Owner may attend.

Section 20.9 - Appointment of Trustee. In the event of damage or destruction under Article 24 or Condemnation of all or a portion of the

Common Interest Community, any Eligible Mortgagee may require that such proceeds be payable to a Trustee established pursuant to Section 24.6 Such Trustee may be required to be a corporate trustee licensed by the State of Connecticut. Proceeds shall thereafter be distributed pursuant to Article 24 or pursuant to a condemnation award. Unless otherwise required, the members of the Board of Directors acting by majority vote through the president may act as Trustee.

ARTICLE 21
ASSESSMENT AND COLLECTION OF COMMON EXPENSES

Section 21.1 - Definition of Common Expenses. Common Expenses shall include:

- Expenses of administration, maintenance and repair or replacement of the Common Elements;
 - Expenses declared to be Common Expenses by the Documents or by the Act, as Amended;
 - Expenses agreed upon as Common Expenses by the Association; and
- Such reserves as may be established by the Association, whether held in trust or by the Association, for repair, replacement or addition to the Common Elements or any other real or personal property acquired or held by the Association

Section 21.2 - Apportionment of Common Expenses. Except as provided in Section 21.3, all Common Expenses shall be assessed against all Units in accordance with their percentage interest in the Common Expenses as shown on Exhibit A-2.

Section 21.3 - Common Expenses Attributable to Fewer than all Units.

- (a) Any Common Expense associated with maintenance, repair, or replacement of Limited Common Elements will be assessed equally against the Units to which the Limited Common Elements is assigned.
- (b) Any Common Expense for services provided by the Association, including utilities provided by meter, to an individual Unit at the request of the Unit Owner will be assessed against the Unit which benefits from such service, with metered utilities in proportion to such meter reading.
- (c) Any insurance premium increase attributable to a particular Unit by virtue of activities in or construction of the Unit shall be assessed against the Unit.
- (d) Assessments to pay a judgment against the Association may be made only against the Units in the Common Interest Community at the time the judgment was rendered, in proportion to their Common Expense liabilities.

- (e) If any Common Expense is caused by the misconduct of any Unit Owner, the Association may assess that expense exclusively against such Unit.
- (f) Fees, charges, late charges, fines, and interest charged against a Unit Owner pursuant to the Instruments and the Act are enforceable as Common Expense Assessments.
- (g) Portions of the cost of repairing or replacing Units allocated to individual Units under the provisions of Subsection 23.2(b) shall be assessed against the Unit or Units to which they are allocated. 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 a Unit or the Common Elements, the Association may assess that expense against the Unit Owner and the Unit, following Notice and Hearing to the affected Unit Owner.
- (h) All reasonable attorney's fees and costs incurred by the Association, with or without litigation, in collecting any sums due from a Unit Owner or enforcing any provisions of the Documents against a Unit Owner or any occupant of his or her Unit are enforceable against his or her Unit as Common Expense assessments.
- (i) If any tax is imposed on the Association or upon any goods or services purchased by the Association by virtue of the use or occupancy of some, but less than all of the Units, including, but not limited to, the use of any Unit for the production of income, such tax shall be paid as a Common Expense and assessed exclusively against the Unit or Units whose use gives rise to the imposition of the tax. The assessment shall be allocated among the Units against which it is assessed in the same proportion as each Unit's share of liability for Common Expenses bears to the liability for Common Expenses of all Units against which the assessment is assessed.
- (j) If any common expense is caused by the willful misconduct, failure to comply with a written maintenance standard promulgated by the association or gross negligence of any unit owner or tenant or a guest or invitee of a unit owner or tenant, the association may, after notice and hearing assess the portion of that common expense in excess of any insurance

Section 21.4 - Lien.

- (a) The association has a statutory lien on a unit for any assessment attributable to that unit or fines imposed against

its unit owner. Reasonable attorney's fees and costs, other fees, charges, late charges, fines and interest charged pursuant to subdivisions (10), (11) and (12) of subsection (a) of section 47-244, as amended, and any other sums due to the association under the declaration, this chapter, or as a result of an administrative, arbitration, mediation or judicial decision, are enforceable in the same manner as unpaid assessments under this section. If an assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due.

- (b) A lien under this section is prior to all other liens and encumbrances on a unit except (1) liens and encumbrances recorded before the recordation of the declaration and, in a cooperative, liens and encumbrances which the association creates, assumes or takes subject to, (2) a first or second security interest on the unit recorded before the date on which the assessment sought to be enforced became delinquent, or, in a cooperative, a first or second security interest encumbering only the unit owner's interest and perfected before the date on which the assessment sought to be enforced became delinquent, and (3) liens for real property taxes and other governmental assessments or charges against the unit or cooperative. The lien is also prior to all security interests described in subdivision (2) of this subsection to the extent of (A) an amount equal to the common expense assessments based on the periodic budget adopted by the association pursuant to subsection (a) of section 47-257, as amended, which would have months immediately preceding institution of an action to enforce either the association's lien or a security interest described in subdivision (2) of this subsection and (B) the association's costs and attorney's fees in enforcing its lien. A lien for any assessment or fine specified in subsection (a) of this section shall have the priority provided for in this subsection in an amount not to exceed the amount specified in subparagraph (A) of this subsection. This subsection does not affect the priority of mechanic's or materialmen's liens or the priority of liens for other assessments made by the association.
- (c) Unless the declaration otherwise provides, if two or more associations have liens for assessments created at any time on the same property, those liens have equal priority.
- (d) Recording of the declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for assessment under this section is required.

- (e) A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within three (3) years after the full amount of the assessments becomes due; provided, that if an owner of a unit subject to a lien under this section files a petition for relief under the United States Bankruptcy Code, the period of time for instituting proceedings to enforce the association's lien shall be tolled until thirty (30) days after the automatic stay of proceedings under Section 362 of the Bankruptcy Code is lifted.
- (f) This section does not prohibit actions against unit owners to recover sums for which subsection (a) of this section creates a lien or prohibit an association from taking a deed in lieu of foreclosure.
- (g) A judgment or decree in any action brought under this section shall include costs and reasonable attorney's fees for the prevailing party.
- (h) The association on request made in a record shall furnish to a unit owner a statement in recordable form setting forth the amount of unpaid 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.
- (i) The association's lien may be foreclosed in like manner as a mortgage on real property.
- (j) 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 of a unit that is rented pursuant to section 52-504 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 subsection (a) of section 47-257, as amended by this act.
- (k) If a holder of a first or second security interest on 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 subsection (b) of this section. Any unpaid assessments not satisfied from the proceeds of sale become common expenses collectible from all the unit owners, including the purchaser.

- (l) An association may not commence an action to foreclose a lien on a unit under this section unless: (1) The unit owner, at the time the action is commenced, owes a sum equal to at least two months of common expense assessments based on the periodic budget last adopted by the association pursuant to subsection (a) of section 47-257, as amended; (2) the association has made a demand for payment in a record; and (3) 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.
- (m) 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 21.5 - Budget Adoption and Ratification/ Ratification of Non-Budgeted Common Expense Assessments.

- (a) The executive board, at least annually, shall adopt a proposed budget for the common interest community for consideration by the unit owners. Not later than thirty (30) days after adoption of a proposed budget, the executive board shall provide to all the unit owners a summary of the budget, including any reserves, and a statement of the basis on which any reserves are calculated and funded. Simultaneously, the 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, a majority of all unit owners, or any larger number specified in the declaration votes to reject the budget, the budget is rejected; otherwise the budget is approved. The absence of a quorum at such meeting or participating in the vote by ballot 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.
- (b) The executive board, at any time, may propose a special assessment. 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 assessment. Unless the declaration or ByLaws otherwise provide, if such special assessment, together with all other special and emergency 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 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, a majority of all unit owners, or any larger number specified in the declaration, votes to reject the assessment, the assessment shall be rejected; otherwise the assessment shall be approved. The absence of a quorum at such meeting or participating in the vote by ballot shall not affect the rejection or approval of the budget.

- (c) If the executive board determines by a two-thirds vote that a special assessment is necessary to respond to an emergency: (1) The special assessment becomes effective immediately in accordance with the terms of the vote; (2) notice of the emergency assessment must be provided promptly to all unit owners; and (3) the executive board may spend the funds paid on account of the emergency assessment only for the purposes described in the vote.

Section 21.6 - Certificate of Payment of Common Expense Assessments. The Association on written request shall furnish to a Unit Owner a statement in recordable form setting forth the amount of unpaid 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 Board of Directors and every Unit Owner.

Section 21.7 - Monthly Payment of Common Expenses. All Common Expenses assessed under Section 21.2 and 21.3 shall be due and payable monthly unless a different time is set forth in a resolution adopted by the Executive Board.

Section 21.8 - Acceleration of Common Expense Assessments. In the event of default for a period of ten (10) days by any Unit Owner in the payment of any Common Expense assessment levied against his or her Unit, the Executive Board will have the right, after Notice of Hearing, to declare all unpaid assessments for the pertinent fiscal year to be immediately due and payable.

Section 21.9 - No Waiver of Liability for Common Expenses. No Unit Owner may exempt himself or herself 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 21.10 - 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.

Section 21.11 - Association Funds. All Association funds shall be deposited only in federally insured banks.

Section 21.12 - Association Surplus Funds. Any surplus funds of the association remaining after payment of or provision for common expenses and any prepayment of reserves shall be deposited into the reserve account or incorporated into the next annual budget thereby reducing future common expense assessments.

ARTICLE 22
PERSONS AND UNITS SUBJECT TO INSTRUMENTS

Section 22.1 - Compliance with Instruments. All Unit Owners, tenants, mortgagees, and occupants of Units shall comply with the Instruments. The acceptance of a deed or the exercise of any incident of ownership or the entering into of a lease or the entering into occupancy of a Unit constitutes agreement that the provisions of the Instruments are accepted and ratified by such Unit Owner, tenant, mortgagee, or occupant, and all such provisions are covenants running with the land and shall bind any persons having at any time any interest or estate in such Unit.

Section 22.2 - Adoption and Amendment of Rules. Rules and regulations concerning the use of the Units and the Common Areas may be made initially by the Board of Directors and thereafter may be amended by a majority vote of the Unit Owners at any meeting of the Unit Owners at which a quorum is present.

ARTICLE 23
INSURANCE

Section 23.1 - Coverage.

- (a) The association shall maintain, to the extent reasonably available and subject to reasonable deductibles: (1) Property insurance on the common elements insuring against those risks of direct physical loss commonly insured against, which insurance, after application of any deductibles shall be not less than one hundred percent (100%) of the actual cash value of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations and other items normally excluded from property policies; (2) commercial general liability insurance, including medical payments insurance, in an amount determined by the executive board but not less than any amount specified in the declaration, covering all occurrences commonly insured against for bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the common elements and, in cooperatives, also of all units; and (3) fidelity insurance.

- (b) If the insurance described in subsections (a) of this section is not reasonably available, the association promptly shall cause notice of that fact to be given to all unit owners. The association may carry any other insurance it considers appropriate to protect the association or the unit owners.
- (c) Insurance policies carried pursuant to subsections (a) of this section shall provide that: (1) Each unit owner is an insured person under the policy with respect to liability arising out of his interest in the common elements or membership in the association; (2) the insurer waives its right to subrogation under the policy against any unit owner or member of his household; (3) no act or omission by any unit owner, unless acting within the scope of his authority on behalf of the association, will void the policy or be a condition to recovery under the policy; and (4) if, at the time of a loss under the policy, there is other insurance in the name of a unit owner covering the same risk covered by the policy, the association's policy provides primary insurance.
- d) Any loss covered by the property policy under subdivision (1) of subsection (a) and subsection (b) of this section shall be adjusted with the association, but the insurance proceeds for that loss are payable to any insurance trustee designated for that purpose, or otherwise to the association, and not to any holder of a security interest. The insurance trustee or the association shall hold any insurance proceeds in trust for the association, unit owners and lien holders as their interests may appear. Subject to the provisions of subsection (h) of this section, the proceeds shall be disbursed first for the repair or replacement 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 repaired or replaced, or the common interest community is terminated.
- (e) An insurance policy issued to the association does not prevent a unit owner from obtaining insurance for his own benefit.
- (f) An insurer that has issued an insurance policy under this section shall issue certificates or memoranda of insurance to the association and, on request made in a record, to any unit owner or holder of a security interest. The insurer issuing the policy may not cancel or refuse to renew it until sixty (60) days after notice of the proposed cancellation or nonrenewal has been mailed to the association, each unit owner and each holder of a security interest to whom a certificate or memorandum of insurance has been issued at their respective last known addresses.

- (g) (i) Any portion of the common interest community for which insurance is required under this section which is damaged or destroyed shall be repaired or replaced promptly by the association unless (A) the common interest community is terminated, in which case section 47-237, as amended, applies, (ii) repair or replacement would be illegal under any state or local statute or ordinance governing health or safety, or (C) eighty percent (80%) of the unit owners, including every owner of a unit or assigned limited common element that will not be rebuilt, vote not to rebuild. The cost of repair or replacement in excess of insurance proceeds and reserves, regardless of whether such excess is the result of the application of a deductible under insurance coverage, is a common expense.
- (iii) If the entire common interest community is not repaired or replaced, (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, and (B) except to the extent that other persons will be distributees, (i) the insurance proceeds attributable to units and limited common elements that are not rebuilt shall be distributed to the owners of those units and the owners of the units to which those limited common elements were allocated, or to lien holders, as their interests may appear, and (ii) the remainder of the proceeds shall be distributed to all the unit owners or lien holders, as their interests may appear, in proportion to the common expense liabilities of all the units.
- (iv) If the unit owners vote not to rebuild any unit, that unit's allocated interests are automatically reallocated on the vote as if the unit had been condemned under subsection (a) of section 47-206, and the association promptly shall prepare, execute and record an amendment to the declaration reflecting the reallocations.

Section 23.2 - Property Insurance

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

- (b) Amounts.
- (i) The project facilities for an amount equal to one hundred percent (100%) of their replacement cost at the time the insurance is purchased and at each renewal date.
 - (ii) Personal property owned by the Association for an amount equal to its actual cash value.
- (c) Deductibles. The deductible may not exceed the lesser of
- (i) \$10,000, adjusted from January 1, 2000 in accordance with the provision of Section 47-213 of the Act; or
 - (ii) 1% of the replacement cost of the project facilities.
- (d) The Board of Directors is authorized to obtain appraisals periodically for the purpose of establishing said 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) Risks Insured Against. The insurance shall afford protection against "all risks" of direct physical loss commonly insured against.
- (f) Other Provisions. Insurance policies required by this Section shall provide that:
- (i) The insurer waives its right to subrogation under the policy against any Unit Owner
 - (ii) No act or omission by any Unit Owner, unless acting within the scope of his or her authority on behalf of the Association, will void the policy or be a condition to recovery under the policy.
 - (iii) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.
 - (iv) Loss shall be adjusted with the Association.
 - (v) Insurance proceeds shall be paid to any insurance trustee designated in the policy for that purpose, and, in the absence of such designation, to the Association, in either case to be held in trust for each Unit Owner and such Unit Owner's mortgagee.
 - (vi) The insurer may not cancel or refuse to renew the policy until thirty (30) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Unit Owner and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued, at their respective last known addresses.
 - (vii) The name of the insured shall be substantially as follows:
"Caswell Cove Marina Association, Inc. for the use and benefit of the individual Owners".

Section 23.3 - Liability Insurance. Liability insurance, including medical payments insurance, in an amount determined by the Board of Directors but in no event less than \$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.

- (a) Other Provisions. Insurance policies carried pursuant to this Section shall provide that:
- (i) Each Unit Owner is an insured person under the policy with respect to liability arising out of his or her interest in the Common Elements or membership in the Association.
 - (ii) The insurer waives its rights to subrogation under the policy against any Unit Owner
 - (iii) No act or omission by any Unit Owner, unless acting within the scope of his or her authority on behalf of the Association, will void the policy or be a condition to recovery under the policy.
 - (iv) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.
 - (v) The insurer may not cancel or refuse to renew the policy until thirty (30) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Unit Owner and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued, at their respective last known addresses.

Section 23.4 - Fidelity Bonds. The Association shall carry, or cause to be carried, a blanket fidelity bond 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 bond shall name the Association as obligee and shall cover the maximum funds that will be in the custody of the Association or the manager at any time while the bond is in force, and in no event less than the sum of three months assessments plus reserve funds. The bond shall include a provision that calls for thirty (30) days written notice to the Association, to each holder of a Security Interest in a Unit and to each servicer that services a FNMA-owned or FHLMC-owned mortgage on a Unit before the bond can be cancelled or substantially modified for any reason; except that if cancellation is for non-payment of premiums, only ten (10) days notice shall be required.

Section 23.5 - Unit Owner Policies.

- (a) Other Insurance. An insurance policy issued to the Association does not prevent a Unit Owner from obtaining insurance for his or her own benefit.

- (b) Notice to Unit Owners. At least once in each calendar year, the Association shall give notice to each Unit Owner of the need to obtain individual coverage for repair costs that may be allocated against his or her Unit under the provisions of Subsection 23.2(b). However, the failure of the Association to furnish such notice shall not, in any way, prevent it from making the allocations provided for in that Subsection.

Section 23.6 - Workers' Compensation Insurance. The Board of Directors shall obtain and maintain Workers' Compensation Insurance to meet the requirements of the laws of the State of Connecticut.

Section 23.7 - Directors' and Officers' Liability Insurance. The Board of Directors shall obtain and maintain directors' and officers' liability insurance, if available, covering all of the Directors and officers of the Association in such limits as the Board of Directors may, from time to time, determine.

Section 23.8 - Other Insurance. The Association may carry other insurance which the Board of Directors considers appropriate to protect the Association or the Unit Owners.

Section 23.9 - Premiums. Insurance premiums shall be a Common Expense.

ARTICLE 24
DAMAGE TO OR DESTRUCTION OF PROPERTY

Section 24.1 - Duty to Repair or Restore. Any portion of the Common Interest Community for which insurance is required under Section 47-255 of the Act which is damaged or destroyed shall be repaired or replaced promptly by the Association unless:

- (a) the Common Interest Community is terminated, in which case Section 38 of the Act applies;
- (b) repair or replacement would be illegal under any state or local statute or ordinance governing health or safety; or
- (c) 80% of the Unit Owners, including every Owner of a Unit or assigned Limited Common Element that will not be rebuilt, vote not to rebuild. The cost of repair or replacement in excess of insurance proceeds are reserves is a Common Expense.

Section 24.2 - Cost.

- (a) Except as Provided in Subsection 24.2(b), the cost of repair or replacement in excess of insurance proceeds shall be a Common Expense assessed against all Units under Section 21.1.

- (b) The cost of Repair or Replacement in excess of insurance proceeds resulting from a deductible in the property insurance coverage which does not exceed the limits set out in Subsection 23.2(c) or so much of the deductible that does not exceed that limit, shall be allocated as follows:
- (i) If the Repair or Replacement is entirely to the Common Elements, the excess shall be a Common Expense assessed against all Units under Section 21.1
 - (ii) If the Repair or Replacement is entirely to a single Unit, the excess shall be assessed against the affected Unit only, under Subsection 23.2(c)
 - (iii) If the repair or replacement is to two or more Units or to one or more Units and the Common Elements, the excess shall be prorated among the affected Unit or Units and Common Elements as the case may be in the same proportion as the total cost of Repair or Replacement to each of the affected Units and Common Elements bears to the total cost of Repair or Replacement to all of the affected Units and Common Elements. In calculating this portion, the Association may rely on itemized bills or reports from the contractor or contractors making the repairs or on estimates prepared by an adjuster or construction estimator engaged by the company issuing the property insurance coverage required under Section 21.1 or engaged by the Association. The portion of the excess allocated to an affected Unit under this Subsection 24.2(b)(iii) shall be assessed against the Unit under Section 23.2(c). The portion of the excess allocated to the Common Elements shall be assessed against all Units under Section 21.1.

Section 24.3 - Plans. The Property must be repaired and restored in accordance with either the plans and specifications accompanying this Amended Declaration or other plans and specifications which have been approved by the Executive Board, a majority of the Unit Owners and fifty-one (51%) percent of the Eligible Mortgagees.

Section 24.4 - Distribution of Insurance Proceeds. If the entire Common Interest Community is not repaired or replaced:

- (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, and
- (b) except to the extent that other persons will be distributees,
 - (i) the insurance proceeds attributable to Units and Limited Common Elements that are not rebuilt shall be distributed to the owners of those Units and the owners of the Units to which those Limited Common Elements were allocated, or to lien holders, as their interests may appear, and
 - (ii) the remainder

of the proceeds shall be distributed to all the Unit Holders or lien holders, as their interests appear, in proportion to the Common Expense liabilities of all the Units.

Section 24.5 - Replacement of Less Than Entire Property

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

Section 24.6 - Insurance Proceeds. The insurance Trustee or, if there is no insurance Trustee then the Association, will hold any insurance proceeds in trust for the Association, Unit Owners, and lien holders as their interests may appear. Subject to the provisions of Section 24.2(a) through Section 24.2(c), the proceeds will be disbursed first for the repair or 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 repaired or restored, or the Common Interest Community is terminated.

Section 24.7 - Certificates by the Executive Board. A trustee, if one is appointed under the provisions of Section 24.6 may rely on the following certifications in writing made by the Executive Board:

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

Section 24.8 - Certificates by Attorneys. If payments are to be made to Unit Owners or mortgagees, the Executive Board and the 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 the City of Milford from the date of the recording of the original Declaration stating the names of the Unit Owners and mortgagees.

ARTICLE 25
POWER OF ATTORNEY TO ASSOCIATION

Each Unit Owner shall grant to the Association an irrevocable power of attorney, coupled with an interest, to acquire title to or lease any Unit whose owner desires to surrender, sell, or lease the same or which may be the subject of a foreclosure or other judicial sale in the name of the Association or its designees, corporate or otherwise, on behalf of all Unit Owners to convey, sell, lease, mortgage (but not to vote the votes appurtenant thereto) or otherwise deal with any such Units so acquired or to sublease any Units so leased by the Association. Nothing herein contained shall apply to a foreclosing mortgagee so as to require the addition of the Association of a party defendant in any foreclosure proceeding brought by such mortgagee.

ARTICLE 26
UNITS SUBJECT TO CONDOMINIUM INSTRUMENTS

Each Unit Owner and the Association shall comply with the Instruments, and the rules and regulations adopted pursuant thereto. Failure to so comply shall be ground for an action to recover damages or for injunctive relief or for any other relief to which the party bringing such action may be entitled. Such action may be brought by the Association against any Unit Owner or Owners or, in any proper case, by one or more aggrieved Unit Owners on their own behalf or as a class action. If any such action results in a final judgment or decree in favor of the party instituting such action, such judgment or decree may incorporate a provision for reasonable attorney's fees, as specified in such judgment or decree, to be paid by the party against whom such judgment or decree is entered. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute agreement that the provisions of the Instruments and rules and regulations and as they may exist or be amended from time to time are accepted and ratified by such owner, tenant, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit as though such provisions were recited and stipulated at length in each and every deed of conveyance or lease thereof.

ARTICLE 27
RIGHT TO ASSIGN FUTURE INCOME

Caswell Cove Marina Amended Declaration
December, 2010

Section 27.1 - Assignment of Future Income. The Association may assign its future income, including its right to receive Common Expense assessments, only by the affirmative vote of Unit Owners of Units to which at least fifty-one per cent (51%) of the Votes in the Association are allocated, at a meeting called for that purpose.

Section 27.2 - Notice to Unit Owners. At least fourteen (14) days prior to entering into any loan agreement on behalf of the association the executive board shall (1) disclose in writing, to all unit owners the amount and terms of the loan and the estimated effect of such loan on any common expense assessment, (2) afford the unit owners a reasonable opportunity to submit written comments to the executive board with respect to such loan.

ARTICLE 28
AMENDMENT OF DECLARATION

Section 28.1. Except to the extent amendments may be executed by the Association or by certain Unit Owners pursuant to this Declaration, the Declaration, including any Surveys and Plans, may be amended only by vote or agreement of Unit Owners of Units to which at least sixty-seven percent of the votes in the Association are allowed.

Section 28.2. No action to challenge the validity of an amendment adopted by the Association pursuant to this Article may be brought more than one year after the amendment is recorded.

Section 28.3. Every amendment to the Declaration shall be recorded in every town in which any portion of the Dockominium is located and is effective only on recordation.

Section 28.4. Except to the extent expressly permitted elsewhere herein, no amendment may create or increase the number of Units, change the boundaries of any Unit, the allocated interests of a Unit, or the uses to which any Unit is restricted, in the absence of unanimous consent of the Unit Owners.

Section 28.5. Amendments to the Declaration required by this Declaration to be recorded by the Association 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 28.6. Written notice of any proposed amendment shall be given by the Association to the Unit Owners and their mortgagees appearing on the records of the Association. No such amendment shall become effective unless and until it shall have been approved in writing by mortgagees of at least sixty-seven percent of the Units subject to mortgage, which approval shall not unreasonably be withheld.

ARTICLE 29
RIGHTS TO NOTICE AND COMMENT; NOTICE AND HEARING

Section 29.1 - Right to Notice and Comment. Wherever the documents require that an action be taken after "Notice and Comment," and at any other time the Board of Directors determines, the Unit Owners have the right to receive notice of the proposed action and the right to comment orally or in writing, notice of the proposed action shall be given to each Unit Owner in writing and shall be delivered personally or by mail to all Unit Owners at such address as appears in the records of the Association, or published in a newsletter or similar publication which is routinely circulated to all Unit Owners. The notice shall be given not less than ten (10) days before the proposed action is to be taken. The Right to Notice and Comment does not entitle a Unit Owner to be heard at a formal constituted meeting.

Section 29.2 - Right to Notice and Hearing. Whenever the Instruments require that an action be taken after "Notice and Hearing," the following procedure shall be observed: The party proposing to take the action (e.g., the Board of Directors, a committee, an officer, the Manager, etc.) shall give written notice of the proposed action to all Unit Owners or occupants of Units whose interest would be significantly affected by the proposed action. The notice shall include a general statement of the proposed action and the date, time and place of the hearing. At the hearing, the affected person shall have the right, personally or by a representative, to give testimony orally, in writing or both (as specified in the notice), subject to reasonable rules of procedure established by the party conducting the meeting to assure a prompt and orderly resolution of the issues. Such evidence shall be considered in making the decision but shall not bind the decision-makers. The affected person shall be notified of the decision in the same manner in which notice of the meeting was given.

Section 29.3 - Appeals. Any person having a right to Notice and Hearing shall have the right to appeal to the Board of Directors from a decision of persons other than the Board of Directors by filing a written notice of appeal with the Board of Directors within ten (10) days after, being notified of the decision. The Board of Directors shall conduct a hearing within thirty (30) days, giving the same notice and observing the same procedures as were required for the original hearing.

ARTICLE 30
OPEN MEETINGS

Section 30.1 - Access. All meetings of the Executive Board, at which action is to be taken by vote at such meeting shall be open to the Unit Owners, except as hereafter provided.

Section 30.2 - Notice. Notice of every such meeting shall be given in accordance with the provisions of the ByLaws.

Section 30.3 - Executive Sessions. Meetings of the Board of Directors may be held in executive session, only in accordance with the provision ByLaws concerning executive sessions.

ARTICLE 31
Board of Directors

The affairs of the Association shall be governed by the Board of Directors ("Executive Board") in accordance with and subject to the limitations of the Declaration and the By-Laws. The Board of Directors may not act on behalf of the Association to amend this Declaration, to terminate the Common Interest Community or to elect members of the Board of Directors or determine the qualifications, powers and duties, or terms of office of Board of Directors members, but the Board of Directors may fill vacancies in its membership for the unexpired portion of any term.

ARTICLE 32
Condemnation

If any 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 power shall be in accordance with Section 47 206 of the Act, as amended.

ARTICLE 33
MISCELLANEOUS

Section 33.1 - Captions. The captions contained in the Instruments are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of the Instruments nor the intent of any provision thereof.

Section 33.2 - 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 Instruments so require.

Section 33.3 - Waiver. No provision contained in the Instruments 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 33.4 - Invalidity. The invalidity of any provision of the Instruments does not impair or affect in any manner the validity, enforceability or effect of remainder, and in such event, all of the other provisions of the Instruments shall continue in full force and effect.

Section 33.5 - Conflict. The Instruments are intended to comply with the requirements of the Act and Chapter 600 of the Connecticut General Statutes. In the event of any conflict between the Instruments 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 Instrument, this Declaration shall control.

Section 33.6 - Execution of Documents. The president or secretary of the Association is responsible for preparing, executing, filing, and recording amendments to the Instrument.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed this _____ day of _____, 2011.

**CASWELL COVE
MARINA ASSOCIATION, INC.**

By: _____

Its President

STATE OF CONNECTICUT)
)
COUNTY OF NEW HAVEN)

ss: _____, 2011

On the _____ day of _____, 2011, before me, personally appeared _____, President of Caswell Cove Marina Association, Inc., a corporation, Signer and Sealer of the foregoing Instrument and acknowledged the same to be free act and deed as such President and the free act and deed of said corporation, before me.

Commissioner of the Superior Court

Schedule A-1

All that area shown as "Phase I" on a certain map entitled "Caswell Cove Marina Caswell Street Milford Connecticut Scale 1" = 100' dated June 27, 1988 last revised 7/22/88 prepared by John A. Watson II & Associates Land Surveyors 545 Washington Avenue, West Haven, CT 06518.

Together with all right, title and interest to a certain Declaration of Easements and Reservations of Riparian Rights dated September 16, 1988 and recorded on September 19, 1988 in Volume 1693 at Page 281 of the Milford Land Records.

Subject to:

- (a) Any and all provisions of any federal, state or municipal ordinances, regulations or rules, or public or private law, inclusive of zoning, inland wetlands, building and planning laws, rules and regulations.
- (b) Real estate taxes to the City of Milford which become due and payable after the date of delivery of the deed for each specific Unit to a purchaser
- (c) Public improvement assessments, and/or other unpaid installments thereof, if any.
- (d) Such facts as an accurate survey and/or inspection of the premises might reveal.
- (e) Easements, restrictions, covenants and encroachments as of record may appear, or as disclosed by an inspection of the subject premises.
- (f) Conditions, if any, imposed by the Planning and Zoning Commission of the City of Milford pursuant to its approval for the subject premises.
- (g) The Declaration specifically reserves the right and privilege to grant any necessary or required easements, rights of way or other grants for any and all purposes in and to said premises, including, ut not limited to, utilities, sewer lines, drainage lines, etc.
- (h) Easements for ingress, egress and utilities in favor of Milford River Associates, its successors and assigns, with respect to Pope's Island Road.
- (i) Riparian rights and navigable servitude of others.
- (j) An easement in favor of the Connecticut Light and Power Company dated March 20, 1923 and recorded in Volume 148, at Page 412 of the Milford Land Records.
- (k) Rights of the United States of America, the State of Connecticut and the public in and to that part of the premises falling in the bed of the Housatonic River and in and to so much, if any, as may have been formed by means other than natural accretions.