

DECLARATION
OF
81 CHIPMAN STREET CONDOMINIUM
WATERBURY, CONNECTICUT
(Public Offering Statement Exhibit A)

By Laws

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81 CHIPMAN STREET CONDOMINIUM

DECLARATION

Angelo P. Tedesco of 405 Highland Avenue, Waterbury, Connecticut, does hereby submit the real property in the Town of Waterbury, Connecticut described in Schedule A-1, to the provisions of the Common Interest Ownership Act, [Chapter 828] of the Connecticut General Statutes, as amended, for the purpose of creating 81 Chipman Street Condominium.

ARTICLE I

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

Section 1.1 - Act. The Common Interest Ownership Act, [Chapter 828] of the Connecticut General Statutes as it may be amended from time to time.

Section 1.2 - Allocated Interests. The undivided interest in the Common Elements, the Common Expense liability, and votes in the Association, allocated to the Units in the Common Interest Community. The Allocated Interests are described in Article IX of this Declaration and shown on Schedule A-2.

Section 1.3 - Association. 81 Chipman Street Condominium Association, Inc., a non-stock corporation organized under the laws of the State of Connecticut. It is the Association of Unit Owners pursuant to [Section 47-243] of the Act.

Section 1.4 - Bylaws. The Bylaws of the Association, as they may be amended from time to time.

Section 1.5 - Common Elements. All portions of the Common Interest Community other than the Units.

Section 1.6 - Common Expenses. The expenses for the operation of the Common Interest Community as set forth in Section 19.1 of this Declaration.

Section 1.7 - Common Interest Community. 81 Chipman Street Condominium.

Section 1.8 - Declarant. Angelo P. Tedesco, 405 Highland Avenue, Waterbury, Connecticut, his heirs, administrator, executor or assigns.

Section 1.9 - Declaration. This document including any amendments.

Section 1.10 - Development Rights. The rights reserved by the Declarant under Article VIII of this Declaration to create Units, add land, withdraw land, Common Elements, and Limited Common Elements within the Common Interest Community.

Section 1.11 - Director. A member of the Executive Board.

Section 1.12 - Documents. The Declaration, Survey and Plans recorded and filed pursuant to the provisions of the Act, the Bylaws, and the Rules as they be amended from time to time. Any exhibit, schedule or certification accompanying a Document is a part of that Document.

Section 1.13 - 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 XVIII.

Section 1.14 - Eligible Mortgagee. The holder of a first Security Interest in a Unit which has notified the Association, in writing, of its name and address, and that it holds a first Security Interest in a Unit. Such notice shall be deemed to include a request that the Eligible Mortgagee be given the notices and other rights described in Article XVIII.

Section 1.15 - Executive Board. The board of directors of the Association.

Section 1.16 - Improvements. Any construction or facilities existing or to be constructed on the land included in the Common Interest Community, including but not limited to, buildings, trees and shrubbery planted by the Declarant or the Association, paving, utility wires, pipes, and light poles.

Section 1.17 - Limited Common Elements. A portion of the Common Elements allocated by the Declaration or by the operation of [Subsection (2) or (4) of Section 22] of the Act for the exclusive use of one or more but fewer than all of the Units. The Limited Common Elements in the common Interest Community are described in Article V of this Declaration.

Section 1.18 - Notice and Comment. The right of a Unit Owner to receive notice of an action proposed to be taken by or on behalf of the Association, and the right to comment thereon. The procedures for Notice and Comment are set forth in Section 24.1 of this Declaration.

Section 1.19 - Notice and Hearing. The right of a Unit Owner to receive notice of an action proposed to be taken by the Association, and the right to be heard thereon. The procedures for Notice and Hearing are set forth in Section 24.2 of this Declaration.

Section 1.20 - Person. An individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or other legal or commercial entity.

Section 1.21 - Plans. The plans filed with this Declaration as Schedule A-4, as they may be amended from time to time.

Section 1.22 - Property. The land, all Improvements, easements, rights and appurtenances, which have been submitted to the provisions of the Act by this Declaration.

Section 1.23 - Rules. Rules for the use of Units and Common Elements and for the conduct of persons within the Common Interest Community, adopted by the Executive Board pursuant to this Declaration.

Section 1.24 - 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 the Association, and any other consensual lien or title retention contract intended as security for an obligation.

Section 1.25 - Survey. The survey filed with this Declaration as Schedule A-3, as it may be amended from time to time.

Section 1.26 - Unit. A Physical portion of the Common Interest Community designated for separate ownership or occupancy, the boundaries of which are described in Section 4.3 of this Declaration.

Section 1.27 - Unit Owner. The Declarant or other Person who owns a Unit. Unit Owner does not include a Person having an interest in a Unit solely as security for an obligation. The Declarant is the initial owner of any Unit created by this Declaration.

ARTICLE II

NAME AND TYPE OF COMMON INTEREST COMMUNITY AND ASSOCIATION

Section 2.1 - Common Interest Community. The name of the Common Interest Community is 81 Chipman Street Condominium. 81 Chipman Street Condominium is a condominium.

Section 2.2 - Association. The name of the Association is 81 Chipman Street Condominium Association, Inc.

ARTICLE III

DESCRIPTION OF LAND

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

ARTICLE IV

MAXIMUM NUMBER OF UNITS, IDENTIFICATION AND BOUNDARIES

Section 4.1 - Number of Units. The Common Interest Community presently contains twelve (12) Units. The Declarant may create an additional eight (8) Units up to a maximum of twenty (20) Units.

Section 4.2 - Identification of Units. All Units are identified by number and are shown on the Survey or Plans or both.

Section 4.3 - Boundaries. The boundaries of each Unit created by this Declaration are located as shown on the Survey and Plans and are more particularly described as follows:

- (a) Walls, floors, windows, exterior doors and ceilings are designated as boundaries of a Unit. All lath, furring, wallboard, plaster, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the finished surface thereof are a part of the Unit, and all other portions of the walls, floors, windows, exterior doors and ceilings are part of the Common Elements.
- (b) Inclusions: Each Unit shall include the spaces and Improvements lying within the boundaries described in Subsection 4.3(a) above, and shall also contain any pipes, wires, ducts and conduits situated in the perimeter walls of the Unit serving only that Unit.
- (c) Exclusions: Except when specifically included by other provisions of Section 4.3, the following are excluded from each Unit: The spaces and Improvements lying outside of the boundaries described in the Subsection 4.3(a) above; and all chutes, pipes, flues, ducts, wires, conduits, and other facilities running through any interior wall or partition for the purpose of furnishing utility and similar services to other Units or Common Elements or both.
- (d) Inconsistency with Survey and Plans: If this definition is inconsistent with the Survey and Plans, then this definition shall control.

ARTICLE V

LIMITED COMMON ELEMENTS

The following portions of the Common Elements are Limited Common Elements assigned to the Units as stated:

- (a) If any chute, flue, pipe, duct, wire, conduit, or any other fixture lies outside the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element, the use of which is limited to that Unit, and any portion of the Common Elements is a part of the Common Elements.
- (b) Any shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, patios and all exterior doors and windows or other fixtures designed to serve a single Unit, but located outside the Unit's boundaries, are Limited Common Elements allocated exclusively to that Unit and their use is limited to that Unit.
- (c) Stoops and steps at the entrances to each building, which provide access to less than all Units, the use of which is limited to the Units to which they provide access.
- (d) Attic space above the Units, the use of which shall be allocated to the Units.
- (e) Stairways, the use of which is limited to certain Units as shown on the Plans.
- (f) Basement storage and utility areas, the use of which is limited to the Unit or Units as shown on the Plans.
- (g) Any space heating, water heating and air conditioning apparatus and all electrical switches, television, telephone, and electrical receptacles and light switches serving one Unit exclusively, are Limited Common Elements allocated exclusively to that Unit and their use is limited to that Unit.
- (h) Garages, the use of which is limited to be the Units to which they are assigned, and Balconies.

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

ARTICLE VI

MAINTENANCE, REPAIR AND REPLACEMENT

Section 6.1 - Common Elements. The Association shall maintain, repair and replace all of the Common Elements, except the portions of the Limited Common elements which are required by this Declaration to be maintained, repaired or replaced by the Unit Owners.

Section 6.2 - Units. Each Unit Owner shall maintain, repair and replace, at his or her own expense, all portions of his or her Unit, except the portions thereof to be maintained, repaired or replaced by the Association.

Section 6.3 - Limited Common Elements. Notwithstanding the provisions of Sections 6.1 and Section 6.2, each Unit Owner shall be responsible for removing all snow, leaves and debris from all patios and balconies which are Limited Common Elements appurtenant to his or her Unit. If any such Limited Common element is appurtenant to two or more Units, the owners of those Units will be jointly responsible for such removal.

Furthermore, each Unit Owner shall be responsible for the maintenance, repair and replacement of those Limited Common Elements described in Article V Subsections (c), (d), (e), (f), (g), and (h) of this Declaration.

Section 6.4 - Access. Any person authorized by the Executive Board shall have the right of access to all portions of the Property for the purpose of correcting and conditions threatening a Unit or the Common Elements, and for the purpose of performing installations, alterations, or repairs, and for the purpose of reading, repairing, replacing utility meters and related pipes, valves, wires and equipment, provided that requests for entry are made in advance and that any such entry 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 shall be immediate, whether or not the Unit Owner is present at the time.

Section 6.5 - Repairs Resulting From Negligence. Each Unit Owner shall reimburse the Association for any damages to any other Unit or to the Common Elements caused intentionally, negligently or by his or her failure to properly maintain, repair or make replacements to his or her Unit. The Association shall be responsible for damage to Units caused intentionally, negligently or by its failure to maintain, repair or make replacements to the Common Elements.

ARTICLE VII

SUBSEQUENTLY ALLOCATED LIMITED COMMON ELEMENTS

Those portions of the Common Elements shown as parking spaces on the Survey may be subsequently allocated as Limited Common Elements in accordance with Subsection 8.1(b) and Section 12.1 of this Declaration.

ARTICLE VIII

DEVELOPMENT RIGHTS AND OTHER SPECIAL DECLARANT RIGHTS

Section 8.1 - Reservation of Development Rights. The Declarant reserves the following Development Rights:

- (a) The right to add Units, Common Elements, and Limited Common Elements in the location shown as "Development Rights Reserved in this Area" on the Survey and Plans, including the right to withdraw or add real property to the Common Interest Community.
- (b) The right to construct underground utility lines, pipes, wires, ducts, conduits and other facilities across the land not designated "Development Rights Reserved in this Area" on the Survey for the purpose of furnishing utility and other services to buildings and Improvements to be constructed on the land designated "Development Rights Reserved in this Area" on the Survey. The Declarant also reserves the right to grant easements to public utility companies and to convey Improvements within those easements anywhere in the Condominium for the above-mentioned purposes. If the Declarant grants any such easements, Schedule A-1 shall be amended to include reference to the recorded easement.

Section 8.2 - Limitations on Development Rights. The Development Rights reserved in Section 8.1 are limited as follows:

- (a) The Development Rights may be exercised at any time, but not more than seven years after the recording of the initial Declaration;
- (b) Not more than eight (8) additional Units may be created under the Developmental Rights;
- (c) The quality of construction of any buildings and Improvements to be created on the Property shall be consistent with the quality of those constructed pursuant to this Declaration as initially recorded.

- (d) All Units and Common Elements created pursuant to the Development Rights will be restricted to residential use in the same manner and to the same extent as the Units created under this Declaration as initially recorded.
- (e) No Development Rights may be exercised unless approved pursuant to Section 18.5 of this Declaration.

Section 8.3 - Phasing of Development Rights. No assurances are made by the Declarant regarding the portions of the areas shown as "Development Rights Reserved in this Area" on the Plans and Survey as to the portions where the Declarant will exercise its Development Rights or the order in which such portions, or all of the areas, will be developed. The exercise of Development Rights as to some portions will not obligate the Declarant to exercise them as to other portions.

Section 8.4 - Special Declarant Rights. The Declarant reserves the following Special Declarant Rights, to the maximum extent permitted by law, which may be exercised, where applicable, anywhere within the Common Interest Community:

- (a) To complete Improvements indicated on the Survey and Plans filed with this Declaration.
- (b) To maintain sales offices, management offices, signs advertising the Common Interest Community, and models;
- (c) To use easements through the Common Elements for the purpose of making Improvements within the Common Interest Community;
- (d) To appoint or remove any officer of the Association or any Executive Board member during any period of Declarant control subject to the provisions of Section 8.9 of this Declaration.
- (e) To exercise any Development Right reserved in this Declaration.

Section 8.5 - Models, Sales Offices and Management Offices. As long as the Declarant is a Unit Owner, the Declarant and its duly authorized agents, representatives and employees may maintain any Unit owned by the Declarant or any portion of the Common Elements as a model Unit or sales office or management office.

Section 8.6 - Construction; Declarant's Easement. The Declarant reserves the right to perform warranty work, and repairs and construction work, and to store materials in secure areas, in Units and Common Elements, and the further right to control all such work and repairs, and the right of access thereto, until its completion. All work may be performed by the Declarant without the consent or approval of the Executive Board. The Declarant has such an easement throughout the Common Elements as may be reasonably necessary for the purpose of discharging the Declarant's obligations or exercising Special Declarant Rights, whether arising under the Act or reserved in this Declaration.

Section 8.7 - Signs and Marketing. The Declarant reserves the right to post signs and displays in the Common Elements to promote sales of Units, and to conduct general sales activities, in a manner as will not unreasonably disturb the rights of Unit Owners.

Section 8.8 - Declarant's Personal Property. The Declarant reserves the right to retain all personal property and equipment used in the sales, management, construction and maintenance of the premises that has not been represented as property of the Association. The Declarant reserves the right to remove from the property, [promptly after the sale of the last Unit], any and all goods and improvements used in development, marketing and construction, whether or not they have become fixtures.

Section 8.9 - Declarant Control of the Association.

(a) Subject to Subsection 8.9 (b); There shall be a period of Declarant control of the Association, during which the Declarant, or persons designated by it, may appoint and remove the officers and members of the Executive Board. The period of Declarant control shall terminate no later than the earlier of:

- (i) sixty days after conveyance of sixty percent of the Units that may be created to Unit Owners other than a Declarant;
- (ii) two years after all Declarants have ceased to offer Units for sale in the ordinary course of business; or
- (iii) two years after any right to add new Units was last exercised.

A Declarant may voluntarily surrender the right to appoint and remove officers and members of the Executive Board before termination of that period, but in that event the Declarant may require, for the duration of the period of Declarant control, that specified actions of the Association or Executive Board as described in a recorded instrument executed by the Declarant be approved by the Declarant before they become effective.

- (b) Not later than sixty days after conveyance of one-third of the Units that may be created to Unit Owners other than a Declarant, at least one member and not less than one-third of the members of the Executive Board shall be elected by Unit Owners other than the Declarant.
- (c) Not later than the termination of any period of Declarant control, the Unit Owners shall elect an Executive Board of at least three members, at least a majority of whom shall be Unit Owners. The Executive Board shall elect the officers. The Executive Board members and officers shall take office upon election.

- (d) Notwithstanding any provision of this Declaration or the Bylaws to the contrary, the Unit Owners, by the two-thirds vote of all persons present and entitled to vote at any meeting of the Unit Owners at which a quorum is present, may remove any member of the Executive Board with or without cause other than a member appointed by the Declarant.

Section 8.10 - Limitations on Special Declarant Rights. Unless sooner terminated by a recorded instrument executed by the Declarant, any Special Declarant right may be exercised by the Declarant until the earlier of the following:

- (a) so long as the Declarant is obligated under any warranty or obligation, holds a Development Right to create additional Units of Common Elements, owns any Unit; or
- (b) any Security Interest in any Units; or for seven (7) years after recording this Declaration, whichever is earliest. Earlier termination of certain rights may occur by statute.

Section 8.11 - Interference with Special Declarant Rights. Neither the Association nor any Unit Owner may take any action or adopt any rule that will interfere with or diminish any Special Declarant Right without the prior written consent of the Declarant.

ARTICLE IX

ALLOCATED INTERESTS

Section 9.1 - Allocation of Interests. The table showing Unit numbers and their allocated interests is attached as Schedule A-2. These interests have been allocated in accordance with the formulas set out in this Article IX. These formulas are to be used in reallocating interests if Units are added to the Common Interest Community.

Section 9.2 - Formulas for the Allocation of Interests. The Interests allocated to each Unit have been calculated on the following formulas:

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

floor area of all of the Units in the Common Interest Community. For the purpose of this calculation, the floor areas of basements, attics, garages, stairways and balconies are not to be counted. Nothing contained in this Subsection shall prohibit certain Common Expenses from being apportioned to particular Units under Article XIX of this Declaration.

- (c) Votes. Each Unit in the Common Interest Community shall have one equal Vote. Any specified percentage, portion or fraction of Unit Owners, unless otherwise stated in the Documents, means the specified percentage, portion, or fraction of all of the votes as allocated in Schedule A-2.

Section 9.3 - Assignment of Allocated Interests Upon Creation of Units Pursuant to Exercise of Development Rights. The effective date for assigning Allocated Interests to Units created pursuant to Section 8.1 of this Declaration shall be the date on which the amendment creating the Units is recorded on the Land Records of the Town of Waterbury.

ARTICLE X

RESTRICTIONS ON USE, ALIENATION AND OCCUPANCY

Section 10.1 - Use and Occupancy Restrictions. Subject to the Special Declarant Rights reserved under Article VIII, the following use restrictions apply to all Units and to the Common Elements:

- (a) Each Unit is restricted to residential use as a single-family residence including home professional pursuits not requiring regular visits from the public or unreasonable levels of mail, shipping, trash or storage. No sign indicating commercial or professional uses may be displayed outside a Unit. A single-family residence is defined as a single housekeeping unit, operating on a non-profit, non-commercial basis between its occupants, cooking and eating with a common kitchen and dining area, with no more overnight occupants than two per bedroom as designated on the plans on file with the building official of the Town of Waterbury.
- (b) Garages and Carports are restricted to use by the Unit to which such Garage or Carport is a Limited Common Element, as storage and as a parking space for vehicles, specifically excluding, however, trucks, commercial vehicles and campers.
- (c) The use of Units and Common Elements is subject to the Bylaws and the Rules of the Association.
- (d) For any period during which any Common Expense assessment remains unpaid or, after Notice and Hearing, for any period not to exceed thirty (30) days, for any infraction of its

published Rules, the Executive Board may suspend the right to use Common Elements not necessary to give access to a public street.

- (e) 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 residential units without the prior written consent of the Board of Directors. 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.

Section 10.2 - Restrictions on Alienation. A Unit may not be conveyed pursuant to a time-sharing plan as defined under Chapter 734b of the Connecticut General Statutes. A Unit may not be leased or rented for a term of less than ninety (90) days. All leases and rental agreements shall be in writing and subject to the requirements of the Documents and the Association.

ARTICLE XI

EASEMENTS AND LICENSES

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

ARTICLE XII

ALLOCATION AND REALLOCATION OF LIMITED COMMON ELEMENTS

Section 12.1 - Allocation of Limited Common Elements Not Previously Allocated. No Limited Common Element depicted on the Survey or Plans may be reallocated by an amendment to this Declaration except as provided in Section 12.2.

Section 12.2 - Reallocation of Depicted Limited Common Elements. No limited Common Element depicted on the Survey or Plans may be reallocated by an amendment to this Declaration pursuant to this Article XII except for basement storage areas or as part of a relocation of boundaries of Units pursuant to Article XIV of this Declaration. Basement storage areas may be reallocated by an amendment to the Declaration executed by the Unit Owners between or among whose Units the reallocation is made.

Such amendment shall require the approval of all holders of Security Interests in the affected Units, which approval shall be endorsed thereon. The persons executing the amendment shall provide an executed copy thereof to the Association which, if the amendment complies with the provisions of this Declaration and the Act, shall record it. The amendment shall contain words of conveyance and shall be recorded and indexed in the names of the parties and the Common Interest Community.

The parties executing the amendment shall be responsible for the preparation of the amendment and shall reimburse the Association for its reasonable attorneys' fees in connection with the review of the amendment and for recording costs.

ARTICLE XIII

ADDITIONS, ALTERATIONS AND IMPROVEMENTS.

Section 13.1 - Additions, Alterations and Improvements by Unit Owners.

(a) Unit Owner:

- (1) May make any improvements or alterations to the interior of his or her own Unit that do not impair the structural integrity of mechanical systems or lessen the support of any portion of the Common Interest Community;
- (2) May not change the appearance of the Common Elements, or exterior appearance of a Unit or any other portion of the Common Interest Community, without permission of the Executive Board;
- (3) After acquiring an adjoining Unit or an adjoining part of an adjoining Unit, may remove or alter any intervening partition in whole or in part is a Common Element, if those acts do not impair the structural integrity or mechanical systems or lessen the support of any portion of the Common Interest Community. Removal of partitions or creation of apertures under this Subdivision is not an alteration of boundaries.

- (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 Subsection 13.1(a)(2). The Executive board shall answer any written request for such approval, after Notice and Hearing, within sixty (60) days after the request thereof. Failure to do so within such time shall not constitute a consent by the executive Board to the proposed action. The Executive Board shall review requests in accordance with the provisions of its rules.

- (c) Any applications to any department or to any governmental authority for a permit to make any additions, 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, sub-contractor or material man on account of such addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.
- (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.

The provisions of this Section shall not apply to the Declarant in the exercise of any Special Declarant Right.

Section 13.2 - Additions, Alterations and Improvements by Executive Board. Subject to the limitations of Sections 19.5 and 19.6 of this Declaration, the Executive Board may make any additions, alterations, or improvements to the Common Elements which, in its judgement, it deems necessary.

ARTICLE XIV

RELOCATION OF BOUNDARIES BETWEEN ADJOINING UNITS

Section 14.1 - Application and Amendment. Subject to approval of any structural changes and required permits pursuant to Article XII, the boundaries between adjoining Units may be relocated by an amendment to this Declaration on application to the Association by the owners of the Units affected by the relocation. If the owners of the adjoining Units have specified a reallocation between their Units of their Allocated Interests, the application shall state the proposed 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 words of conveyance between them, and the approval of all holders of Security Interests in the affected Units shall be endorsed thereon. On recordation, the amendment shall be indexed in the name of the grantor and the grantee, and in the grantee's index in the name of the Association.

Section 14.2 - 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 for the costs of preparation of the amendment and its recording.

ARTICLE XV

AMENDMENTS TO DECLARATION

Section 15.1 - General. Except in cases of amendments that may be executed by the Declarant in the exercise of its Development Rights or by the Association under Sections 12.1 and 14.1, or by certain Unit Owners under Section 14.1 of this Declaration and [Section 38] of the Act, and except as limited by Section 15.4 and Article XVIII of this Declaration, this Declaration, including the Survey and Plans, 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.

Section 15.2 - Limitation of Challenges. 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 15.3 - Recordation of Amendments. Every amendment to this Declaration shall be recorded in every town in which any portion of the Common Interest Community is located and is effective only on recording. An amendment, except an amendment pursuant to Article XIV of this Declaration, shall be indexed in the grantee's index in the name of the Common Interest Community and the Association and in the grantor's index in the name of the parties executing the amendment.

Section 15.4 - When Unanimous Consent Required. Except to the extent expressly permitted or required by other provisions of the Act and this Declaration, no amendment may create or increase Special Declarant Rights, increase the number of Units, change the boundaries of any Unit, the Allocated Interests of any Unit, or the uses to which any Unit is restricted, in the absence of unanimous consent of the Unit Owners.

Section 15.5 - Execution of Amendments. Amendments to this Declaration required by the Act to be recorded by the association, which have been adopted in accordance with this Declaration and the Act, shall be prepared, executed, recorded and certified on behalf of the Association by any officer of the Association designated for that purpose or, in the absence of the designation, by the president of the Association.

Section 15.6 - Special Declarant Rights. Provisions in this Declaration creating Special Declarant Rights may not be amended without the consent of the Declaration.

Section 15.7 - Consent of Holders of Security Interests.
Amendments are subject of the consent requirements of Article XVIII.

Section 15.8 - Amendments to Create Units. To exercise any Development Right reserved under Section 8.1 of this Declaration, the Declarant shall prepare, execute and record an amendment to the Declaration. If necessary, the Declarant shall also record either new Surveys and Plans necessary to conform to the requirements of Subsections (a), (b) and (d) of Section 47-228 of the Act or new certifications of Schedules A-3 and A-4 previously recorded if the Schedules otherwise conform to the requirements of those Subsections.

The amendment to the Declaration shall assign an identifying number to each new Unit created and reallocate the Allocated Interests among all Units. The amendment shall describe any Common Elements and any Limited Common Elements created thereby and designate the Unit to which each Limited Common Element is allocated to the extent required by Subsection 47-227(a) of the Act.

ARTICLE XVI

AMENDMENTS TO BYLAWS

The Bylaws may be amended only by vote of two-thirds (2/3) of the members of the Executive Board, following Notice and Comment to all Unit Owners, at any meeting duly called for such purpose.

ARTICLE XVII

TERMINATION

Termination of the Condominium may be accomplished only in accordance with Section 47-237 of the Connecticut General Statutes.

ARTICLE XVIII

MORTGAGEE PROTECTION

Section 18.1 - Introduction. This Article establishes certain standards and covenants which are for the benefit of the holders, insurers and guarantors of certain Security Interests. This Article is supplemental to, and not in substitution for, any other provisions of the Documents, but in the case of conflict, this Article shall control.

Section 18.2 - Percentage of Eligible Mortgagees: Wherever in this Declaration the approval or consent of a specified percentage of Eligible Mortgagees is required, it shall mean the approval or consent of eligible Mortgagees holding Security Interests in Units which in the aggregate have allocated to them such specified percentage of votes in the Association when compared to the total allocated to all Units then subject to Security Interests held by Eligible Mortgagees.

Section 18.3 - Notice of Actions. The Association shall give prompt written notice to each Eligible Mortgagee and Eligible Insurer of:

- (a) Any condemnation loss or any casualty loss which affects a material portion of the Common Interest Community or any Unit in which there is a first Security Interest held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable;
- (b) Any delinquency in the payment of Common Expense assessments owed by an Owner whose Unit is subject to a first Security Interest held, insured, or guaranteed, by such Eligible Mortgagee or Eligible Insurer, which remains uncured for a period of sixty (60) days;
- (c) Any lapse, cancellations, 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 18.4; and
- (e) Any judgement rendered against the Association.

Section 18.4 - Consent Required.

- (a) Document Changes. Notwithstanding any lower requirement permitted by this Declaration or the Act, no amendment of any material provision of the Documents by the Association or Unit Owners described in this Subsection 18.4(a) may be effective without the vote of at least sixty-seven percent (67%) of the Unit Owners (or any greater Unit Owner vote required in this Declaration or the Act) and until approved in writing by at least fifty-one percent (51%) of the Eligible Mortgagees (or any greater Eligible Mortgagee approval required by this Declaration). The foregoing approval requirements do not apply to amendments effected by the exercise of any Development Right. Material includes, but is not limited to, any provision affecting:
 - (i) Assessments, assessment liens or subordination of assessment liens;
 - (ii) Voting rights

- (iii) Reserves for maintenance, repair and replacement of Common Elements;
 - (iv) Responsibility for maintenance and repairs;
 - (v) Reallocation of interests in the Common Elements or Limited Common Elements except that when Limited Common Elements are reallocated by agreement between Unit Owners and only the Eligible Mortgagees holding Security Interests in such Units must approve such action;
 - (vi) Rights to use Common Elements and Limited Common Elements;
 - (vii) Boundaries of Units except that when boundaries of only adjoining Units are involved, or a Unit is being subdivided, then only those Unit Owners and the Eligible Mortgagees holding Security Interests in such Unit or Units must approve such action;
 - (viii) Convertibility of Units into Common Elements or Common Elements into Units;
 - (ix) Expansion or contraction of the common Interest Community, or the addition, annexation or withdrawal of property to or from the Common Interest Community;
 - (x) Insurance of fidelity bonds;
 - (xi) Leasing of Units;
 - (xii) Imposition of restrictions on a Unit Owner's right to sell or transfer his or her Units;
 - (xiii) Establishment of self-management when professional management had been required previously by any Eligible Mortgagee.
 - (xiv) Restoration or repair of the project after a hazard damage or partial condemnation in a manner other than specified in the Documents;
 - (xv) Termination of the Common Interest Community after occurrence of substantial destruction of condemnation; and
 - (xvi) Any provision that expressly benefits mortgage holders, insurers or guarantors.
- (b) Actions. Notwithstanding any lower requirement permitted by this Declaration or the Act, the Association may not take any of the following actions without the approval of at least fifty-one (51%) of the Eligible Mortgagees or such higher percentage as set forth herein:

- (i) The conveyance of encumbrance of the Common Elements or any portion thereof, as to which an eighty percent (80%) Eligible Mortgagees or such higher percentage as set forth herein;
- (ii) The establishment of self-management when professional management had been required previously by any Eligible Mortgagee;
- (iii) The restoration or repair of the Property after hazard damage or a partial condemnation in a manner other than that specified in the Documents;
- (iv) The termination of the Common Interest Community, as to which a sixty-seven percent (67%) Eligible Mortgagee approval is required;
- (v) The alteration of any 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.

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

- (c) The Association may not change the period for collection of regularly budgeted Common Expense assessment to other than monthly without the consent of all Eligible Mortgagees.

Section 18.5 - Development Rights. No Development Rights may be exercised or voluntarily abandoned or terminated by the Declarant unless all persons holding Security Interests in the Development Rights consent to the exercise, abandonment, or termination.

Section 18.6 - Inspection of Books. The Association shall permit any Eligible Mortgager or Eligible Insurer to inspect the books and records of the Association during normal business hours.

Section 18.7 - Financial Statements. The Association shall provide any Eligible Mortgagee or Eligible Insurer which submits a written request, with a copy of an annual financial statement within ninety (90) days following the end of each fiscal year of the Association. Such financial statement shall be audited by an independent certified public accountant if:

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

Section 18.8 - Enforcement. The provisions of this Article are for the benefit of Eligible Mortgagees and Eligible Insurers and their successors, and may be enforced by any of them by any available means, at law, or in equity.

Section 18.9 - Attendance at Meetings. Any representative of an Eligible Mortgagee or Eligible Insurer may attend any meeting which a Unit Owner may attend.

ARTICLE XIX

ASSESSMENT AND COLLECTION OF COMMON EXPENSES

Section 19.1 - Definition of Common Expenses. Common Expenses shall include:

- (a) Expenses of administration, maintenance, and repair or replacement of the Common Elements;
- (b) Expenses declared to be Common Expenses by the Documents or by the Documents or by the Act;
- (c) Expenses agreed upon as Common Expenses by the Association; and
- (d) 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 their Association.

Section 19.2 - Apportionment of Common Expenses. Except as provided in Section 19.3, all Common Expenses shall be assessed against all Units in accordance with their percentage interest in against all Units in accordance with their percentage interest in the Common Expenses as shown of Schedule A-2 to this Declaration.

Section 19.3 - Common Expenses Attributable to Fewer than all Units.

- (a) Any Common Expense for services provided by the Association to an individual Unit at the request of the Unit Owner shall be assessed against the Unit which benefits from such service.
- (b) Any insurance premium increase attributable to a particular Unit by virtue of activities in or construction of the Unit shall be assessed against that Unit.
- (c) Assessments to pay a judgement against the Association may be made only against the Unit in the Common Interest Community at the time the judgement was rendered, in proportion to their Common Expense liabilities.
- (d) If any Common Expense is caused by misconduct of a Unit Owner, the Association may, after Notice and Hearing, assess that expense exclusively against his or her Unit.
- (e) Fees, charges, late charges, fines and interest charged against a Unit Owner pursuant to the Documents and the Act are enforceable as Common Expense assessments.

Section 19.4 - Lien.

- (a) The Association has a statutory lien on a Unit for any assessment levied against that Unit or fines imposed against its Unit Owner from the time the assessment or fine becomes delinquent. Fees, charges, late charges, fines and interest charged pursuant to the Act and the Documents are enforceable as assessments under the 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 this Declaration; (2) a first or second Security Interest in the Unit recorded before the date on which the assessment sought to be enforced became delinquent; and (3) liens is also prior to all Security Interests described in Subdivision (2) of this Subsection to the extent of the Common Expense assessments based on the periodic budget adopted by the Association pursuant to Section 19.5 of this Article which would have become due in the absence of acceleration during the six months immediately preceding institution of an action to enforce either their Association's lien or a Security Interest described in Subdivision (2) of this Subsection. This Subsection does not affect the priority of mechanics' or materialmen's liens, or the priority of liens for other assessments made by the Association.

- (c) Recording of this Declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for assessment under this Section is required.
- (d) A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within two 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 Association's lien shall be tolled until thirty days after the automatic stay of proceedings under Section 362 of the Bankruptcy Code is lifted.
- (e) This Section does not prohibit actions to recover sums for which Subsection (a) of this Section creates a lien or prohibit the Association from taking a deed in lieu of foreclosure.
- (f) A judgement or decree in any action brought under this Section shall include costs and reasonable attorney's fees for the prevailing party.
- (g) The Association's lien may be foreclosed in like manner as a mortgage on real property.
- (h) In any action by the Association to collect assessments or to foreclose a lien for unpaid assessments, the court may appoint a receiver of the Unit Owner pursuant to Section 52-204 of the Connecticut General Statutes to collect all sums alleged to be due from that Unit Owner prior to or during the pendency of the action. The court may order the receiver to pay any sums held by the receiver to the Association during the pendency of the action to the extent of the Association's Common Expense assessments based on a periodic budget adopted by the Association pursuant to Section 19.5 of the Declaration.
- (i) If a holder of a first or second Security Interest in a Unit forecloses that Security Interest, the purchaser at the foreclosure sale is not liable for any unpaid assessments against that Unit which became due before the sale, other than the assessments which are prior to that Security Interest under Subsection 19.4 (b). Any unpaid assessments not satisfied from the proceeds of sale become Common Expenses collectible from all the Unit Owners, including the purchaser.
- (j) Any payments received by the Association in the discharge of a Unit Owner's obligation may be applied to the oldest balance due.

Section 19.5 - Budget Adoption and Ratification. Within thirty (30) days after adoption of any proposed budget for the Common Interest Community, The Executive Board shall provide a summary of the budget to all the Unit Owners, and shall set a date for a meeting of the Unit

Owners to consider ratification of the budget not less than fourteen (14) nor more than thirty (30) days after mailing of the summary. Unless at that meeting [a majority of all Unit Owners] reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the periodic budget last ratified by the Unit Owners shall be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Executive Board.

Section 19.6 - Ratification of Non-budgeted Common Expense Assessments. If the Executive Board votes to levy a Common Expense assessment not included in the current budget, other than one enumerated in Section 19.3 of this Declaration, in an amount greater than fifteen (15%) of the current annual operating budget, the Executive Board shall submit such common Expense to the Unit Owners for ratification in the same manner as a budget under Section 19.5.

Section 19.7 - 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 business day after receipt of the request and is binding on the Association, the Executive Board and every Unit Owner.

Section 19.8 - Monthly Payment of Common Expenses. All Common Expenses. All Common Expenses assessed under Sections 19.2 and 19.3 shall be due and payable monthly.

Section 19.9 - 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 shall have the right, after Notice and Hearing, to declare all unpaid assessments for the pertinent fiscal year to be immediately due and payable.

Section 19.10 - Commencement of Common Expense Assessments. Common Expense assessments shall begin on the first day of the month in which conveyance of the first Unit to a Unit Owner other than the Declarant occurs.

Section 19.11 - 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 19.12 - Personal Liability of Unit Owners. The Owner of a Unit at the time a Common Expense assessment or portion thereof is due and payable is personally liable for the assessment. Personal liability for the assessment shall not pass to a successor in title to the Unit unless he or she agrees to assume the obligation.

ARTICLE XX

RIGHT TO ASSIGN 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 (51%) percent of the votes in the Association are allocated, at a meeting called for that purpose.

ARTICLE XXI

PERSONS AND UNITS SUBJECT TO DOCUMENTS

Section 21.1 - Compliance with Documents. All Unit Owners, tenants, mortgagees and occupants of Units shall comply with the Documents. 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 Documents are accepted and ratified by such Unit Owner, tenants, mortgagee or occupant, and all such provisions recorded on the Land Records of the Town of Waterbury are covenants running with the land and shall bind any Persons having at any time any interest or estate in such Unit.

Section 21.2 - Adoption of Rules. The Executive Board may adopt Rules regarding the use and occupancy of Units, Common Elements, and Limited Common Elements and the activities of occupants, subject to Notice and Comment.

ARTICLE XXII

INSURANCE

Section 22.1 - Coverage. To the extent reasonable available, the Executive Board shall obtain and maintain insurance coverage as set forth in Sections 22.2 and 22.3 of the Article. If such insurance is not reasonably available, and the Executive Board determines that any insurance described herein will not be maintained, the Executive Board shall cause notice of that fact to be hand-delivered or sent prepaid by United States mail to all Unit Owners and Eligible Mortgagees at their respective last known addresses.

Sec. 22.2 - 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 building coverage), but excluding land, excavations, portions of foundations below the under surfaces 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. 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. Personal property owned by the Association for an amount equal to its actual cash value.

The Executive Board 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.

(c) Risks Insured Against. The insurance shall afford protection against "all risks" of direct physical loss commonly insured against.

(d) 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 or member of his or her household;

(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 by 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 designations, to the Association, in either case to be held in trust for each Unit Owner and such Unit Owner's mortgagee. 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 address.
- (vii) The name of the insured shall be substantially as follows:

"81 Chipman Street Condominium Association, Inc. for the use and benefit of the individual Owners".

Section 22.3 - Liability Insurance. Liability insurance, including medical payments insurance, in an amount determined by the Executive Board 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 or member of his or her household;
- (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.
- (vi) 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 Associations'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 as known addresses.

Section 22.4 - Fidelity Bonds. 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 Associations or the manager at any time while the bond is in force, and in no event less than the sum of three month's 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 nonpayment of premiums, only ten (10) days' notice shall be required.

Section 22.5 - Unit Owner Policies. An insurance policy issued to the Association does not prevent a Unit Owner from obtaining insurance for his or her own benefit.

Section 22.6 - Workers' Compensation Insurance. The Executive Board shall obtain and maintain Workers' Compensation Insurance to meet the requirements of the laws of the State of Connecticut.

Section 22.7 - Directors' and Officers' Liability Insurance. The Executive Board shall obtain and maintain directors' and officers' liability insurance, if available, covering all of the Directors and officers of the Association in such limits as the Executive Board may, from time to time, determine.

Section 22.8 - Other Insurance. The Association may carry other insurance which the Executive Board considers appropriate to protect the Association or the Unit Owner.

Section 22.9 - Premiums. Insurance premiums shall be a Common Expense.

ARTICLE XXIII

DAMAGE TO OR DESTRUCTION OF PROPERTY

Section 23.1 - Duty to Restore. Any portion of the Property for which insurance is required under [Section 47-225] of the Connecticut General Statutes or for which insurance carried by the Association is in effect, whichever is more extensive, shall be repaired or replaced promptly by the Association unless:

- (a) The Common Interest Community is terminated;
- (b) Repair or replacement would be illegal under any state or local statute or ordinance governing health or safety;

- (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.

Section 23.2 - Cost. The cost of repair or replacement in excess of insurance proceeds shall be a Common Expense.

Section 23.3 - Plans. The Property must be repaired and restored in accordance with either the original plans and specifications or other plans and specifications which have been approved by the Executive Board, a majority of Unit Owners and fifty-one (51%) of Eligible Mortgagees.

Section 23.4 - 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 distributed,
 - (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
 - (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 7(a)] of the Act, and the Association shall promptly prepare, execute and record an amendment to this Declaration reflecting the reallocations.

Section 23.5 - Insurance Proceeds. The insurance trustee, or if there is no insurance trustee, then the Association, shall hold any insurance proceeds in trust for the Association, Unit Owners and lien holders as their interests may appear. Subject to the provisions of Subsection 23.1(a) through Subsection 23.1(c), the proceeds shall 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 23.6 - Certificates by the Executive Board. A trustee, if any, may rely on the following certifications in writing made by the Executive Board:

- (a) Whether or not damaged or destroyed Property is to be 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 23.7 - 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 town of Waterbury from the date of the recording of the original Declaration stating the names of the Unit Owners and the mortgagees.

ARTICLE XXIV

RIGHTS TO NOTICE AND COMMENT; NOTICE AND HEARING

Section 24.1 - Right to Notice and Comment. Before the Executive Board amends the Bylaws or the Rules, whenever the documents require that an action be taken after "Notice and Comment", and at any other time the Executive Board 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 five (5) 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 formally constituted meeting.

Section 24.2 - Right to Notice and Hearing. Whenever the Documents require that an action be taken after "Notice and Hearing", the following procedure shall be observed: The party proposing to take action (e.g., The Executive Board, 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 24.3 - Appeals. Any Person having a right to Notice and Hearing shall have the right to appeal to the Executive Board from a decision of persons other than the Executive Board by filing a written notice of appeal with the Executive Board by ten (10) days after being notified of the decision. The Executive Board shall conduct a hearing within thirty (30) days, giving the same notice and observing the same procedures as were required for the original meeting.

ARTICLE XXV

EXECUTIVE BOARD

Section 25.1 - Minutes of Executive Board Meetings. The Executive Board shall permit any Unit Owner to inspect the Minutes of Executive Board meetings during normal business hours. The Minutes shall be available for inspection within fifteen (15) days after any such meeting.

Section 25.2 - Powers and Duties. The Executive Board may act in all instances on behalf of the Association, except as provided in this Declaration, the Bylaws or the Act. The Executive Board shall have, subject to the limitations contained in this Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Common Interest Community which shall include, but not be limited to, the following:

- (a) Adopt and amend Bylaws, Rules and regulations;
- (b) Adopt and amend budgets for revenues, expenditures and reserves;
- (c) Collect assessments for Common Expenses from Unit Owners;
- (d) Hire and discharge managing agents;
- (e) Hire and discharge employees and agents, other than managing agents, and independent contractors.
- (f) Institute, defend or intervene in litigation or administrative proceedings in the Association's name on behalf of the Association or two or more Unit Owners on matters affecting Common Interest Community;
- (g) Make contracts and incur liabilities;
- (h) Regulate the use, maintenance, repair, replacement and modifications of the Common Elements.
- (i) Cause additional improvements to be made as part of the Common Elements;

- (j) Acquire, hold, encumber and convey in the Association's name and right title or interest to real property or subject to a Security Interest only pursuant to [Section 47-254] of the Connecticut General Statutes;
- (k) Grant easements for any period of time including permanent easements, and leases, licenses and concessions for no more than one year, through or over the Common Elements;
- (l) Impose and receive payments, fees or charges for the use, rental or operation of the Common Elements, other than Limited Common Elements described in [Subsections (2) and (4) of Section 47-221] of the Connecticut General Statutes, and for services provided to Unit Owners;
- (m) Impose charges or interest or both for late payment of assessments and, after Notice and hearing, levy reasonable fines for violations of this Declaration, and the Bylaws, Rules and regulations of the Association;
- (n) Impose reasonable charges for the preparation and recordation of amendments to this Declaration, resale certificates required by [Section 71] of the Act or statements of unpaid assessments;
- (o) Provide for the indemnification of the Association's officers and Executive Board and maintain Directors' and officers' liability insurance;
- (p) Assign the Association's right to future income, including the right to receive Common Expense assessments;
- (q) Exercise any other powers conferred by this Declaration or the Bylaws;
- (r) Exercise all other powers that may be exercised in this state by legal entities of the same type as the Association;
- (s) Exercise any other powers necessary and proper for the governance and operation of the Association; and
- (t) By resolution, establish committees of Directors, permanent and standing, to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to Unit Owners and the Executive Board. However actions taken by a committee may be appealed to the Executive Board by any Unit Owner within forty-five (45) days of publication of such notice, and such committee action must be ratified, modified or rejected by the Executive Board at its next regular meeting.

Section 25.3 - Executive Board Limitations. The Executive Board may not act on behalf of the Association to amend this Declaration, to terminate the Common Interest Community or to elect members of the Executive Board or determine the qualifications, powers and duties, or terms of the office of Executive board members, but the Executive Board may fill vacancies in its membership for the unexpired portion of any term.

ARTICLE XXVI

CONDEMNATION

If part or all of the Common Interest Community is taken by any power having the authority of eminent domain, all compensation and damages for and on account of the taking shall be payable in accordance with [Section 7] of the Act.

ARTICLE XXVII

MISCELLANEOUS

Section 27.1 - Captions. The captions contained in the Documents are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of the Documents nor the intent of any provision thereof.

Section 27.2 - 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 Documents so require.

Section 27.3 - Waiver. No provision contained in the Documents is abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 27.4 - Invalidity. The invalidity of any provision of the Documents does not impair or affect in any manner the validity, enforceability or effect of the remainder, and in such event, all of the other provisions of the Documents shall continue in full force and effect.

Section 27.5 - Conflict. The Documents 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 Documents and the provisions of the statutes, the provisions of the statutes shall control. In the event of any conflict between this Declaration and any other Document, this Declaration shall control.

In Witness Whereof, the Declarant has caused this Declaration to be executed this day of , 19___.

Signed, Sealed and Delivered
in the Presence of

Angelo P. Tedesco

STATE OF CONNECTICUT)
) ss: Waterbury
COUNTY OF NEW HAVEN)

The foregoing instrument was acknowledged before me this
_____ day of _____, 19____, by Angelo P. Tedesco.

Commissioner of the Superior Court

SCHEDULE A-1

(Land Declared)

Parcel "C"
Chipman Street
Waterbury, Connecticut

A certain parcel of land located in the City of Waterbury, State of Connecticut containing 21,601 square feet as shown on a map titled, "Subdivision of land owned by Robert F. & Denise M. Marcella and Angelo Tedesco into Parcels A, B, and C" Chipman Street, Waterbury, Connecticut, Scale 1"=30', dated 5-9-89 by Frank W. Carature L.S., on file in the Waterbury Town Clerk's office, said parcel being more fully bounded and described as follows:

Commencing at a point in the southerly street line of Chipman Street at the northeasterly corner of the herein described parcel;

Thence running southeasterly a distance of 47.43 feet along Parcel "A";

Thence running southerly a distance of 177.80 feet along Parcel "A";

Thence running westerly turning an interior angle of 90 degrees 37 minutes 23 seconds and running a distance of 99.96 feet along land now or formerly of Urban, along land now or formerly of Lisauskas, and along land now or formerly of Paige, partly by each;

Thence running northerly turning an interior angle of 89 degrees 22 minutes 39 seconds and running a distance of 219.53 feet along land now or formerly of Patzlaff;

Thence running easterly turning an interior angle of 91 degrees 41 minutes 39 seconds and running a distance of 80.00 feet along the southerly street line of Chipman Street to the point and place of commencement.

Said premises are free and clean of all encumbrances except as follows to wit:

(1) a right to pass and repass by motor vehicle, foot or otherwise, in favor of Parcel "A" over and across the area marked "Gravel Drive" as shown on map of 81 Chipman Street Condominium which is part of Schedule A-3 of this Declaration.

SCHEDULE A-1

(Land Not Declared)

Legal Description
Parcel "A"
Chipman Street
Waterbury, Connecticut

A certain parcel of land located in the City of Waterbury, State of Connecticut containing 15,463 square feet as shown on a map titled, "Subdivision of land owned by Robert F. & Denise M. Marcella and Angelo Tedesco into Parcels A, B, and C" Chipman Street, Waterbury, Connecticut, scale 1"=30', dated 5-9-89 by Frank W. Carature L.S., on file in the Waterbury Town Clerk's office, said parcel being more fully bounded and described as follows:

Commencing at a point in the southerly street line of Chipman Street at the northeasterly corner of the herein described parcel;

Thence running southerly a distance of 120.50 feet along Parcel "B";

Thence running easterly turning an exterior angle of 88 degrees 18 minutes 19 seconds and running a distance of 60.00 feet along Parcel "B";

Thence running southerly turning an interior angle of 88 degrees 18 minutes 19 seconds and running a distance of 103.37 feet along land now or formerly of Higgiston;

Thence running westerly turning an interior angle of 90 degrees 16 minutes 45 seconds and running a distance of 99.96 feet along land now or formerly of Levanas, along land now or formerly of Aleksinas, and along land now or formerly of Urban, partly by each;

Thence running northerly turning an interior angle of 89 degrees 43 minutes 15 seconds and running a distance of 177.80 feet along Parcel "C";

Thence running northwesterly a distance of 47.43 feet along Parcel "C";

Thence running easterly turning an interior angle of 66 degrees 45 minutes 53 seconds and running a distance of 60.00 feet along the southerly street line of Chipman Street to the point and place of commencement.

TABLE OF INTERESTS

TABLE OF INTERESTS
(Declaration Schedule A-2)

<u>Units</u>	<u>Percentage Share of Common Elements</u>	<u>Percentage Share of Common Expenses</u>	<u>Vote in the Affairs of the Association</u>
Unit 1			
1 BR w/ Garage	8.333	8.333	1
Unit 2			
1 BR w/ Garage	8.333	8.333	1
Unit 3			
1 BR w/ Garage	8.333	8.333	1
Unit 4			
1 BR w/ Garage	8.333	8.333	1
Unit 5			
1 BR w/ Gargae	8.333	8.333	1
Unit 6			
1 BR w/ Garage	8.333	8.333	1
Unit 7			
1 BR w/ Garage	8.333	8.333	1
Unit 8			
1 BR w/ Garage	8.333	8.333	1
Unit 9			
1 BR w/ Garage	8.333	8.333	1
Unit 10			
1 BR w/ Garage	8.333	8.333	1
Unit 11			
1 BR w/ Garage	8.333	8.333	1
Unit 12			
1 BR w/ Garage	<u>8.333</u>	<u>8.333</u>	<u>1</u>
	100%	100%	12

SURVEY AND PLANS
(Declaration Schedules A-3 and A-4)

Certificate

Map entitled "81 Chipman Street Condominium, Waterbury, Connecticut, prepared for Angelo Tedesco, Land-Data Engineers & Surveyors, P.C., scale 1"=30', dated 7-7-89"

I hereby certify that the above survey contains all of the information required by Section 47-228 of the Common Interest Ownership Act to the extent that any such information is not shown on the plans hereinafter referred to.

Registered Surveyor
Registration No. _____

I hereby certify that the following plans contain all of the information required by Section 47-228 of the Common Interest Ownership Act to the extent that any such information is not shown on the above survey.

81 Chipman Street Condominium
Waterbury, Connecticut
William H. Rallis and Associates
Last Revision 3/10/89
Date: 30 Apr. '87

Registered Architect
Registration No. _____

ARCHITECT'S CERTIFICATE OF COMPLETION

(DECLARATION SCHEDULE A-5)

This Certificate is given with respect to the Declaration of 81 Chipman Street Condominium by Angelo P. Tedesco, recorded contemporaneously herewith in the Land Records of the Town of Waterbury

I hereby certify, to the best of my knowledge and belief:

1. That all structural components of the buildings have been substantially completed in accordance with the Survey attached to the Declaration as Schedule A-3, and the Plans attached as Schedule A-4.
2. That said Certificate is made pursuant to the provisions of the Common Interest Ownership Act of the State of Connecticut.

Dated: _____

Registered Architect,
Engineer or Surveyor
Registration No. _____

BYLAWS OF

81 CHIPMAN STREET CONDOMINIUM ASSOCIATION, INC.

(Public Offering Statement Exhibit B)

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BYLAWS

OF

81 CHIPMAN STREET CONDOMINIUM ASSOCIATION, INC.

ARTICLE I INTRODUCTION

These are the Bylaws of 81 Chipman Street Condominium Association, Inc. Initial capitalized terms are defined in Article I of the Declaration.

ARTICLE II EXECUTIVE BOARD

Section 2.1. - Number and Qualification; Termination of Declarant Control

- (a) The affairs of the Common Interest Community and the Association shall be governed by an Executive Board which, until the termination of the period of Declarant control, shall consist of three (3) persons, and following such date shall consist of three (3) persons, the majority of whom, excepting the Directors appointed by the Declarant, shall be Unit Owners. If any Unit is owned by a partnership or corporation, and officer, partner or employee of that Unit Owner shall be eligible to serve as a Director and shall be deemed to be a Unit Owner for the purpose of the preceding sentence. Directors shall be elected by the Unit Owners except for those appointed by the Declarant. At any meeting at which Directors are to be elected, the Unit Owners may, by resolution, adopt specific procedures for conducting the elections, not inconsistent with these Bylaws or the Corporation Laws of the State of Connecticut.
- (b) The terms of at least one-third (1/3) of the Directors shall expire annually, as established in a resolution of the Unit Owners setting terms.
- (c) Section 8.7 of the Declaration shall govern appointment of Directors of the Executive Board during the period of Declarant control.
- (d) The Executive Board shall elect the officers. The Directors and officers shall take office upon election.
- (e) At any time after Unit Owners other than the Declarant are entitled to elect a Director, the Association shall call and give not less than ten (10) nor more than sixty (60) days'

notice of a meeting of the Unit Owners for this purpose. Such meeting may be called and the notice given by any Unit Owner if the Association fails to do so.

Section 2.2 - Powers and Duties. The Executive Board may act in all instances on behalf of the Association, except as provided in the Declaration, these Bylaws or the Act. The Executive Board shall have, subject to the limitations contained in the Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Common Interest Community which shall include, but not be limited to, the following:

- (a) Adopt and amend Bylaws, Rules and regulations;
- (b) Adopt and amend budgets for revenues, expenditure and reserves;
- (c) Collect assessments for Common Expenses from Unit Owners;
- (d) Hire and discharge managing agents;
- (e) Hire and discharge employees and agents other than managing agents and independent contractors.
- (f) Institute, defend or intervene in litigation or administrative proceedings in the Association's name on behalf of the Association or two or more Unit Owners on matters affecting the Common Interest Community;
- (g) Make contracts and incur liabilities;
- (h) Regulate the use, maintenance, repair, replacement and modification of the Common Elements.
- (i) Cause additional improvements to be made as a part of the Common Elements;
- (j) Acquire, hold, encumber and convey in the Association's name any right, title or interest to real property or personal property but Common Elements may be conveyed or subjected to a security interest only pursuant to [Section 47-254] of the Connecticut General Statutes;
- (k) Grant easements for any period of time including permanent easement, and leases, licenses and concessions for no more than one year, through or over the Common Elements;
- (l) Impose and receive payments, fees or charges for the use, rental or operation of the Common Elements, other than Limited Common Elements described in [Subsection (2) and (4) of Section 47-221] of the Connecticut General Statutes, and for services provided to Unit Owners;

- (m) Impose charges or interest or both for late payment of assessments and, after Notice and Hearing, levy reasonable fines for violations of the Declaration, Bylaws, Rules and regulations of the Association.
- (n) Impose reasonable charges for the preparation and recordation of amendments to the Declaration, resale certificates required by [Section 47-270] of the Connecticut General Statutes or statements of unpaid assessments;
- (o) Provide for the indemnification of the Association's officers and Executive Board and maintain Directors' and officers' liability insurance;
- (p) Assign the Association's right to future income, including the right to receive Common Expense assessments;
- (q) Exercise any other powers conferred by the Declaration or Bylaws;
- (r) Exercise all other powers that may be exercised in this state by legal entities of the same type as the Association;
- (s) Exercise any other powers necessary and proper for the governance and operation of the Association; and
- (t) By resolution, establish committees of Directors, permanent and standing, to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to Unit Owners and the Executive Board. However, actions taken by a committee may be appealed to the Executive Board by any Unit Owner within forty-five (45) days of publication of such notice, and such committee action must be ratified, modified or rejected by the Executive Board at its next regular meeting.

Section 2.3 - Standard of Care. In the performance of their duties, the officers and directors of the Executive Board are required to exercise the care required of fiduciaries of the Unit Owners, if appointed by the Declarant, and ordinary and reasonable care if elected by the Unit Owners.

Section 2.4 - Additional Limitations. The Executive Board shall be additionally limited pursuant to Article XXV of the Declaration.

Section 2.5 - Manager. The Executive Board may employ a manager for the Common Interest Community at a compensation established by the Executive Board, to perform such duties and services as the Executive Board shall authorize. The Executive Board may delegate to the manager only the powers granted to the Executive Board by these Bylaws under Subdivisions 2.2(c), (e), (g) and (h)). Licenses, concessions

and contracts may be executed by the manager pursuant to specific resolutions of the Executive Board, and to fulfill the requirements of the budget.

Section 2.6 - Removal of Directors. The Unit Owners, by a two-thirds vote of all persons present and entitled to vote at any meeting of the Unit Owners at which a quorum is present, may remove any Director of the Executive Board with or without cause, other than a Director appointed by the Declarant.

Section 2.7 - Vacancies. Vacancies in the Executive Board caused by any reason other than the removal of a Director by a vote of the Unit Owners, may be filled at a special meeting of the Executive Board held for that purpose at any time after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum, in the following manner:

- (a) as to vacancies of Directors whom Unit Owners other than the Declarant elected, by a majority of the remaining such Directors constituting the Executive Board;
- (b) as to vacancies of Directors whom the Declarant has the right to appoint, by the Declarant.

Each person so elected or appointed shall be a Director for the remainder of the term of the Director so replaced.

Section 2.8 - Regular Meetings. The first regular meeting of the Executive Board following each annual meeting of the Unit Owners shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Unit Owners at the meeting at which such Executive Board shall have been elected. No notice shall be necessary to the newly elected directors in order to legally constitute such meeting, providing a majority of the Directors shall be present. The Executive Board may set a schedule of additional regular meetings by resolution and no further notice is necessary to constitute such regular meetings.

Section 2.9 - Special Meetings. Special meetings of the Executive Board may be called by the President or by a majority of the Directors on at least three (3) business days' notice to each Director. The notice shall be hand-delivered or mailed and shall state the time, place and purpose of the meeting.

Section 2.10 - Location of Meetings. All meetings of the Executive Board shall be held within the City of Waterbury unless all Directors consent in writing to another location.

Section 2.11 - Waiver of Notice. Any Director may waive notice of any meeting in writing. Attendance by a Director at any meeting of the Executive Board shall constitute a waiver of notice. If all the Directors are present at any meeting, no notice shall be required and any business may be transacted at such meeting.

Section 2.12 - Quorum of Directors. At all meetings of the Executive Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the meeting. If, at any meeting, there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any adjourned meeting at which a quorum is present any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 2.13 - Compensation. A Director may receive a fee from the Association for acting as such, as may be set by resolution of the Unit Owners, and reimbursement for necessary expenses actually incurred in connection with his or her duties. Directors acting as officers or employees may also be compensated for such duties.

Section 2.14 - Consent to Corporate Action. If all the Directors or all Directors of a committee established for such purposes, as the case may be, severally or collectively consent in writing to any action or to be taken by the Association, and the number of the Directors or committee constitutes a quorum for such actions, such action shall be a valid corporate action as though it had been authorized at a meeting of the Executive Board or the committee, as the case may be. The Secretary shall file such consents with the minutes of the meetings of the Executive Board.

ARTICLE III UNIT OWNERS

Section 3.1 - Annual Meeting. Annual meetings of Unit Owners shall be held on the first Friday in June. At such meeting, the Directors shall be elected by ballot of the Unit Owners, in accordance with the provisions of Article II. The Unit Owners may transact other business at such meetings as may properly come before them.

Section 3.2 - Budget Meeting. Meetings of Unit Owners to consider proposed budgets shall be called in accordance with Sections 19.5 and 19.6 of the Declarations. The budget may be considered at Annual or Special Meetings called for other purposes as well.

Section 3.3 - Special Meetings. Special meetings of Unit Owners may be called by the president, a majority of the Executive Board, or by Unit Owners having twenty percent (20%) of the votes in the Association.

Section 3.4 - Place of Meetings. Meetings of the Unit Owners shall be held at such suitable place convenient to the Unit Owners as may be designated by the Executive Board or the president.

Section 3.5 - Notice of Meetings. Except for budget meetings, for which notice shall be given in accordance with Sections 19.5 and

19.6 of the Declaration, the secretary or other officer specified in the Bylaws shall cause notice to be hand-delivered or sent prepaid by United States mail to the mailing address of each Unit or to any other mailing address designated in writing by the Unit Owner, not less than ten (10) nor more than sixty (60) days in advance of any meeting. The notice of any meeting shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes and any proposal to remove an officer or Director of the Executive Board. No action shall be adopted at a meeting except as stated in the notice.

Section 3.6 - Waiver of Notice. Any Unit Owner may, at any time waive notice of any meeting of the Unit Owners in writing, and such waiver shall be deemed equivalent to the receipt of such notice.

Section 3.7 - Adjournment of Meeting. At any meeting of Unit Owners, a majority of the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to another time.

Section 3.8 - Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll call (or check-in procedure).
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports.
- (e) Establish number and term of memberships of the Executive Board (if required and noticed.)
- (f) Election of inspectors of election (when required).
- (g) Election of Directors of the Executive Board (when required).
- (h) Ratification of Budget (if required and noticed).
- (i) Unfinished business.
- (j) New business.

Section 3.9 - Voting.

- (a) If only one of several owners of a Unit is present at a meeting of the Association, that owner is entitled to cast all the votes allocated to the Unit. If more than one of the owners are present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the owners. There is majority agreement if any one of the owners casts the votes allocated to that Unit

without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.

- (b) Votes allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit Owner. If a Unit is owned by more than one person, each owner of the Unit may vote or register protest to the casting of votes by the other owners of the Unit through a duly executed proxy. A Unit Owner may revoke a proxy given pursuant to this Subsection only by actual notice of revocations to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates one year after its date unless it specifies a shorter term.
- (c) The vote of a corporation or business trust may be cast by any officer of such corporation or business trust in the absence of express notice of the designation of a specific person by the board of directors or bylaws of the owning corporation or business trust. The votes of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The moderator of the meeting may require reasonable evidence that a person voting on behalf of a corporation, partnership or business trust owner is qualified so to vote.
- (d) No votes allocated to a Unit owned by the Association may be cast.

Section 3.10 - Quorum. Except as otherwise provided in these Bylaws, the Unit Owners present in person or by proxy, at any meeting of Unit Owners, shall constitute a quorum at such meeting.

Section 3.11 - Majority Vote. The vote of a majority of the Unit Owners present in person or by proxy at a meeting at which a quorum shall be binding upon all Unit Owners for all purposes except where a higher percentage vote is required in the Declaration, these Bylaws or by law.

ARTICLE IV OFFICERS

Section 4.1 - Designation. The principal officers of the Association shall be the president, the vice president, the secretary and the treasurer, all of whom shall be elected by the Executive Board. The Executive Board may appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. The president and vice president, but no other officers, need be Directors. Any two offices may be held by the same person, except the offices of president and vice president, and the offices of president and secretary. The office of vice president may be vacant.

Section 4.2 - Election of Officers. The officers of the Association shall be elected annually by the Executive Board at the organization meeting of each new Executive Board and shall hold office at the pleasure of the Executive Board.

Section 4.3 - Removal of Officers. Upon the affirmative vote of a majority of the Directors, any officer may be removed, either with or without cause, and his or her successor may be elected at any regular meeting of the Executive Board, or at any special meeting of the Executive Board called for that purpose.

Section 4.4 - President. The president shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Unit Owners and of the Executive Board. He or she shall have all of the general powers and duties which are incident to the office of president of a nonstock corporation organized under the laws of the State of Connecticut, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association. He or she may fulfill the role of treasurer in the absence of the treasurer. The president, as attested by the secretary, may cause to be prepared and may execute amendments to the Declaration and the Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

Section 4.5 - Vice President. The vice president shall take the place of the president and perform his or her duties whenever the president is absent or unable to act. If neither the president nor the vice president is able to act, the Executive Board shall appoint some other Director to act in the place of the president, on an interim basis. The vice president shall also perform such other duties as may be imposed upon him or her by the Executive Board or by the president.

Section 4.6 - Secretary. The secretary shall keep the minutes of all meeting of the Unit Owners and the Executive Board. He or she shall have charge of such books and papers as the Executive Board may direct and he or she shall, in general, perform all the duties incident to the office of secretary of a nonstock corporation organized under the laws of the State of Connecticut. The secretary may cause to be prepared and may attest to execution by the president of amendment to the Declaration and the Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

Section 4.7 - Treasurer. The treasurer shall have the responsibility for Association funds and securities and shall be reasonable for the keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. He or she shall be responsible for the deposit of all monies and other valuable effects in such depositories as may from time to time be designated by the Executive Board, and he or she shall, in general, perform all the

duties incident to the office of treasurer of a nonstock corporation organized under the laws of the State of Connecticut. He or she may endorse of behalf of the Association for collection only, checks, notes, and other obligations, and shall deposit the same and all monies in the name of and to the credit of the Association in such banks as the Executive Board may designate. He or she may have custody of and shall have power to endorse for transfer on behalf of the Association, stock, securities or other investment instruments owned or controlled by the Association or as fiduciary for others.

Section 4.8 - Agreements, Contracts, Deeds, Checks, etc.

Except as provided in Sections 4.4, 4.6, 4.7, and 4.10 of these Bylaws, all agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any officer of the Association or by such other person or persons as may be designated by the Executive Board.

Section 4.9 - Compensation. An officer may receive a fee from the Association for acting as such, as may be set by resolution of the Unit Owners, and reimbursement for necessary expenses actually incurred in connection with his or her duties.

Section 4.10 - Resale Certificates and Statements of Unpaid Assessments. The treasurer, assistant treasurer, or a manager employed by the Association, or, in their absence, any officer having access to the books and records of the Association, may prepare, certify, and execute resale certificates in accordance with [Section 47-270] of the Connecticut General Statutes and statements of unpaid assessments in accordance with [Subsection (h) of Section 47-258] of the Connecticut General Statutes.

The Association may charge a reasonable fee for preparing resale certificates and statements of unpaid assessments. The amount of this fee and the time of payment shall be established by resolution of Executive Board. The Association may refuse to furnish resale certificates and statements of unpaid assessments until the fee is paid. Any unpaid fees may be assessed as a Common Expense against the Unit for which the certificate of statement is furnished.

**ARTICLE V
ENFORCEMENT**

Section 5.1 - Abatement and Enjoinment of Violations by Unit Owners. The violation of any of the Rules and regulations adopted by the Executive Board, or the breach or any provision of the Documents shall give the Executive Board the right, after Notice and Hearing, except in case of an emergency, in addition to any other rights set forth in these Bylaws:

- (a) to enter the Unit in which, or as to which, such violation or breach exist and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing

or condition (except for additions or alterations of a permanent nature that may exist therein) that is existing and creating a danger to the Common Elements contrary to the intent and meaning of the provisions of the Documents, and the Executive Board shall not thereby be deemed liable for any manner of trespass; or

- (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 5.2 - ~~Fine for Violation.~~ By resolution, following Notice and Hearing, ~~the Executive Board~~ may levy a fine of up to \$25 per day for each day that a violation of the Documents or Rules persists after such Notice and Hearing, but such amount shall not exceed that amount necessary to insure compliance with the rule or order of the Executive Board.

ARTICLE VI INDEMNIFICATION

The directors and officers of the Association shall have the liabilities, and be entitled to indemnification, as provided in Sections 33-455 of the Connecticut General Statutes, the provisions of which are hereby incorporated by reference and made a part hereof.

ARTICLE VII RECORDS

Section 7.1 - Records and Audits. The Association shall maintain financial records. The financial records shall be maintained and audited in accordance with Article XVIII of the Declaration. The cost of the audit shall be a Common Expense unless otherwise provided in the Documents.

Section 7.2 - Examination. All records maintained by the Association or by the manager shall be available for examination and copying by any Unit Owner, by any holder of a Security Interest in a Unit, or by any of their duly authorized agent or attorneys, at the expense of the person examining the records, during normal business hours and after reasonable notice.

Section 7.3 - Records. The Association shall keep the following records:

- (a) An account for each Unit which shall designate the name and address of each Unit Owner, the name and address of each mortgagee who has given notice to Association that it holds a mortgage on the Unit, the amount of each Common Expense assessment, the dates on which each assessment comes due, amounts paid on the account, and the balance due.

- (b) An account for each Unit Owner showing any other fees payable by the Unit Owner.
- (c) A record of any capital expenditures anticipated by the Association for the current and next succeeding fiscal year.
- (d) A record of the amount, and an accurate account of the current balance of any reserves for capital expenditures, replacement, and emergency repairs.
- (e) The current operating budget adopted pursuant to [Subsection (a) of Section 47-257] of the Connecticut General Statutes and ratified pursuant to the procedures of [Subsection (c) of Section 47-245] of the Connecticut General Statutes.
- (f) A record of any unsatisfied judgments against the Association and the existence of any pending suits in which the Association is a defendant.
- (g) A record of insurance coverage provided for the benefit of Unit Owners and the Association.
- (h) A record of the actual cost, irrespective of discounts and allowances, of the maintenance of the Common Elements.
- (i) Annually the Association shall prepare a balance sheet showing the financial condition of the corporation as of date not more than four (4) months prior thereto, and a statement of receipts and disbursements for twelve (12) months prior to that date. The balance sheet and statement shall be kept for at least ten years from such date in the principal office of the Association.
- (j) Tax returns for state and Federal income taxation.
- (k) Minutes of proceedings of incorporators, Unit Owners, Directors, committees of Directors and waivers of notice.

Section 7.4 - From Resale Certificate. The Executive Board shall adopt a form resale certificate to satisfy the requirement of [Section 47-270] of the Connecticut General Statutes.

ARTICLE VIII MISCELLANEOUS

Section 8.1 - Notices. All notices to the Association or the Executive Board shall be delivered to the office of the manager, or if there is no manager, to the office of the Association, or to such other address as the Executive Board may hereafter designate from time to time, by notice in writing to all Unit Owners and to all holders of Security Interests in the Units who have notified the

Association that they hold a Security Interest in a Unit. Except as otherwise provided, all notices to any Unit Owner shall be sent to his or her address as it appears in the records of the Association. All notices to holders of Security Interests in the Units shall be sent, except where a different manner of notice is specified elsewhere in the Documents, by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Association. All notices shall be deemed to have been given when mailed except notices of changes of address which shall be deemed to have been given when received.

Section 8.2 - Fiscal Year. The Executive Board shall establish the fiscal year of the Association.

Section 8.3 - Waiver. No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 8.4 - Office. The principal office of the Association shall be on the Property or at such other place as the Executive Board may from time to time designate.

ARTICLE IX AMENDMENTS TO BYLAWS

The Bylaws may be amended only pursuant to the provisions of Article XVI of the Declaration.

Certified to be the Bylaws adopted by consent of the incorporator(s) of 81 Chipman Street Condominium Association, Inc. dated _____, 19____.

Angelo P. Tedesco

RULES OF

81 CHIPMAN STREET CONDOMINIUM ASSOCIATION, INC.

(Public Offering Statement Exhibit C)

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RULES OF

81 CHIPMAN STREET CONDOMINIUM ASSOCIATION, INC.

Initial capitalized terms are defined in Article I of the Declaration. The following Rules apply to all owners and occupants of Units.

ARTICLE I
USE OF UNITS AFFECTING THE COMMON ELEMENTS

Section 1.1 - Occupancy Restrictions. Units are limited to occupancy by single families.

Section 1.2 - No Commercial Use. Except for those activities conducted as a part of the marketing and development program of the Declarant, no industry, business, trade or commercial activities, other than home professional pursuits without employees, public visits or nonresidential storage, mail, or other use of a Unit, shall be conducted, maintained or permitted on any part of the Common Interest Community, no shall any signs, window displays or advertising except for a name plate or sign not exceeding 9 square inches in area, on the main door to each Unit be maintained or permitted on any part of the Common Elements or any Unit, nor shall any Unit be used or rented for transient, hotel, or motel purposes. "For Sale" signs not exceeding five square feet in area may be posted at the entrance to the community, together with the Unit number so for sale, pursuant to the Unit Owner's permission.

Section 1.3 - Access by Executive Board and Secured Space. The Executive Board, the manager or its designated agent, may retain a pass key to all Units for use in emergency situations only. No Unit Owner shall alter any lock or install a new lock on any door of any Unit without immediately providing the Executive Board, the manager or its agent, with a key therefore. At the Unit Owner's option, he or she may provide the key be enclosed in a sealed envelope with instructions that it only be used in emergencies with a report to him or her as to each use and the reason therefore. Each Unit may have closets, safes or vaults not exceeding 50 cubic feet in capacity which can be locked without such access.

Section 1.4 - Electrical Devices or Fixtures. No electrical device creating electrical overloading of standard circuits may be used without permission from the Executive Board. Misuse or abuse of appliance or fixtures within a Unit which affects other Units or the Common elements is prohibited. Any damage resulting from such misuse shall be the responsibility of the Unit Owner from whose Unit it shall have been caused.

Section 1.5 - Trash. No storage of trash will be permitted in or outside any Unit in such manner as to permit the spread of fire or encouragement of vermin.

Section 1.6 - Displays Outside of Units. Unit Owners shall not cause or permit anything other than curtains and conventional draperies, and holiday decorations to be hung, displayed or exposed at or on the outside of windows without the prior consent of the Executive Board having jurisdiction over such matters, if any.

Section 1.7 - Painting Exteriors. Owners shall not paint, stain, or otherwise change the color of any exterior portion of any building without the prior consent of the Executive Board or such committee then established having jurisdiction over such matters, if any.

Section 1.8 - Cleanliness. Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness.

Section 1.9 - Electrical Usage. Total electrical usage in any Unit shall not exceed the capacity of the circuits as labeled on the circuit breaker boxes.

ARTICLE II USE OF COMMON ELEMENTS

Section 2.1 - Obstructions. There shall be no obstruction of the Common Elements, nor shall anything be stored outside of the Units without the prior consent of the Executive Board except as hereinafter expressly provided.

Section 2.2 - Trash. No garbage cans or trash barrels shall be placed outside the Units. No accumulation of rubbish, debris or unsightly materials shall be permitted in the Common Elements, except in designated trash storage containers, nor shall any rugs or mops be shaken or hung from or on any of the windows, doors, balconies, patios or terraces.

Section 2.3 - Storage. Storage of materials in Common Elements or other areas designated by the Executive Board, including storage lockers, shall be at the risk of the person storing the materials.

Section 2.4 - Proper Use. Common Elements shall be used only for the purposes for which they were designed. No person shall commit waste on the Common Elements or interfere with their proper use by others or commit any nuisances, vandalism, boisterous or improper behavior on the Common Elements which interferes with, or limits the enjoyment of the Common Elements by others.

Section 2.5 - Trucks and Commercial Vehicles. Trucks and commercial vehicle are prohibited in the parking areas and driveways, except for temporary loading and unloading, or as may be designated by the Executive Board.

Section 2.6 - Alterations, Additions or Improvements to Common Elements. No alterations, additions or improvements may be made to the Common elements without the prior consent of the Executive Board or such committee established by the Executive Board having jurisdiction over such matters, if any. No clothes, sheets, blankets, laundry or any other kind or articles other than holiday decorations on door only, shall be hung out of a building or exposed or placed on the outside walls, doors of a building or on trees, and no sign, awning, canopy, shutter or antenna shall be affixed to or placed upon the exterior walls or doors, roof or any part thereof or exposed on or at any window.

ARTICLE III ACTIONS OF OWNERS AND OCCUPANTS

Section 3.1 - Annoyance or Nuisance. No noxious, offensive, dangerous or unsafe activity shall be carried on in any Unit, or 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 Unit Owners or occupants. No Unit Owner or occupant shall make or permit any disturbing noises by himself or herself, his or her family, servants, employees, agents, visitors, and licensees, nor do or permit anything to be done by such persons that will interfere with the rights, comforts or convenience of other Unit Owners or occupants. No Unit Owner or occupant shall play, or suffer to be played, any musical instrument or operate or suffer to be operated a phonograph, television set or radio at such high volume or in such other manner that is shall cause unreasonable disturbances to other Unit Owners or occupants.

Section 3.2 - Compliance with Law. No immoral, improper, offensive or unlawful use may be made of the Property and Unit Owners shall comply with and conform to all applicable laws and regulations of the United States and of the State of Connecticut, and all ordinances, rules and regulations of the City of Waterbury. The violating Unit Owner shall hold the Association and other Unit Owners harmless from all fines, penalties, costs and prosecutions from the violation thereof or noncompliance therewith.

Section 3.3 - Pets. No animals, birds, or reptiles of any kind shall be raised, bred, or kept on the property or brought on the Common Elements, except that no more than one dog of less than 20 inches in height at the shoulder at maturity and of gentle disposition, no more than one cat, or other household pets, approved and licensed by the Executive Board or the manager as to compatibility with the Common Interest Community may be kept. Pets may not be kept, bred or maintained for any commercial purposes. Any pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the property within three (3) days' after Notice and Hearing from the Executive Board. In no event shall any dog be permitted in any portion of the Common Elements unless carried or

on a leash. No dogs shall be curbed in any courtyard or close to any patio or terrace, exception the street or special areas designated by the Executive Board. The owner shall hold the Association harmless from any claim resulting from any action of his or her pet. Seeing eye dogs and hearing ear dogs will be permitted for those persons holding certificates of necessity.

Section 3.4 - Indemnifications for Actions of Others. Unit Owners shall hold the Association and other Unit Owners and occupants harmless for the actions of their children, tenants, guests, pets, servants, employees, agents, invitees or licensees.

Section 3.5 - Employees of Management. No Unit Owner shall send any employees of the manager out of the Property on any private business of the Unit Owner, nor shall any employee be used for the individual benefit of the Unit Owner, unless in the pursuit of the mutual benefit of all Unit Owners, or pursuant to the provisions of special services for a fee to be paid to the Association.

Section 3.6 - Lint Filters on Dryers; Grease Screens on Stove Hoods. All dryers will have lint filters, which will remain installed and prevent lint from accumulating in the vent duct. All stove hoods will have grease screens, which will remain installed and prevent grease from accumulating in the vent duct. All such filters and screens will at all time be used and kept clean, good order and repair by the Unit Owner.

ARTICLE IV INSURANCE

Section 4.1 - Increase in Rating. Nothing shall be done or kept which will increase the rate of insurance on any buildings, or contents thereof, without the prior consent of the Executive Board. No Unit Owner shall permit anything to be done, or kept on the Property which will resulting the cancellation of insurance coverage on any of the building, or contents thereof, or which would be in violation of any law.

Section 4.2 - Rules of Insurance. Unit Owners and occupants shall comply with the Rules and Regulations of the New England Fire Rating Association and with the rules and regulations contained in any fire and liability policy on the Property.

Section 4.3 - Reports of Damage. Damage by fire or accident affecting the Property, and persons injured by or responsible for any damage, fire or accident must be promptly reported to the manager or a Director by any person having knowledge thereof.

ARTICLE V
RUBBISH REMOVAL

Section 5.1 - Deposit of Rubbish. Rubbish container locations will be designated by the Executive Board or the manager. Pickup will be from those locations only. Occupants will be responsible for removal of rubbish from their Units to the pickup locations. Rubbish is to be deposited in that location and the area is to be kept neat, clean, and free of debris. Long term storage of rubbish in the Units is forbidden.

ARTICLE VI
MOTOR VEHICLES

Section 6.1 - Compliance with Law. All persons will comply with Connecticut State Laws, Department of Motor Vehicle regulations, and applicable local ordinances, on the roads, drives and Property.

Section 6.2 - Registration. All vehicles of employees, agents, Unit Owners, and occupants regularly using the premises must be registered with the manager and all vehicles parking for more than 4 hours must display either a vehicle sticker or carry a guest pass. Construction and management vehicles not registered will be identified by a special pass card.

Section 6.3 - Registration Application. The manager will register vehicles on a special application form and shall issue parking stickers to such vehicles. The form will provide that registered vehicle parking in "no parking" area, fire lanes, on the pavement or blocking access, or otherwise improperly parked may be towed at the owner's expense.

Section 6.4 - Guest Pass. Vehicles parked on the property for more than 4 hours without a guest pass (or sticker) will be deemed trespassers and will be removed. Guest passes will be issued to Unit Owners requesting them. They will be registered in the name of the Unit Owner who, upon receipt of the passes, will assume responsibility for the actions and towing charges of vehicles displaying such passes, as a Common Expense assessment, which will be levied following Notice and Hearing.

Section 6.5 - Limitations on Use. The use of Limited Common Element parking spaces is limited to use by the occupant of the Unit to which it is assigned as a Limited Common Element. Any vehicle must be registered in order to park permanently on the premises. Parking areas shall be used for no other purpose than to park motor vehicles, an loading or unloading.

Section 6.6 - Visitor Parking. Except where special arrangement are made, vehicles displaying guest passes are limited to three days' parking.

Section 6.7 - Speed Limit. The speed limit on the entrance road is 15 miles per hour.

Section 6.8 - Snowmobiles, Off Road and Unlicensed or Immobile Vehicles. Snowmobiles, off road vehicles including trail bikes, jeeps and other four wheel drive vehicles not used in maintenance are prohibited, except where licensed and equipped for passage on public highways, and actually used by licensed drivers on the paved portions of the property. Except for motor assisted bicycles and wheel chairs as permitted by state law, all motor vehicles used or parked on the Property will be licensed and properly equipped and in operating condition for safe travel on the public highways of the state. Except for temporary repairs not involving immobility in excess of 10 hours, motor vehicles will not be disassembled, repaired, rebuilt, painted or constructed outside of garages on the Property.

Section 6.9 - No Parking Areas. Vehicles may not be parked in such manner as to block access to garages, carports, fire hydrants, sidewalks running perpendicular to drives, pedestrian crossing areas, designated fire lanes, or clear two lane passage by vehicles on roads and drives. Vehicles in violation will be towed after reasonable efforts to contact the person, Unit Owner or occupant to whom the vehicle is registered. In addition, a \$25 per day fine may be levied against the person, Unit Owner or occupant to whom the vehicle is registered, following Notice and Hearing, for the period that the vehicle violates these rules, unless at such hearing good and valid reasons are given for such violation.

Section 6.10 - Limited Use of Trucks, Vans, Trailers and Commercial Vehicles. The following types of vehicles are prohibited in the parking areas or drives in excess of 8 hours except for temporary loading or unloading, following which the vehicle must be removed from the Property for at least 16 hours: commercial vehicles carrying a sign advertising a business; trucks, vans, and vehicles having capacity of more than one ton; trailers of any kind; and vehicles with more than four single-tired wheels. Construction equipment used in the actual repair, construction or maintenance of the Property will not be so restricted during the use.

ARTICLE VII RIGHTS OF DECLARANT

The Declarant may make such use of the unsold Units and Common Elements as may facilitate completion and sale of the Common Interest Community including, but not limited to, maintenance of a sales office, the showing of the Common Elements and unsold Units, the display of signs, the use of vehicles, and the storage of materials. Interference with workmen or with buildings under construction is prohibited. Entrance into construction or Declarant's restricted areas will be only with representative of the Declarant.

ARTICLE VIII
GENERAL ADMINISTRATIVE RULES

Section 8.1 - Consent in Writing. Any consent or approval required by these Rules must be obtained in writing prior to undertaking the action to which it refers.

Section 8.2 - Complaint. Any formal complaint regarding the management of the Property or regarding actions of other Unit Owners shall be made in writing to the Executive Board or an appropriate committee.

ARTICLE IX
GENERAL RECREATION RULES

Section 9.1 - Limited to Occupants and Guests. Passive recreational facilities, open space and woodland within the Common Elements are limited to the use of Unit Owners, their tenants and invited guests. All facilities are used at the risk and responsibility of the user, and the user shall hold the Association harmless from damage or claims by virtue of such use.

Section 9.2 - Boisterous Behavior Prohibited. Boisterous, rough or dangerous activities or behavior, which unreasonable interfere with the permitted use of facilities by others, is prohibited.

Section 9.3 - Reserved Areas. Specific portions of woodland or open space facilities, or specific times of recreational schedules may be reserved, opportunity given, to certain age groups. Such reservations and scheduling shall be done by management personnel, and shall be effective after publications in the newsletter.

Section 9.4 - Children. Parents will direct and control the activities of their children in order to require them to conform to the regulations. Parents will be responsible for violations, or damage caused by their children whether the parents are present or not.

Section 9.5 - Ejection for Violation. Unit Owners, occupants, guests, and tenants may be summarily ejected from a recreational facility by management personnel in the event of violation of these regulations within a facility, and suspended from the use until the time for Notice and Hearing concerning such violation and, thereafter suspended for the period established following such Hearing.

Section 9.6 - Proper Use. Recreational facilities will be used for the purpose for which they were designed. Picnic areas, equipment, and surrounding areas shall be properly used, and may not be abused, overcrowded, vandalized or operated in such a way as to prevent or interfere with permitted play or use by others. Rules of safety promulgated by nationally recognized organizations regulating play of a game or sport for which a facility is designed will be followed, and where appropriate, customary safety equipment will be worn and used.

Certified to be the initial
rules adopted by the Executive
Board on its date of
organization

Secretary

EXHIBIT "D"

WARRANTY DEED SURVIVORSHIP

TO ALL PEOPLE TO WHOM THESE PRESENTS SHALL COME, GREETING:

KNOW YE, ANGELO P. TEDESCO of 405 Highland Avenue, Waterbury, Connecticut, for the consideration of _____ DOLLARS (\$ _____) received to his full satisfaction of _____ of the Town of _____, County of _____ and State of Connecticut, (whose mailing address will be: _____), does give, grant, bargain, sell and confirm unto the said _____ and unto the survivor of them, and unto such survivor's heirs and assigns forever,

That certain real property described as Unit No. _____ of 81 CHIPMAN STREET CONDOMINIUM, located in the Town of Waterbury, County of New Haven and State of Connecticut. Said Unit exists pursuant to a Declaration of Condominium by Angelo P. Tedesco. ("Declaration") filed on the Land Records of the Town of Waterbury, Connecticut, on _____, 19____, in Volume _____, Page_____.

The premises are hereby conveyed together with and subject to the terms, conditions, agreements, obligations, and easements contained in the Declaration as it may be amended or supplemented. The Grantee(s), by acceptance of this deed, hereby expressly assume(s) obligations and easements as set forth in said Declaration, the By-Laws of the Association and Exhibits as they may be amended or supplemented.

The above premises are also conveyed subject to:

1. Any and all provisions of any municipal ordinance or regulation, any federal, state or local law, including but not limited to, the provisions of any zoning, building, planning, or inland and wetland rules and regulations governing the subject property.
2. Taxes due the City of Waterbury on the List of October 1, 1987, including any reassessment or reallocation from the creation of the Common Interest Community which become due and payable after the date of the delivery of the Unit Deed which the Grantee(s) assume(s) and agree(s) to pay as part of the consideration for this deed.
3. Those matters shown on SCHEDULE A-1 to the Declaration of 81 CHIPMAN STREET CONDOMINIUM, recorded in Waterbury Land Records, Volume _____, Page _____.

TO HAVE AND TO HOLD the above granted and bargained premises, with the appurtenances thereof, unto them the said grantees, and unto the survivor of them, and unto such survivor's heirs and assigns forever, to them and their own proper use and behoof.

AND also, It, the said grantor does for itself, its successors and assigns, covenant with the said grantees and with the survivor of them, and with such survivor's heirs and assigns, that at and until the ensembling of these presents, it is well seized of the premises, as a good indefeasible estate in FEE SIMPLE; and it has good right to bargain and sell the same in manner and form as is above written; and that the same is free from all incumbrances whatesoever, except as above stated.

AND FURTHERMORE, It, the said grantor does by these presents bind itself and its successors and assigns, forever to WARRANT AND DEFEND the above granted and bargained premises to them the said grantees, and to the survivor of them and such survivor's heirs and assigns, against all claim and demand whatsoever, except as above stated.

IN WITNESS WHEREOF, IT has caused these presents to be executed by its PRESIDENT, duly authorized, this ____ day of _____, 19____.

Signed, Sealed and Delivered
In the Presence Of:

Angelo P. Tedesco L.S.

STATE OF CONNECTICUT

ss: Waterbury

19

COUNTY OF NEW HAVEN

Personally appeared Angelo P. Tedesco, sealer of the foregoing instrument and acknowledge the same to be his free act and deed, before me,

COMMISSIONER OF THE SUPERIOR COURT

BUDGET FOR 81 CHIPMAN STREET CONDOMINIUM

ANALYSIS OF ANNUAL INCOME AND EXPENSE - OPERATING BUDGET

Based on Twelve (12) Units

I. PROJECT IDENTIFICATION

Name of Project: 81 Chipman Street Condominium
Address: 81 Chipman Street, Waterbury, CT Type of Project: Condominium
Name of Owners Association: 81 Chipman Street Condominium Association, Inc. Predicated Upon 12 Units

II. BUDGET

GROSS ANNUAL INCOME:
UNIT ASSESSMENTS:

1989

UNITS

1	approx. 52.79/mo.
2	52.79/mo.
3	52.79/mo.
4	52.79/mo.
5	52.79/mo.
6	52.79/mo.
7	52.79/mo.
8	52.79/mo.
9	52.79/mo.
10	52.79/mo.
11	52.79/mo.
12	52.79/mo.

53.45 month

GROSS ANNUAL INCOME

Unit Assessments for each unit:

$$12 \text{ Units} \times 52.79 \times 12 = \$7,601.76$$

Gross Annual Income, All Sources: \$7,601.76

EXPENSES

<u>Administrative</u>	<u>1987</u>
Insurance	\$2,800.00
Accounting Fees	150.00
<u>Land & Unit Services</u>	
Rubbish Removal	1,000.00
Water Service	900.00
Lighting	600.00
Snow Removal	450.00
Lawn Care & Ground Maintenance including Shrub Replacement	250.00
Building Maintenance	500.00
Miscellaneous	200.00
Replacement Reserve including Resurfacing of Parking and Roofs	750.00
Total Expenses	7,600.00
Total Income	7,601.76
Net Total	1.76

NOTE: At the time of Closing each unit purchaser shall pay to the Owners Association two (2) months Common Charges to be used by the Association in establishing a reserve for the association.