

Y763P0321

BY-LAWS

OF

SUMMERSET CONDOMINIUM ASSOCIATION, INC.

SECTION 1.

IDENTITY

These are the By-laws of Summerset Condominium Association, Inc., herein called the "Association", a corporation not organized for profit and existing under the laws of the State of Connecticut. The property to which the Declaration appended hereto and these By-Laws apply is located in the City of Danbury Connecticut and is more particularly described in the Declaration of Condominium of which these By-Laws form a part. Said property has been submitted pursuant to the provisions of Public Act 83-474 ("CIOA") as amended. Said Declaration is to be recorded in the office of the Town Clerk of the City of Danbury.

SECTION 2.

APPLICABILITY OF BY-LAWS

The provisions of these By-Laws are applicable to the Property of the Condominium and to the use and occupancy thereof. The term Property as used herein shall include the land, the buildings and all other improvements thereon, including the Units and Common Elements owned in fee simple absolute and all easements, rights and appurtenances belonging thereto, as well as all other property, real, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of CIOA.

SECTION 3.

OFFICE

The office of the Association and the Executive Board shall be located within the Condominium grounds.

SECTION 4.

EXECUTIVE BOARD

(a) Number and Qualification. The affairs of the Association and the Condominium shall be governed by an Executive Board consisting of nine (9) persons. The Executive Board shall consist of Declarant or any other person as shall have been designated by Declarant and Unit owners in the following manner:

(i) During the period of declarant control, the provisions of Article 9 (d) of the Declaration shall govern appointment and removal of officers and members of the Executive Board.

(ii) Thereafter, the Executive Board shall be composed of nine (9) persons, all of whom shall be Unit owners.

(b) Powers and Duties. The Executive Board may act on behalf of the Association and shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts or things except as by law or by the Declaration or by these By-Laws may not be delegated to the Executive Board by the Unit Owners. Therefore the Executive Board may:

- I. Adopt and amend By-Laws and rules and regulations;
- II. Adopt and amend budgets for revenues, expenditures and reserves and collect assessments for Common Expenses from Unit Owners;
- III. Hire and discharge managing agents and other employees, agents and independent contractors;
- IV. Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Unit Owners on matters affecting the condominium;
- V. Make contracts and incur liabilities;
- VI. Regulate the use, maintenance, repair, replacement and modification of Common Elements;
- VII. Cause additional improvements to be made as a part of the Common Elements;

- VIII. Acquire, hold, encumber and convey in its own 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 CIOA;
- IX. Grant easements, leases, licenses and concessions through or over the Common Elements;
- X. Impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements, other than Limited Common Elements and for services provided to Unit Owners;
- XI. Impose charges or interest or both for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, By-Laws, rules and regulations of the Association;
- XII. Impose reasonable charges including reasonable attorneys' fees, if incurred, for the preparation and recordation of amendments to the Declaration, resale certificates required by CIOA or statements of unpaid assessments;
- XIII. Provide for the indemnification of Association officers and Executive Board and maintain directors' and officers' liability insurance;
- XIV. Assign its right to future income, including the right to receive Common Expense assessments;
- XV. Exercise any other powers conferred by the Declaration or By-Laws;
- XVI. Exercise all other powers that may be exercised in this state by legal entities of the same type as the Association; and
- XVII. Exercise any other powers necessary and proper for the governance and operation of the Association.

In furtherance of the foregoing, such powers and duties of the Executive Board shall also include but shall not be limited to the following:

- XVIII. Operation, care, upkeep and maintenance of the Common Elements.
- XIX. Determination of the Common Expenses required for the affairs of the Association, including, without limitation, the operation and maintenance of the Property and for the establishment of reserves to provide for maintenance, improvements, replacements, working capital, bad debts, depreciation, obsolescence and similar purposes as are deemed desirable.
- XX. Collection of the Common Expenses from the unit owners.
- XXI. Opening of bank accounts on behalf of the Association and designating the signatories required thereafter.
- XXII. Selling, leasing, mortgaging (but not voting the votes appurtenant thereto) or otherwise dealing with Units acquired by, and subleasing Units leased by the Executive Board or its designee, on behalf of all Unit Owners.
- XXIII. Obtaining necessary insurance for the Property, including the Units.
- XXIV. The Executive Board shall have the power to enforce obligations of the Unit Owners, to allocate profits and expenses, and to do anything and everything else necessary and proper for the sound management of the Association.
- XXV. The Executive Board may not act on behalf of the Association to amend the Declaration, to terminate the Condominium, or to elect members of the Executive Board or determine the qualifications, powers and duties, or terms of office of Executive Board members, but the Executive Board may fill vacancies in its membership for the unexpired portion of any term as provided in subparagraph (e) below.

Amendments to the Declaration required by CIOA to be recorded by the Association shall be prepared, executed, recorded and certified on behalf of the Association by any officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association.

The Executive Board or its officers may delegate to other persons, or to a managing agent, all powers set forth above except for the following set forth in this subparagraph (b): I, II, III, IV, XI, XIV, XV, XVI, XVII, XXIV, XXV.

(c) Election and Term of Office. The first meeting of the Unit Owners shall be held on call by Declarant not more than 60 days after Unit Owners are entitled to elect a majority of the Executive Board in accordance with the provisions of Section 4(a) and the Declaration. Said meeting shall be considered to be the first annual meeting of the Unit Owners. At said first annual meeting, nine members of the Executive Board shall be elected by the Unit owners from among the Unit Owners. Three members shall be elected for a one-year term, three members shall be elected for a two-year term, and three members shall be elected for a three-year term. Thereafter, at each subsequent meeting of the Unit Owners, three directors shall be elected for a three-year term, and the terms of at least one-third of the members of the Executive Board shall expire annually. The members of the Executive Board shall hold office until their respective successors have been elected by the Unit Owners. The Executive Board initially appointed by Declarant shall act until the election has been completed at said first meeting. At any vote for membership on the Executive Board, and for all other voting purposes, each Unit Owner, including Declarant to the extent that Declarant is still a Unit Owner, shall have one vote for each position to be filled. If at any meeting held for election of membership to the Executive Board more than twice the number of candidates to be elected at such meeting are nominated, then and in such event there shall be two ballots for membership. At the end of the first ballot, the field of nominees shall be reduced so that there are no more than twice as many candidates running as there are positions to be filled, with the lowest vote getters being eliminated. A second ballot shall be held, and on the second ballot, the top vote getters on the basis of the weighted votes will be elected. If there are not more than twice the number of nominees for the number of positions to be filled, then there shall be one ballot, with the top vote getters being elected to membership on the Executive Board. If the candidates are being elected for varying periods of years, the candidate polling the highest vote will be considered elected for the longest period of years. After the first annual meeting of the unit owners, succeeding annual meetings shall be held on the 15th day of March in each year, unless such date shall occur on a Saturday or Sunday, in which event, the meeting will be held on

the succeeding Monday. At each annual meeting, members of the Executive Board shall be elected by ballot of the Unit Owners in accordance with these By-Laws.

Notwithstanding the foregoing, at any time after Unit Owners, other than the Declarant, are entitled to elect a member or members of the Executive Board, the Association shall call and give not less than ten, nor more than sixty days notice of the 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.

(d) Removal of Members of the Executive Board. At any duly held regular or special meeting of the Unit Owners at which a quorum is present, any one or more of the members of the Executive Board may be removed with or without cause by a two-thirds vote of the Unit Owners present and voting, and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Executive Board whose removal has been proposed shall be given an opportunity to be heard at the meeting. The provisions of this subparagraph shall not apply during the period of Declarant control to members appointed by Declarant.

(e) Vacancies. Vacancies in the Executive Board caused by any reason shall be filled by a vote of a majority of the remaining members of the Executive Board at a special meeting of the Executive Board held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Executive Board for the remainder of the term of the member whose term he is filling and until his successor shall be elected. The foregoing shall not apply during the period of Declarant control to members appointed by Declarant.

(f) Compensation. No member of the Executive Board shall receive any compensation from the Association for acting as a member of said Board.

(g) Meetings of the Executive Board. The first meeting of the Executive Board following the annual meeting of the Unit Owners shall be held within ten days thereafter at such time and place as shall be fixed by the Unit Owners at their annual meeting and no notice shall be necessary. Thereafter, regular meetings of the Executive Board may be held at such time and place as shall be determined from time to time by a majority of the members of the Executive Board, but at least two meetings shall be held each year. Notice of regular meetings of the Executive Board shall be given to each member of the Board by mail, hand delivery or telegraph at least three business days prior to the day of the meeting. Special meetings of the Executive Board may be called by the President on three business days' notice to each member of the Executive Board given by mail, hand delivery or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Executive Board shall be called by the President or the Secretary in like manner and on like notice on the written request of at least three members of the Executive Board. Any member of the Executive Board may, at any time, waive notice of any meeting of the Executive Board in writing and such waiver shall be deemed equivalent to the giving of notice. Actual attendance by members of the Executive Board at any meeting of it shall constitute a waiver of notice by him of the time and place thereof.

(h) Quorum of the Executive Board. At all meetings of the Executive Board, a majority of the members thereof shall constitute a quorum for the transaction of business and the votes of a majority of the members of the Executive Board present and voting at a meeting at which a quorum is present shall constitute a valid decision. If at any meeting of the Executive Board there shall be less than a quorum present, the majority of those present may adjourn the meeting to a new date. At any such adjourned meeting at which a quorum is present, any business which may have been transacted at the original meeting may be transacted without further notice.

(i) Election of Officers. At each annual organization meeting of the Executive Board, the Executive Board shall elect a President, Vice President, Secretary and Treasurer of the Association. The Secretary need not be a member of the Executive Board, but may be appointed by the Executive Board. All officers and members of the Executive Board, having the responsibility for

handling funds of the Association, are to be bonded. The President shall be the chief executive officer of the Association, shall preside at all meetings of the Unit Owners and the Executive Board, and shall hold the general powers and duties which are incident to the office of a president of a stock corporation, including but not limited to the power to appoint such committees from among the Unit Owners from time to time as he may in his discretion decide are appropriate to assist in the conduct of the affairs of the Association. The Vice President shall take the place of the President or perform his duties whenever the President shall be absent or unable to act. The Secretary shall keep the minutes of all meetings of the Unit Owners and the Executive Board and shall have charge of such books and records as the Executive Board may direct. He shall, in general, perform all of the duties incident to the office of a secretary of a stock corporation. The Treasurer shall have the responsibility for the Association funds and securities and shall be responsible for the keeping of full and accurate records and books of account. The Treasurer, at the expense of the Association, shall furnish such bond as may be required by the Executive Board. All agreements, contracts, leases, deeds, checks and other instruments of the Association shall be executed by any two officers of the Association or by such other person or persons as may be designated by the Executive Board. No officer shall receive compensation from the Association for acting as such an officer. Upon the affirmative vote of a majority of the members of the Executive Board, any officer may be removed either with or without cause and his successors may be elected at any regular meeting of the Executive Board called for such purpose.

(j) Liability of the Executive Board. In the performance of their duties, the officers and members of the Executive Board are required to exercise (i) if appointed by Declarant, the care required of fiduciaries of the Unit Owners and (ii) if elected by Unit Owners, ordinary and reasonable care. The Unit Owners shall indemnify and hold harmless each member of the Executive Board against all contractual liability to others arising out of contracts made by the Executive Board on behalf of the Association, unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-Laws. It is intended that the members of the Executive Board shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of any Unit Owner arising out of any contract made by the Executive Board or out of the aforesaid indemnity in favor of the members of the Executive Board shall be limited to such proportion of the total liability thereunder as



his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

(k) Resale Certificates and Statements of Unpaid Assessments. Any officer of or a manager employed by the Association, may prepare, certify and execute resale certificates and statements of unpaid assessments required by and in accordance with CIOA.

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 the 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 Common Expenses against the Unit for which the certificate or statement is furnished.

## SECTION 5.

### MEETING OF THE UNIT OWNERS

(a) Annual Meetings. Annual meetings of the Unit Owners shall be held as hereinabove provided for.

(b) Place of Meeting. The meeting of the Unit Owners shall be held at the principal office of the Association or at such other suitable place convenient to the Unit owners as may be designated by the Executive Board.

(c) Special Meetings. Special meetings of the Association may be called by the President, a majority of the Executive Board, or by Unit Owners having twenty per cent of the votes in the Association. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

(d) Notice of Meetings. Not less than ten nor more than sixty days in advance of any meeting, the Secretary or other officer specified by the President 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. 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 By-Laws, any budget changes and any proposal to remove an officer or member of the Executive Board.

(e) Quorum.

(i) A quorum is present throughout any meeting of the Association if persons entitled to cast twenty per cent of the votes that may be cast for election of the Executive Board are present in person or by proxy at the beginning of the meeting.

(ii) A quorum is deemed present throughout any meeting of the Executive Board if persons entitled to cast fifty per cent of the votes on that Board are present at the beginning of the meeting.

(f) Conduct of the Meetings. The order of business at the annual meeting of the Unit Owners or at any special meeting as far as practicable shall be:

- I. Calling of the roll and certifying the proxies.
- II. Proof of notice of meeting or waiver of notice.
- III. Reading and disposal of any unapproved minutes.
- IV. Receiving reports of officers.
- V. Receiving reports of committees.
- VI. Election of inspector of election.
- VII. Election of members of Executive Board, if necessary.
- VIII. Old business.
- IX. New business.
- X. Adjournment.

At all meetings of the Unit Owners or of the Executive Board, Roberts' Rules of Order shall be followed.

(g) Majority of Votes. A vote of the majority of Unit Owners at a meeting at which a quorum shall be present shall be

binding upon all Unit Owners for all purposes except wherein by the Declaration, these By-Laws or by law, a higher percentage is required.

(h) Method of Voting.

- (i) If only one of several owners of the Unit is present at a meeting of the Association, that owner is entitled to cast all the votes allocated to that 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.

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 Executive Board or By-Laws of the owning corporation or business trust. The vote 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.

- (ii) 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 subparagraph only by actual notice of revocation 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.

- (iii) No votes allocated to a unit owned by the Association may be cast.

SECTION 6.

RECORDS

(a) The Declarant and the Association shall maintain accounting records according to generally accepted accounting principles. Such records shall include: (1) a record of all receipts and expenditures; (2) an account for each Unit which shall designate the name and address of each Unit Owner, the amount of each assessment, the dates on which the assessment comes due, the amounts paid on the account, and the balance due; (3) a record of the actual cost, irrespective of discounts and allowances, of the maintenance of the Common Elements; (4) an accurate account of the current balance in the reserve for replacement and for emergency repairs; (5) such other records as shall enable the Association to comply with CIOA and in particular the resale certificate provisions of section 71 of CIOA with respect to the following:

- (i) An account for each unit showing the amounts of monthly Common Expense assessments currently due and payable from each Unit Owner.
- (ii) An account for each Unit Owner showing any other fees payable by each Unit Owner.
- (iii) A record of any capital expenditures anticipated by the Association for the current and next succeeding fiscal year.
- (iv) A record of the amount of any reserves for capital expenditures.
- (v) The current operating budget adopted pursuant to CIOA.
- (vi) A record of any unsatisfied judgments against the Association and the existence of any pending suits in which the Association is a defendant.
- (vii) A record of insurance coverage provided for the benefit of Unit Owners.

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(b) Records maintained by the Declarant, by the Association or by the manager shall be available for examination and copying by any Unit Owner, his duly authorized agents or attorneys, at the expense of the Unit Owner, during normal business hours and after reasonable notice.

SECTION 7.

INSURANCE

All provisions relating to insurance are to be found in the Declaration and the same are hereby incorporated by reference to the same extent and effect as if set forth herein verbatim.

SECTION 8.

ASSESSMENT OF COMMON EXPENSES

(a) Until the Association makes a Common Expense assessment, the Declarant shall pay all Common Expenses. After an assessment has been made by the Association, assessments shall be made at least annually, based on a budget adopted at least annually by the Association.

(b) Except for assessments under subsections (c), (d) and (e) of this section, all Common Expenses shall be assessed against all the Units in accordance with the allocations set forth in the Declaration. The Common Expenses shall include, among other things, the costs of repairs and maintenance of the Limited Common Elements and the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Association pursuant to these By-Laws and the fees and disbursements of the Insurance Trustee. The Common Expenses may also include such amounts as the Association may deem proper for the operation and maintenance of the Property, including without limitation an amount for a working reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Association or its designee, corporate or otherwise, on behalf of all Unit owners, of any Unit whose owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale. The Association shall advise all Unit owners promptly, in writing, of the amount of common charges payable by each of them, respectively, as determined by

the Association, as aforesaid, and shall furnish copies of each budget on which such common charges are based to all unit owners and to their mortgagees. Any past due Common Expense assessment or installment thereof bears interest at the rate established by the Association not exceeding eighteen per cent per year.

(c) Provisions dealing with Common Expenses attributable to Limited Common Elements, or benefiting fewer than all of the unit owners, and costs of insurance and costs of utilities are contained in the Declaration.

(d) Assessments to pay a judgment against the Association may be made only against the Units in the condominium at the time the judgment was rendered, in proportion to their Common Expense liabilities.

(e) If any Common Expense is caused by the misconduct of any Unit owner, the Association may assess that Expense exclusively against his unit.

(f) If Common Expense liabilities are reallocated, Common Expense assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated Common Expense liabilities.

(g) All Unit Owners shall be obligated to pay the common charges and Common Expenses assessed by the Association at such time or times as the Association shall determine. As of the effective date of these By-Laws, such common charges shall be payable monthly on the first day of each month.

(h) Within thirty days after adoption of any proposed budget for the Condominium, the Executive Board shall provide an 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 nor more than thirty 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 9.

##### COLLECTION OF COMMON EXPENSES

(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 due. Fees, charges, late charges, fines and interest charged pursuant to CIOA are enforceable as assessments under this section. If an assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due.

(b) A lien under this section is prior to all other liens and encumbrances on a unit except (1) liens and encumbrances recorded before the recordation of the Declaration; (2) a first or second security interest on the Unit recorded before the date on which the assessment sought to be enforced became delinquent, and (3) liens for real property taxes and other governmental assessments or charges against the Unit. The lien 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 the Declaration or these By-Laws which would have become due in the absence of acceleration during the six months immediately preceding institution of an action to enforce the lien. 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 the Declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for assessment under this section is required.

(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 become due; provided, that if an owner of a Unit subject to a lien under this section files a petition for relief under the United States Bankruptcy Code, the period of time for instituting proceedings to enforce the Association's lien shall be tolled until thirty 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 (which actions shall not be deemed to constitute a waiver of such lien or the right to foreclose it,) or prohibit the Association from taking a deed in lieu of foreclosure.

(f) A judgment or decree in any action brought under this section shall include costs and reasonable attorney's fees for the prevailing party.

(g) 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 days after receipt of the request and is binding on the Association, the Executive Board and every Unit Owner.

(h) The Association's lien may be foreclosed in like manner as a mortgage on real property.

(i) No Unit Owner may exempt himself from liability for payment of the Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of the Unit against which the assessments are made.

SECTION 10.

MORTGAGES

(a) Notice to the Association. A Unit Owner who mortgages his Unit shall upon request notify the Association of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Association. The Association shall maintain a book entitled "Mortgages of Units" in which all mortgages on Units shall be listed.

(b) Notice of Unpaid Common Expenses. The Association, whenever requested in writing by a mortgagee of a Unit, shall promptly report to such mortgagee any then unpaid Common Expenses due from or other default by the owner of the mortgaged Unit but shall do so in any event if the same is not cured within thirty days.

(c) Notice of Default. The Association, when giving notice to a Unit Owner of default in paying Common Expenses or any other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has theretofore been furnished to the Association.

(d) Examination of Books. Each Unit Owner and each mortgagee of a unit shall be permitted to examine the books of account of the Association at reasonable times on business days.

(e) Collection and Disbursement of Mortgage Charges. The Association may require that payment of all mortgage charges by



Unit Owners be made to the managing agent or manager to be held in trust to be disbursed promptly by such managing agent or manager only to the respective mortgagee. This may only be done with the consent of the mortgagee, however.

(f) Limitation of Mortgage. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his unit unless and until he shall have paid in full to the Association all unpaid Common Expenses theretofore assessed by the Association against his Unit and until he shall have satisfied all unpaid liens against such Unit except permitted mortgages.

(g) Financing Purchase of Units by Association. Acquisition of Units by the Association on behalf of all Unit owners may be made from the working capital in the hands of the Association, or if such funds are insufficient, the Association may levy an assessment against each Unit Owner in proportion to his ownership in the Common Elements as a Common Expense, which assessment shall be enforceable in the same manner as Common Expenses, or the Association may in its discretion borrow money to finance the acquisition of such Units, provided however that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit itself together with the appurtenant interests thereto to be acquired by the Association. Notwithstanding any rights of the Association under this paragraph or under any other provision of these By-Laws, it is agreed that the Association cannot at any one time hold title to more than ten percent of the total number of Units in the Condominium.

SECTION 11.

NOTICE OF LIEN OR SUIT

Each Unit Owner shall give notice to the Association of any lien upon his Unit other than for permitted mortgages, taxes and special assessments within five days after the attaching of the lien. Failure to comply with this paragraph will not affect the validity of any judicial sale. Notice shall also be given to the Association of every suit or other proceedings which may affect the title to a Unit within five days after the Unit Owner receives knowledge of the same.

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SECTION 12.

MISCELLANEOUS

(a) Notices. All notices hereunder shall be sent by registered or certified mail to the Executive Board in care of the President of the Association and/or to the managing agent if there be a managing agent. All notices to any Unit Owner shall be mailed or delivered to the building in which the Unit is situated, or to such other address as may have been designated by him from time to time in writing to the Executive Board. All notices to mortgagees of Units shall be sent by registered mail or certified mail to their respective addresses as designated by them from time to time in writing to the Executive Board. All notices shall be deemed to have been given when mailed except notices of change of address which shall be deemed to have been given when received.

(b) Invalidity. The invalidity of any part of these By-laws shall not impair or affect in any manner the enforceability or effect of the balance of these By-Laws.

(c) Captions. The captions inserted herein are inserted only as a matter of convenience and for reference and do not define, limit or describe the scope of these By-Laws or the intent of any provision thereof.

(d) Waiver. No restriction, condition, obligation or covenant contained in these By-Laws shall be deemed to have been abrogated or waived by reason of the failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

SECTION 13.

MODIFICATION OR AMENDMENT OF BY-LAWS

Except as hereinbefore provided otherwise, these By-Laws may be modified or amended by the vote of sixty-seven percent of the Unit owners, provided however that no amendment of these By-Laws shall be contrary to the requirements of CIOA and as the same may be amended from time to time and provided, further, that said vote shall be taken at a meeting of the Unit Owners duly held for such purpose and further following written notice to the mortgagees of such Units appearing on the records of the Association. The vote at such a meeting may be in person or by

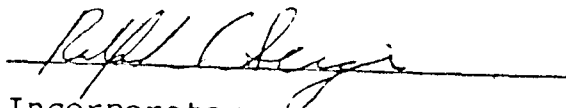
proxy. Notwithstanding any other provision herein however, no amendment may become effective except with the written approval of all mortgagees holding mortgages constituting first liens upon fifty-one percent or more Units, which approval shall not unreasonably be withheld.

SECTION 14.

CONFLICTS

These By-Laws are set forth to comply with the requirements of CIOA. In the case of any conflict between these By-Laws and the provisions of CIOA or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

Certified to be the By-Laws adopted by consent of the incorporators of Summerset Condominium Association, Inc., dated December 24, 1985.

  
 Incorporator

Received for record  
 at 9:42 A.M.

DEC 24 1985

Attest: *Michael R. Scii*  
 Town Clerk