

DECLARATION OF COUNTRY COMMONS CONDOMINIUM

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DECLARATION
OF
COUNTRY COMMONS CONDOMINIUM

THIS DECLARATION, is made and executed in Addison County, Vermont, this _____ day of December, 1987, by DAVID CHAMBERLAIN, INC., a Vermont Corporation having an office and place of business at Ferrisburg, Vermont, hereafter called "Declarant", pursuant to the provisions of the Condominium Ownership Act of Vermont, Title 27 Vermont Statutes Annotated, Chapter 15.

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property located off Hopkins Road and Route 22A in the City of Vergennes, Addison County, Vermont, by virtue of the deed of Lawrence J. Sullivan and Mabel L. Sullivan dated April 19, 1985 and recorded in the Vergennes City Land Records in Book 33 at Page 442; and

WHEREAS, Declarant is constructing condominium units upon portions of those premises and making certain other improvements thereon; and

WHEREAS, Declarant intends to submit portions of the premises and improvements to the provisions of the Condominium Ownership Act of Vermont, Title 27 Vermont Statutes Annotated, Chapter 15, and to sell and convey the same subject to the covenants, conditions and restrictions set forth herein; and

WHEREAS, together herewith, Declarant files for record in the office of the City Clerk for the City of Vergennes, Vermont, (1) a lot plan and set of floor plans of the condominium described in this Declaration showing the layout, location, unit numbers and dimensions of units, stating the name of the building or that it has no name and bearing a verified statement of a registered architect or licensed professional engineer certifying that it is an accurate copy of portions of the plans of the building as filed with and approval by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings and that they fully and accurately depict the layout, locations, unit numbers and dimensions of the units as built, which copy is annexed hereto and filed as a part hereof; and (2) a true copy of the Bylaws of the Country Commons Condominium Owners Associations, Inc., sometimes hereinafter referred to as the "COA", a Vermont non-profit corporation; and

WHEREAS, Declarant owns additional real property more fully described in Exhibit L attached hereto and desires to reserve the right to submit this additional real property or any part thereof and all

improvements constructed thereon to the condominium project being organized pursuant to this Declaration;

WHEREAS, Declarant desires and intends by filing this Declaration and the aforesaid lot plan and floor plans to submit the above-described real property, condominium units and other improvements constructed thereon, together with all the appurtenances, to the provisions of the Condominium Ownership Act as a condominium project and to impose upon the premises, building and improvements mutually beneficial restrictions under a general plan of improvements for the benefit of the condominium units and the owners thereof, now, therefore,

DECLARANT HEREBY PUBLISHES AND DECLARES that the land hereinafter described in Exhibit A is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the following covenants, conditions, restrictions, uses, limitations, and obligations, all of which are declared and agreed to be in furtherance of a plan for the improvement of the land and the division thereof to condominium units, and shall be deemed to run with the land and be a burden and a benefit to Declarant, its successors and assigns, and any person acquiring or owning an interest in the land, condominium units and improvements, their grantees, successors, heirs, executors, administrators, devisees and assigns.

1. Definitions. Certain terms as used in the Declaration are defined in Chapter 15 of Title 27, Vermont Statutes Annotated ("Act"), and other terms used herein shall be defined as follows, unless the context clearly indicates a different meaning:

"Act" means the Condominium Ownership Act of Vermont, Chapter 15, Title 27, Section 1301 to Section 1329, as amended from time to time.

"Assessment" means the amount assessed against an Owner and his Unit from time to time by the COA in the manner provided herein.

"Board of Directors" or "Board" means the Board of Directors of the COA and "director" or "directors" means a member or members of the Board.

"Bylaws" means the Bylaws of the COA attached hereto as Exhibit I, as amended from time to time.

"Common Area" and "Common Element" means "common areas and facilities" as defined in the Act and means all of the Project property after excluding the Units and Limited Common Area.

"Common Expenses" means: (a) all expenses incident to the administration, maintenance, repair and replacement of the Common Area and the Limited Common Area, after excluding therefrom such expenses which are the responsibility of an Owner; (b) expenses determined by the COA to be Common Expenses and which are lawfully assessed against Owners; (c) expenses declared to be Common Expenses by the Act or the Project Documents; and (d) reasonable reserves established for the payment of any of the foregoing.

"Condominium Owners Association" (herein "COA"), shall mean the Association of Unit Owners of Country Commons Condominium as defined in the Act, and is the Country Commons Condominium Owners Association, Inc., being an association of and limited to Owners of the Units located in the Project in the form of a non-profit, non-stock membership association which has been incorporated in accordance with the Articles of Association attached hereto as Exhibit H.

"Declarant" means David Chamberlain, Inc., a Vermont corporation, its successors and assigns.

"Floor Plan" means and includes a floor plan of one or more units filed as an exhibit to this Declaration.

"Declaration" means this document, as amended from time to time.

"Institutional" as used in conjunction with "Lender", "Holder", "Mortgagee", or "First Mortgagee", shall mean commercial and savings banks, savings and loan associations, trust companies and established mortgage companies, insurance companies, private mortgage insurance companies, pension funds, any corporation, including a corporation affiliated with the United States Government or any agent thereof, the Veterans Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, federal credit unions, and any other entities chartered under federal or state laws or agencies.

"Land" means the certain real property described in Exhibit A attached hereto.

"Limited Common Area" means those areas so designated in Exhibit E attached hereto.

"Lot Plan" means and includes the plan of the land and improvements attached hereto as "Exhibit B" showing the boundaries of the land and the location of units thereon.

"Manager" shall mean the person, natural or artificial, which shall conduct and manage the day-to-day affairs of the COA by reason of appointment as such manager by the Board of Directors of the COA. In the absence of any such appointment, Manager as used herein shall mean the Board of Directors of the COA.

"Mortgagee" shall mean the holder or servicer of any first mortgage lien or the beneficiary under any first deed of trust encumbering the unit. The term "mortgage" includes both mortgages and deeds of trust.

"Owner" and "Unit Owner" shall mean "Apartment Owner" as defined in the Act and means the record owner, whether one or more persons, of fee simple title in and to any Unit, excluding, however, those persons having such interest merely as security for the performance of an obligation. "Person" as used in this definition, shall mean any individual, partnership, corporation or other legal entity.

"Percentage Interest" means the percentage of undivided interest each Owner owns as tenant-in-common in the Common Area and Limited Common Area; and "Total Percentage Interests" means the aggregate of all the Percentage Interests.

"Plans" means and includes the Lot Plan and Floor Plan of the Project which are filed as Exhibits "B" and "C" to this Declaration respectively.

"Project", "Property" and "Condominium", except as otherwise herein expressly defined for purposes of specific provisions of this Declaration, shall mean the "property" as defined in the Act and means the Land, the buildings and all other improvements and structures located thereon, and all easements, rights and appurtenances belonging thereto, submitted to the Act by this Declaration.

"Project Documents" means and includes this Declaration, all Exhibits hereto, the Plans, the documents of Incorporation of the Association, the Bylaws and the Rules and Regulations, all as amended from time to time.

"Rules and Regulations" means the rules and regulations from time to time promulgated by the Board of Directors governing the use of the Common Area, Limited Common Area and Units.

"Lot Plan" means and includes the survey of the Land and improvements showing the boundaries of the land and the location of the units and amenities of the project thereon and filed as an Exhibit to this Declaration and certified by a registered architect or licensed professional engineer in accordance with the Act.

"Trustee" means a financial institution with trust powers or other business entity commonly accepted by private institutional mortgage investors in Addison County, Vermont, to act as a fiduciary for the benefit of the COA and the Owners which shall be designated by the Board of Directors to hold certain funds and provide services as provided herein.

"Unit" and "Condominium Unit" means "Apartment" as defined in the Act and means that part of the Project intended for independent use by an Owner situated within the Unit Boundaries designated in Exhibit F. Each Unit is identified in Exhibit B by a specific number, which number shall be sufficient to identify the Unit for all purposes.

"Unit Estate" means all the components of ownership held by an Owner, including the rights and interests of the Owner in and to the Unit, the rights of use of the Limited Common Area and the undivided interest in the Common Area and Limited Common Area. Unless the context requires otherwise, all references to "Units" herein shall include the "Unit Estate".

2. Administration

Section 2.1. The COA. The administration of the Project shall be the responsibility of the COA which shall be made up of all the Owners of Units in the Project. The COA and the Owners shall be governed by this Declaration and the Bylaws attached hereto as Exhibit I, as the same may be amended from time to time.

Section 2.2. Professional Management. Management of the Project may be conducted by an independent professional management firm retained by the COA; provided, however, that management contracts shall contain reasonable compensation and termination provisions consistent with provisions generally prevailing for management contracts relating to condominium projects located in Addison County, Vermont.

Section 2.3. Agreements. The COA shall be and hereby is authorized to enter into such agreements, including without limitation, management contracts, as it may deem necessary or desirable for the administration and operation of the Project. Each Unit Owner by acquiring or holding an interest in any Unit thereby agrees to be bound by the terms and conditions of all such agreements entered into by the Board of Directors on behalf of the COA; provided, however, the COA shall have the right to terminate any professional management contracts entered into by Declarant on behalf of the COA prior to passage of control, without cause and exercisable, without penalty, upon ninety (90) days notice to the other party.

Section 2.4. Information. The COA shall make available to unit owners and lenders, and to holders, insurers or guarantors of any first mortgage, current copies of the declaration, bylaws, other rules concerning the project, and the books, records and financial statements of the COA: "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.

Section 2.5. Financial Statements. No later than 120 days after the close of any fiscal year of the COA, the COA shall cause audited financial statements for such fiscal year to be prepared by a certified public accountant licensed in the State of Vermont. Copies of these financial statements shall be provided free of charge to any holder, insurer or guarantor of any first mortgage that is secured by a unit in the Project upon written request.

Section 2.6. Rules and Regulations. The Board of Directors shall be entitled to promulgate reasonable Rules and Regulations from time to time, which shall be binding upon the COA and all Owners and lessees of Owners, their families, invitees and guests, regarding the use and enjoyment of Units, the Limited Common Area and Common Area. The initial Rules and Regulations of the COA are contained in Exhibit J attached hereto. Copies of the current Rules and Regulations shall be furnished to Owners and lessees of Owners upon request.

3. Property Rights.

Section 3.1. Development Plan. The Declarant has constructed or shall construct or cause to be constructed on the Land residential buildings containing a total of 8 units and amenities substantially in

accordance with the Plans and the specifications for construction, copies of which shall remain on file in the office of the COA. The Declarant expressly reserves the right, during the course of construction, development, marketing or sale of units, to revise, modify or change in whole or in part the Plans and specifications for construction; provided, however, that the Declarant shall adhere to the general scheme of development as set forth in the Plans. The Declarant expects, but does not warrant or guarantee, that the Project will be expanded to include a total of 44 units.

Section 3.2. Percentage Interests. The Owners shall own the Common Area and Limited Common Area as tenants in common, with each Unit having appurtenant thereto the Percentage Interest in the Common Area and Limited Common Area as set forth in Exhibit C attached hereto, provided, however, that the use of the Limited Common Area shall be restricted as set forth in Section 3.6. The Percentage Interest appurtenant to each Unit has been determined by dividing the assigned value of the respective Unit as shown on Exhibit C by the aggregate value of all of the Units as shown on Exhibit C. The value assigned to any Unit in Exhibit C shall not fix the market value of the Unit and shall only be utilized for purposes of computing the Percentage Interest appurtenant to the respective Unit. The Percentage Interest appurtenant to each Unit shall have a permanent character and shall not be altered without the consent of all the Unit owners expressed in an amended declaration duly recorded. Each Owner, in accepting a deed to a Unit, expressly approves and consents to the alteration of the Percentage Interest of Owner's Unit in connection with Expansion of the Project, or amendment by Declarant of the Declaration, By-Laws or allied instruments to conform the same to the requirements of the secondary mortgage market, or the laws of the State of Vermont, or final adjustment of Undivided Percentage Interests upon completion of the project, and expressly appoints Declarant, its successors and assigns, its due and lawful attorney-in-fact, with full power of substitution, to act on behalf of the Owner as fully as the Owner could act in person for the purposes set forth herein. The Unit Owner's consent herein set forth shall be independent of and unrelated to the validity or enforceability of the power of attorney herein granted. Declarant hereby retains control of the undivided interest in the Common Area which is allocable to all unconstructed or unsold Units.

Section 3.3. Inseparability of Percentage Interests. The Percentage Interest in the Common Area and the Limited Common Area cannot be separated from the Unit to which it appertains and shall be automatically conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the deed or other instruments.

Section 3.4. No Partition. The Common Area and Limited Common Area shall remain undivided and no right to partition the same or any part thereof shall exist, except as provided in the Act, the By-laws and this Declaration.

Section 3.5. Use of Common Area. The Common Area shall be used in accordance with the intended purposes without hindering the exercise of

or encroaching upon the rights of other Owners. The Board of Directors shall, if any question arises, determine the purpose for which a part of the Common Area is intended to be used. All Owners and lessees of Owners, their families, invitees and guests shall abide by all Rules and Regulations from time to time in effect governing the use of the Common Area.

Section 3.6. Limited Common Area. Ownership of each Unit shall entitle the Owner or Owners thereof to the use of the Limited Common Area adjacent and appurtenant to such Unit, if any, and so designated in Exhibit E, which exclusive use may be delegated by such Owner to persons who reside in his Unit. All Owners and lessees of Owners, their families, invitees and guests shall abide by all Rules and Regulations from time to time in effect governing the use of the Limited Common Area.

Section 3.7. Expansion of the Project on Additional Land.

a. Reservation of Right. The Declarant hereby reserves the right to construct up to thirty-six (36) additional Units on that certain real property more fully described in Exhibit "L" attached hereto or on adjacent real property now owned or hereafter acquired by Declarant ("Additional Phases Property"). The Declarant shall be entitled to submit said real property (or any portion thereof) and all improvements constructed thereon to the Project by filing an amendment to this Declaration, which shall be executed solely by the Declarant and shall include the following particulars:

- (i) A survey of the additional real property to be submitted to the Project;
- (ii) A Lot Plan and Floor Plans for all improvements constructed on said real property;
- (iii) A description of the portions of said real property and improvements which constitute Units, Common Area and Limited Common Area;
- (iv) An amended Exhibit "C" to the Declaration specifying the respective Percentage Interests of the Owners of all Units after giving effect to the expansion of the Project.

Section 3.8. Conditions Precedent to Filing of Amendment. The Declarant shall have the right to file the Amendment prescribed by Section 3.7 herein only if all the following conditions precedent have been met:

(a) The improvements constructed on the real property to be added to the Project pursuant to this Paragraph shall have been constructed in a manner substantially consistent with the quality of construction of the existing eight (8) Units, Limited Common Area and Common Area comprising the original Project.

(b) All improvements constructed on the additional real property shall have been constructed in a good and workmanlike manner and the improvements shall be substantially complete.

(c) A certificate as to the satisfaction by the Declarant of the conditions precedent set forth in Paragraph (b) above shall have been provided to the COA by an engineer or architect.

(d) All taxes and other assessments relating to the real property to be added to the Project shall be paid or funds escrowed covering any period prior to submission to the Project.

(e) Mechanics' lien affidavits or waivers shall be delivered to the COA evidencing that no person who has rendered services or provided materials in regard to the construction of the improvements on the real property to be added to the Project has any claim which may constitute a lien on any portion of the Project, including the real estate and improvements to be added thereto; or a title insurance policy is provided to the COA insuring over such liens.

(f) The Declarant shall provide with respect to the real property and improvements to be added to the Project substantially the same warranties that are contained in Section 3.15 and 3.16 (with the one (1) year time period set forth in Section 3.16 (a) to commence upon conveyance of sixty per cent (60%) of the Units being added to the Project).

Section 3.9. Amendments to Declaration. In the event Declarant, in its sole discretion, elects to proceed to enlarge the Project by adding Additional Phases, in any order or parts of them, in any order, the Declarant shall execute an amendment or amendments to this Declaration which shall be filed for record in the City of Vergennes Land Records, on or before the fifth anniversary of the date of execution of this Amendment. Failure of the Declarant to file for record in the City of Vergennes Land Records, the amendment or amendments prescribed by Section 3.7 hereof on or before the fifth anniversary of the date of execution of this Declaration, shall constitute an irrevocable decision on the part of the Declarant not to add any additional real property to the Project and all further rights of the Declarant under this Section 3 shall cease and be of no further force or effect.

Section 3.10. Assignability of Rights. The Declarant shall be entitled to assign the rights reserved in this Section 3 and all other rights under this Declaration to any person or entity to whom any portion of the real property more fully described in Exhibit "L" attached hereto is transferred or mortgaged, including without limitation, Declarant's Mortgagee.

Section 3.11. Adjustment of Percentage Interests. Anything to the contrary contained in this Declaration notwithstanding, the Percentage Interest of each Owner for all purposes shall be adjusted upon the filing of the Amendment(s) prescribed by Section 3.7 hereof based upon the specified formula set forth in Exhibit "C" hereof, with the

resulting Percentage Interest of each Owner in the Project, as expanded, to equal the percentage which the stated value of his Unit as set forth in Exhibit "G" bears to the aggregate stated values of the original Units and all additional Units added to the Project as set forth in Exhibit "C".

Section 3.12. Application of Declaration. Upon the filing of the Amendment(s) prescribed by Section 3.7 hereof, all definitions contained in this Declaration shall be deemed amended to the extent necessary to cause the additional real property and the improvements described in such Amendment to be treated as fully an integral part of the Project as if said real property and improvements constituted a portion of the Project as of the effective date hereof.

Section 3.13. Annual Assessments for Additional Units and Working Capital Reserve. The Annual Assessment for the balance of the then current fiscal year with respect to Units added to the Project pursuant to this Section 3 shall be equal to an amount determined by dividing the current Annual Assessment for the Project by 365 and multiplying the quotient by the number of days remaining in the then current fiscal year. Assessments regarding all of the additional Units shall commence upon the earlier of title conveyance by Declarant or one (1) month after the filing of the Amendment prescribed by Section 3.7 hereof and shall be subject to the proration set forth in Section 4.4. Thereafter, all Units shall be assessed as otherwise provided in this Declaration.

All obligations with respect to Working Capital Assessment provided for in Section 4.8 shall be applicable upon the transfer of the additional Units by the Declarant with the sixty (60) day period specified in said section to commence as of the date of the Amendment(s) prescribed by Section 3.7.

Section 3.14. No Consent of Owners Required. The Declarant, its successors and assigns, shall have the absolute right to expand the Project in accordance with this Section 13 and to file the Amendment(s) prescribed in Section 3.7 hereof without any action or consent on the part of any Owner or mortgage holder; provided, however, that to the extent any action on the part of any Owner is required by any third party to assure the expansion of the Project as provided in this Section 3, each Owner in accepting a deed to a Unit, agrees to undertake such action and/or provide such consents as are reasonably requested, and expressly appoints the Declarant his due and lawful attorney-in-fact, with full power of substitution, to execute all documents reasonably required to evidence the requisite action or consent.

Section 3.15. Status of Title to the Project. The Declarant represents and warrants to the COA and all the Owners that as of the effective date hereof, the Declarant has a marketable title to the Land. The rights and interests of all Owners in and to the Common Area and Limited Common Area shall be subject only to (i) liens for real estate taxes for the current and subsequent years; (ii) easements, conditions, limitations, reservations and restrictions of record and as set forth in Exhibit A; and (iii) applicable governmental regulations, including zoning, subdivision and land use laws, regulations and rules, and any

certificates or permits issued thereunder from time to time including but not limited to the Vermont Agency of Environmental Conservation Land Use Permit No. 9A0154, dated May 19, 1986, and Public Building Permit No. _____, dated _____; provided, however, that the Declaration warrants that the foregoing do not unreasonably interfere with the use of the Project for residential purposes. In addition, the Declarant warrants that it has paid or will pay in a timely manner all parties who have, at the request of Declarant, provided materials to or rendered services in connection with the construction of the Project and shall indemnify and hold the COA and the Owners harmless from all liens, claims or causes of action of persons who have, at the request of Declarant, supplied materials to or rendered services in connection with the construction of the Project.

Section 3.16. Limited Warranty from Declarant.

(a) Common Area or Limited Common Area. FOR A PERIOD OF ONE (1) YEAR FROM THE DATE OF SUBSTANTIAL COMPLETION OF THE PROJECT, THE DECLARANT SHALL AT NO COST TO THE COA REPAIR OR REPLACE (IN THE DECLARANT'S DISCRETION) ANY PORTIONS OF THE COMMON AREA OR LIMITED COMMON AREA (EXCEPT FIXTURES, ACCESSORIES AND APPLIANCES COVERED BY SEPARATE WARRANTIES OF THEIR RESPECTIVE MANUFACTURERS, DEALERS OR INSTALLATION CONTRACTORS) WHICH ARE DEFECTIVE AS TO MATERIALS OR WORKMANSHIP. THIS LIMITED WARRANTY IS IN PLACE OF ALL OTHER CONTRACTUAL OBLIGATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AND THE DECLARANT DISCLAIMS ALL OTHER CONTRACTUAL OBLIGATIONS OR WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE LIABILITY OF THE DECLARANT IS EXPRESSLY LIMITED TO SUCH REPAIR OR REPLACEMENT AND THE DECLARANT SHALL NOT BE LIABLE FOR DAMAGES OF ANY NATURE, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, REGARDLESS OF WHETHER SUCH DAMAGES ARE CLAIMED TO ARISE OUT OF THE LAW OF CONTRACT, TORT OR NEGLIGENCE, OR PURSUANT TO STATUTE OR ADMINISTRATIVE REGULATION. Each Owner, in accepting a deed from the Declarant or any other party to a Unit, expressly acknowledges and agrees that this Section 3.16(a) establishes the sole liability of the Declarant to the COA and the Owners related to defects in the Common Area and/or Limited Common Area and the remedies available with regard thereto. Irrespective of the foregoing, the one (1) year period referred to in this Section 3.16(a) shall not expire until one (1) year has elapsed from the date the Declarant has transferred at least twelve (12) of the twenty-four (24) Units to other Owners.

(b) Units. FOR A PERIOD OF ONE (1) YEAR FROM THE DATE OF DECLARANT'S CONVEYANCE OF A UNIT, THE DECLARANT SHALL AT NO COST TO THE UNIT OWNER REPAIR OR REPLACE (IN THE DECLARANT'S DISCRETION) ANY PORTIONS OF THE UNIT (EXCEPT FIXTURES, ACCESSORIES AND APPLIANCES COVERED BY SEPARATE WARRANTIES OF THEIR RESPECTIVE MANUFACTURERS, DEALERS OR INSTALLATION CONTRACTORS) WHICH ARE DEFECTIVE AS TO MATERIALS OR WORKMANSHIP. THIS LIMITED WARRANTY IS IN PLACE OF ALL OTHER CONTRACTUAL OBLIGATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AND THE DECLARANT DISCLAIMS ALL OTHER CONTRACTUAL OBLIGATIONS OR WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE LIABILITY OF THE DECLARANT IS EXPRESSLY LIMITED TO SUCH REPAIR OR REPLACEMENT AND THE DECLARANT SHALL

NOT BE LIABLE FOR DAMAGES OF ANY NATURE, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, REGARDLESS OF WHETHER SUCH DAMAGES ARE CLAIMED TO ARISE OUT OF THE LAW OF CONTRACT, TORT OR NEGLIGENCE, OR PURSUANT TO STATUTE OR ADMINISTRATIVE REGULATION. Each Owner, in accepting a deed from the Declarant or any other party to a Unit, expressly acknowledges and agrees that this Section 3.16(b) establishes the sole liability of the Declarant to the Owner related to defects in the Unit and the remedies available with regard thereto.

Section 3.17. Unit Deeds. All conveyances of Units by the Declarant or any Owner shall be accomplished through the use of a Unit Deed in substantially the form of Exhibit K attached hereto.

Section 3.18. Unit Lease or Rental Agreements. No lease or rental agreement of any Unit by the Owner thereof shall be valid or of legal force and effect unless such lease or rental agreement is in writing, is signed by the parties thereto, and provides for a minimum term of six (6) months. Copies of all Unit lease or rental agreements shall be filed with the Secretary of the COA within ten (10) days from the date upon which the lease or rental agreement becomes effective.

4. Assessments.

Section 4.1. Creation of Lien and Personal Obligation for Assessments. Each Unit Estate is and shall be subject to a lien and permanent charge in favor of the COA for the Assessments set forth herein. Each Assessment, together with interest thereon and cost of collection thereof as hereinafter provided, shall be a permanent charge and continuing lien upon the Unit Estate against which it relates, and shall also be the joint and several personal obligation of each Owner of such Unit Estate at the time the Assessment comes due and upon such Owner's successor in title, if assumed by such successor, if unpaid on the date of the conveyance of such Unit Estate, and each and every Owner by acquiring or holding an interest in any Unit Estate thereby covenants to pay such amount to the COA when the same shall become due.

Section 4.2. Annual Assessments. No later than November 15 of each calendar year, the Board of Directors shall set the "Annual Assessments" by estimating the Common Expenses to be incurred during the immediately succeeding calendar year and shall prorate such Common Expenses among the Owners of the Units in accordance with their respective Percentage Interests and shall give written notice to each Owner of the Annual Assessment fixed against his Unit for such immediately succeeding calendar year; provided, however, that the Annual Assessment for the calendar year 1987 shall be determined subsequent to November 15, 1986 and the Annual Assessments for the calendar year 1988 may be determined subsequent to November 15, 1987. The Annual Assessments levied by the COA shall be collected as provided in Section 4.4.

The Annual Assessments shall not be used to pay for the following:

- (a) Casualty insurance of individual Owners on their possessions within the Units and liability insurance of such Owners insuring

themselves and their families individually, which shall be the sole responsibility of such Owners;

(b) Telephone or electrical utility charges for each Unit which shall also be the sole responsibility of the Owners of such Units;

(c) Ad valorem taxes assessed against Units;

(d) Private mortgage insurance.

It is anticipated that ad valorem taxes and other governmental assessments, if any, upon the Project will be assessed by the taxing authority upon the Unit Estate, and that each assessment will include the assessed value of the Unit and of the undivided interest of the Owner in the Common Area and the Limited Common Area. Any such taxes and governmental assessments upon the Project which are not so assessed shall be included in the COA's budget as a recurring expense and shall be paid by the COA as a Common Expense. Each Owner is responsible for making his own return of taxes and such return shall include such Owner's undivided interest in the Common Area and Limited Common Area as such undivided interest is determined by law for purposes of returning taxes.

Section 4.3. Special Assessments. In addition to the Annual Assessments, the Board of Directors may levy in any calendar year "Special Assessments" for the purpose of supplementing the Annual Assessments if the same are inadequate to pay the Common Expenses and of defraying, in whole or in part, the cost of any reconstruction, repair, or replacement of the Limited Common Area or the Common Area (including the necessary fixtures and personal property related thereto); provided, however, that any such Special Assessments shall have the assent of Owners representing a majority of the Total Percentage Interests, voting in person or by proxy, at a meeting at which a quorum is present, duly called for the express purpose of approving such Assessment. Written notice of such meeting shall be sent to all Owners not less than ten (10) days nor more than thirty (30) days in advance of the meeting, which notice shall set forth the purpose of the meeting. The period of the Special Assessments and manner of payment shall be determined by the Board.

Section 4.4. Date of Commencement of Annual Assessments; Due Dates. Although the Annual Assessment is calculated on a calendar year basis, each Owner of a Unit shall be obligated to pay to the COA or its designated agent such Assessment in equal monthly installments on or before the first day of each month during such calendar year.

The obligations of Owners regarding the payment of monthly portions of the Annual Assessments provided for in this Section 4 shall as to each Unit commence upon the title conveyance by the Declarant or sixty (60) days after the first Unit in the Project is conveyed, whichever shall first occur (such date shall become the "commencement date"). The first monthly payment of the Annual Assessment for each such Unit shall be an amount equal to the monthly payment for the fiscal year in progress on such commencement date, divided by the number of

days in the month of conveyance, and multiplied by the number of days then remaining in such month.

The COA shall, upon demand at any time, furnish to any Owner liable for any such Assessment a certificate in writing signed by an Officer of the COA, setting forth whether the same has been paid. A reasonable charge, as determined by the Board, may be made for the issuance of such certificate. Such certificate shall be conclusive evidence of payment of any Assessment stated to have been paid as to any person or entity who has relied on the certificate to his detriment.

Section 4.5. Unconstructed or Unsold Units. Anything herein contained to the contrary notwithstanding, Units which have not been completed and are unoccupied shall not be subject to assessment for common expenses, and a reasonably reduced assessment may be allocated to completed but unsold Units, if they are unoccupied. In the event that all constructed Unit Estates are not subject to full assessment within sixty (60) days of conveyance from the first Unit, then Declarant, its successors and assigns, shall cover any deficit or shortage that may arise in the Project's initial period of operation.

Section 4.6. Effect of Non-Payment of Assessment; the Personal Obligation of the Owner; the Lien; Remedies of COA.

(a) If an Assessment is not paid on the date when due, as hereinabove provided, then such Assessment together with such late charges and interest thereon and any cost of collection thereof as hereafter provided, shall be a charge and continuing lien on the Unit Estate to which it relates, and shall bind such property in the hands of the Owner, his heirs, legal representatives, successors and assigns. The personal obligation of the Owner to pay such Assessment, however, shall remain his personal obligation, and if his successors in title assume his personal obligation, such prior Owner shall nevertheless remain as fully obligated as before to pay to the COA any and all amounts which he was obligated to pay immediately preceding the transfer. Furthermore, such prior Owner and his successor in title shall be jointly and severally liable with respect thereto, notwithstanding any agreement between such prior Owner and his successor in title creating the relationship of principal and surety as between themselves.

(b) In the event any Assessment is not received within ten (10) days of the due date thereof, a late charge in the form of a service fee to be set by the Board of Directors shall be added to the Assessment and shall be due and payable on demand. In addition, in the event any Assessment is not received within thirty (30) days of the due date thereof, interest at the rate of one and one-half percent (1½%) per month (not to exceed the highest lawful rate) shall be added to the Assessment and shall be due and payable on demand. Interest will continue to accrue until the Assessment is paid in full.

(c) The COA may bring legal action against the Owner personally obligated to pay the same or foreclose its lien against the Unit Estate to which it relates as provided in Section 1323 of Chapter 15, Title 27.

Vermont Statutes Annotated, or pursue both such courses at the same time or successively. In any event, the COA shall be entitled also to recover reasonable attorney's fees actually incurred and all other costs of collection. Each Owner, by his acceptance of a deed or other conveyance to a Unit, vests in the COA or its agent the right and power to bring all actions against him personally for the collection of such charges as a debt and to foreclose the aforesaid lien in any appropriate proceeding at law or in equity. The COA shall have the power to bind on the Unit at any foreclosure sale and to acquire, hold, lease, mortgage and convey the same. No Owner may be relieved from liability from the Assessment provided for herein by abandonment of his Unit or otherwise.

(d) During any period in which an Owner shall be in default in the payment of any Annual or Special Assessment levied by the COA, the voting rights of the Owner and the rights of the Owner and lessees of the Owner, their families, invitees and guests, to use and enjoy the Common Area may be suspended by the Board of Directors until such time as the Assessment has been paid.

Section 4.7. Subordination of the Charges and Liens to Mortgages.

(a) The lien and permanent charge for the Assessments (together with late charges, interest, fees and costs of collection) authorized herein with respect to any Unit is hereby made subordinate to the lien of any mortgagee or his assigns placed on such Unit Estate, if, but only if, all such Assessments with respect to such Unit Estate having a due date on or prior to the date such mortgage is filed for record have been paid. The lien and permanent charge hereby subordinated is only such lien and charge as relates to Assessments authorized hereunder having a due date subsequent to the date such mortgage is filed for record and prior to the satisfaction, cancellation or foreclosure of such mortgage.

(b) Such subordination is merely a subordination and shall not relieve the Owner of the mortgaged Unit Estate of his personal obligation to pay all Assessments coming due at a time when he is the Owner; shall not relieve such Unit Estate from the lien and permanent charge provided for herein (except as to the extent the subordinated lien and permanent charge is extinguished against a mortgagee or such mortgagee's assignee or transferee by foreclosure) and no sale or transfer of such Unit Estate to the mortgagee or to any other person pursuant to a foreclosure sale shall relieve any previous Owner from liability for any Assessment coming due before such sale or transfer.

Section 4.8. Reserves. The Board of Directors shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of the Common Area and Limited Common Area. The Board of Directors shall include amounts needed to maintain an adequate reserve fund in its estimation of the Common Expenses for each fiscal year and shall cause deposits to the reserve fund to be made in connection with the collection of the Annual Assessment.

Section 4.9. Working Capital Assessment. Notwithstanding anything to the contrary in this Declaration, a segregated working capital fund shall be established for the COA by collecting from each Owner who

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acquires title to his Unit from the Declarant a Working Capital Assessment equal amount to 2/12ths of the Annual Assessment then in effect, which Assessment shall be due and payable at the time of transfer of each Unit to the respective Owner. Within sixty (60) days after the closing for the first Unit, Declarant shall pay each unclosed Unit's share of the working Capital Assessment to the COA. Declarant shall be reimbursed for this payment from the funds collected at closing when the unsold Units are closed. Upon resale of the Unit, the Owner shall be entitled to be reimbursed by the subsequent purchaser of the Unit.

5. Insurance and Casualty Losses.

Section 5.1. Hazard Insurance.

(a) The COA shall obtain, maintain and pay the premiums, as a Common Expense, upon a "master" or "blanket" type policy or policies of property insurance covering the entire Project, except (i) land, foundation, excavation, or other items normally excluded from coverage; (ii) all improvements and betterments made to Units by Owners at their expense; and (iii) personal property of Owners and lessees of Owners, their families, invitees and guests. Such coverage shall also insure fixtures, supplies, equipment and other personal property of the COA and fixtures, equipment and other personal property inside units which are transferred as part of the unit. All policies of property insurance shall be single entity condominium insurance coverage. The master insurance policy shall afford, at a minimum, protection against loss or damage by fire and other perils normally covered by standard extended coverage endorsements, and all other perils which are customarily covered with respect to condominium projects similar in construction, location and use, including all perils normally covered by a standard "all risk" endorsement, where such is available. The policy shall be in an amount equal to One Hundred (100%) per cent of the current replacement cost of the Project, exclusive of land, foundations, excavation, and other items normally excluded from coverage; and "agreed value" and "inflation guard" endorsements shall also be obtained, if available. A "deductible amount" not to exceed amounts permitted in applicable provisions of the Federal National Mortgage Association Lending Guide may be included at the discretion of the Board of Directors if a material savings in premium cost results therefrom, but the deductible amount shall be considered a Common Expense and borne by the COA regardless of the number of Owners directly affected by the loss.

(b) The Board of Directors shall cause to be conducted an annual insurance review for the purpose of determining the full insurable value of the entire Project, including all buildings, Units, Limited Common Areas and the Common Areas without respect to the depreciation of improvements on the Land (with the exception of improvements and betterments by the respective Owners at their expense) by one or more qualified persons. The information obtained from this review shall be utilized in connection with satisfaction of the insurance required herein.

(c) The name of the insured under the master policy shall be substantially as follows: Country Commons Condominium Owners Association, Inc., for the use and benefit of the individual Owners. Loss payable provisions shall be in favor of the COA and the Trustee, as a trustee for each Owner, and each such Owner's mortgagee as the interests of such parties may appear. Each Owner and his respective mortgagee, if any, shall be beneficiaries of the policy in a percentage equal to the Percentage Interest attributable to the Unit owned by such Owner. All policies shall contain a standard mortgagee clause, or equivalent endorsement (without contribution), which is commonly accepted by private institutional mortgage investors in Addison County, Vermont, and which appropriately names all mortgagees or their servicers in such form as requested by such mortgagees or their servicers, its successors and assigns.

(d) All policies shall be written with a company licensed to do business in the State of Vermont, holding a general policyholder rating "A" or better by Best's Insurance Reports and in a financial category of Class VI or better in Best's Key Rating Guide. Policies are unacceptable where (i) under the terms of the insurance carrier's charter, bylaws or policy, contributions or assessments may be made against the COA, Owners, mortgagees or the designees of mortgagees; (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's Board of Directors, policy holders or members; or (iii) the policy includes any limiting clause (other than insurance conditions) which could prevent mortgagees or Owners from collecting insurance proceeds. Policies may not be cancellable or substantially modified without at least ten (10) days prior written notice to the COA and each mortgagee which is listed as a scheduled holder of a first mortgage in the insurance policy. Policies also shall contain a "special condominium endorsement" or its equivalent which provides for the following: recognition of any insurance trust agreement; a waiver of the rights of subrogation against Owners individually; the insurance is not prejudiced by any act or omission or negligence of individual Owners which is not in the control of such Owners collectively; and the policy is primary in the event the Owner has other insurance covering the same loss.

(e) The COA shall provide copies of all policies to Owners and/or mortgagees requesting the same for a charge not to exceed reasonable copying costs. In addition, the COA shall cause to be provided evidence of insurance forms which provide the following: a minimum of ten (10) days notice to each Mortgagee which is listed as a scheduled holder of a first mortgage in the insurance policy prior to cancellation, non-renewal or any change adverse to the interests of the mortgagee; the amount of types of coverage afforded; indication by descriptive name of any special endorsements made a part of the master policy; and execution of the form by an authorized company representative.

(f) Each Owner may obtain additional insurance at his own expense; provided, however, that no Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the COA, on behalf of all the Owners and their mortgagees, may realize under any insurance policy which the COA may have in force on

the Project at any particular time. Any Owner who obtains an individual insurance policy covering any portion of the Project, other than the personal property belonging to such Owner, shall file a copy of such policy with the COA within thirty (30) days after purchasing such insurance. Each Owner at his own expense may obtain on his Unit or the contents thereof, title insurance, homeowner's liability insurance, theft and other insurance covering improvements, betterments and personal property damaged or lost. Each Owner shall be required to notify the COA of all improvements made by such Owner to his Unit, the value of which exceeds One Thousand Dollars (\$1,000.00).

Section 5.2. Liability Insurance. The COA shall obtain, maintain and pay the premiums, as a Common Expense, upon a policy of comprehensive general liability insurance coverage covering at a minimum all of the Common Area and Limited Common Area. Coverage limits shall be in amounts generally required by private institutional mortgage investors for projects similar in construction, location and use to the Project; provided, however, that such coverage shall be for at least One Million Dollars (\$1,000,000.00) for bodily injury, including death of persons and property damage arising out of a single occurrence. Coverage under this policy shall include, without limitation, legal liability of the insured for property damage, bodily injury and death of persons in connection with the operation, maintenance and use of the Common Area, and employment contracts to which the COA is a party. All mortgagees, upon written request, may be listed as scheduled holders of first mortgages in the insurance policy. Such policy must provide that it is not cancellable or substantially modifiable, by any party, without at least ten (10) days prior written notice to the COA and each party listed as a scheduled holder of a first mortgage in the insurance policy.

Such policy or policies shall include a "Severability of Interest Endorsement" or equivalent coverage which would preclude the company from denying any claim of an Owner because of negligent acts of the COA, Board of Directors, or another Owner, with such limits as may be considered acceptable to FNMA, FHLMC, PMI, VA or other similar institution which may purchase or insure payment of a substantial number of notes secured by deeds of trust on Units, but in any event not less than One Million Dollars (\$1,000,000.00) covering all claims for personal injury or damage arising out of a single occurrence.

Section 5.3. Fidelity Bond. The COA shall obtain, maintain and pay the premiums, as a Common Expense, upon a blanket fidelity bond for all officers, directors, trustees and employees of the COA and all other persons handling or responsible for funds belonging to or administered by the COA; provided, however, that any professional management company assisting with the administration of the Project shall be responsible to provide its own blanket fidelity bond which meets the requirements of this Section 5.3. The total amount of the fidelity bond coverage required shall be based upon the best business judgment of the Board of Directors and shall not be less than the estimated maximum funds, including reserve funds, in the custody of the COA or the professional management company, as the case may be, at any given time during the term of each bond, provided, however, that in no event shall the

aggregate amount of such bonds be less than the sum equal to 3/12ths of the annual assessment plus reserve funds. Fidelity bonds shall meet the following requirements: The COA shall be named as an obligee; the bonds shall contain waivers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions; and the bond shall provide that it may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days prior written notice to the COA and all first mortgagees who have requested notice of any cancellation or substantial modification of the bond and each servicer that services a Federal National Mortgage Association owned mortgage in the Project.

Section 5.4. Authority to Adjust Loss. The exclusive authority to negotiate, settle and otherwise deal in all respects with insurers and adjust all losses under policies provided for herein shall be vested in the Board of Directors or its duly authorized agent for the benefit of all Owners and mortgagees; provided, however, that all Owners and mortgagees having an interest in such loss shall be advised in advance of all actions of a material nature anticipated to be taken and related to the adjustment of the loss. Each Owner, in accepting a Deed to a Unit, expressly appoints the Directors, and each of them, his due and lawful attorneys-in-fact, with full power of substitution, to act on behalf of the Owner as fully as the Owner could act in person on all matters related to the authority granted in this Section 5.4., including executing all documents required in connection therewith on behalf of the Owner.

Section 5.5. Trustee.

(a) The Board of Directors shall from time to time designate a Trustee who shall serve the COA and the Owners and their mortgagees (as their interest may appear) as provided herein. The Trustee shall be entitled to receive reasonable compensation for services rendered which shall be a Common Expense of the COA.

(b) All insurance policies obtained by the COA shall be deposited with the Trustee. The insurance policies shall name the COA and the Trustee as loss payees. Immediately upon the receipt by the COA of any insurance proceeds, the COA shall endorse the instrument by means of which such proceeds are paid and deliver the instrument to the Trustee. The Trustee shall not be liable for payment of premiums, for the renewal or the sufficiency of the policies or for the failure to collect any insurance proceeds. Nor shall the Trustee have any obligation to inspect the Project to determine whether a loss has been sustained or to file any claim or claims against any insurer or any other person.

(c) Among other things, the duties of the Trustee shall be to receive proceeds delivered to it, hold such proceeds in trust for the benefit of the Owners and their mortgagees, and disburse the proceeds as hereinafter provided.

(d) Proceeds of insurance policies received by the Trustee shall be disbursed as follows:

(i) If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purposes, shall be disbursed in payment for such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs shall be paid to the COA for the benefit of all Owners and their mortgagees, if any.

(ii) If it is determined, as provided in Section 5.6, that the damage or destruction for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed to such persons as therein provided.

(iii) Any and all disbursements of funds by the Trustee for any purpose whatsoever shall be made pursuant to and in accordance with a certificate of the COA signed by the President and attested by the Secretary directing the Trustee to make the disbursements.

(iv) If the damage or destruction is to the Common Area and/or to the Limited Common Area, and is to be repaired or reconstructed, said certificate shall also be signed by or on behalf of the mortgagee known by the Trustee from the records of the COA to have the largest interest in or lien upon such Common Area and/or Limited Common Area; and if the damage or destruction is to one or more Units and is to be repaired or reconstructed, said certificate shall also be signed by the mortgagee or mortgagees having an interest in or lien upon such Unit or Units; provided, however, that all mortgagees requested to sign certificates shall be obligated to execute the same if repair or reconstruction or rebuilding is progressing in a reasonable manner. The Trustee shall not incur liability to any Owner, mortgagee or other person for any disbursements made by it pursuant to and in accordance with any such certificates or written authorizations.

Section 5.6. Damage and Destruction.

(a) Immediately after all or any part of the Project covered by insurance is damaged or destroyed by fire or other casualty, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section 5.6., means repairing or restoring the damaged property to substantially the same condition in which it existed immediately prior to the fire or other casualty, with each Unit, the Common Area and the Limited Common Area having the same vertical and horizontal boundaries as before.

(b) Any such damage or destruction to the Project shall be repaired unless all the Owners unanimously agree in writing not to repair, reconstruct or rebuild in accordance with the provisions of the Act; provided, however, that any such damage which requires the

reconstruction of the whole or more than two-thirds (2/3) of the Project as defined herein, shall not be compulsory unless all the Owners unanimously agree in writing to repair, reconstruct or rebuild. If not reconstructed, the indemnity shall be delivered in accordance with the provisions of Paragraph (c) of this Section 5.6. Except as otherwise provided, or any such damage or destruction which renders any Unit untenable or uninhabitable, or any such damage or destruction to the Common Area or Limited Common Area, shall be repaired and reconstructed as promptly as practicable. No mortgagee other than Declarant's mortgagee shall have any right to participate in the determination as to whether the damage or destruction shall be repaired, reconstructed or rebuilt.

(c) In the event that it is determined by the COA in the manner prescribed above that the damage or destruction shall not be repaired, reconstructed or rebuilt, then and in that event:

(i) The Project shall be deemed to be owned by the Owners as tenants in common.

(ii) The undivided interest in the Project of each Owner shall be a percentage equal to the Percentage Interest appurtenant to the Unit theretofore owned by the Owner.

(iii) All liens affecting any of the Units shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the Owners of the respective Units.

(iv) The Project shall be subject to an action for partition at the instance of any Owner, in which event the net proceeds of the sale shall be deposited with the Trustee.

(v) The COA shall proceed to satisfy all of its liabilities and convert all of its assets to cash which shall be deposited with the Trustee.

(vi) The proceeds from the sale of the Project, the liquidation of the assets of the COA and the insurance proceeds related to the damage or destruction to the Project shall be considered one fund which, after paying the reasonable expenses of the Trustee, shall be distributed to all the Owners and their respective mortgagees as their interests may appear in percentages equal to the respective undivided interest in the Project of said Owners. Distributions to such Owners and their mortgagees shall be made pursuant to certificates provided for in Section 5.6.

Section 5.7. Insufficient Proceeds to Repair.

(a) If the damage or destruction for which the insurance proceeds are paid to the Trustee is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of

Directors shall levy a Special Assessment against the Owners of damaged or affected Units in sufficient amounts to provide funds to pay such excess costs of repair or reconstruction. Additional Special Assessments levied against each Owner shall be equal to that percentage computed by dividing the Percentage Interest appurtenant to such Owner's Unit by the aggregate Percentage Interests appurtenant to all Units damaged or affected. Declarant's liability for Special Assessments hereunder shall be limited to Units as to which construction has been completed.

(b) Any and all sums paid to the COA under and by virtue of those Special Assessments provided for in Paragraph (a) of this Section shall be deposited by the COA with the Trustee. Such proceeds from insurance and Assessments, if any, received by the Trustee shall be disbursed as provided in Section 5.7

6. Condemnation.

Section 6.1. General. Whenever all or any part of the Project shall be taken by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof; provided, however, that the exclusive right to negotiate, settle and otherwise deal in all respects with the condemning authority as to the taking of the Common Area and Limited Common Area shall be vested in the Board of Directors or its duly authorized agent on behalf of the COA. Each Owner, in accepting a deed to a Unit, expressly appoints the directors, and each of them, his due and lawful attorneys-in-fact, with full power of substitution, to act on behalf of the Owner as fully as the Owner could act in person in all matters related to the authority granted in this Section 6.1., including executing all documents required in connection therewith on behalf of the Owner. The award made for such taking shall be payable to the Trustee. Unless otherwise required by law at the time of such taking, any award made therefor shall be disbursed by the Trustee, as hereinafter provided in this Section 6.

Section 6.2. Essential Areas. If the taking includes any portion of a Unit, or the Common Area or Limited Common Area essential to the use of any Unit, the the award shall be disbursed, and all related matters, including, without limitation, alteration of the Percentage Interests appurtenant to each Unit, shall be handled by the Board of Directors in a manner just and equitable manner to all Owners; provided, however, that all action of the Board of Directors shall be pursuant to and in accordance with a plan approved by Owners representing at least sixty-seven (67%) per cent of the Total Percentage Interests in a duly recorded amendment to this Declaration. In the event that such an amendment shall not be recorded within 90 days after the taking, then such taking shall be deemed to be and shall be treated as damage or destruction which shall not be repaired or reconstructed as provided for in Section 5.6., whereupon the Project shall be deemed terminated in the manner therein prescribed.

Section 6.3. Non-Essential Areas. If the taking does not include any portion of any Unit or portion of the Common Area or Limited Common Area essential to the continued occupancy of any Unit, then the Board of

Directors shall be permitted to replace any non-essential improvements to the extent deemed appropriate and the Trustee shall disburse the proceeds of such awards in the same manner as hereinabove provided for and in connection with the repair, reconstruction or rebuilding of improvements which after damage or destruction, with all excess proceeds to be distributed to the COA.

7. Exterior Maintenance.

Section 7.1. Responsibility of COA. The COA shall maintain the Common Area and Limited Common Area in first class condition, and shall repair or replace, at its expense, all parts of the Common Area and Limited Common Area as necessary, including but not limited to the exterior condition of all structures in the Project. The COA shall maintain and replace as necessary all private utilities serving the project, including but not limited to roads, water systems and sewage systems. The cost of such maintenance shall be charged to the Owners as a Common Expense subject to the provisions of Section 8.3. Such exterior maintenance shall further include but not be limited to landscaping, lawn maintenance, snowplowing and road maintenance and trash removal. The COA shall maintain insulation value in all buildings of R-19 in the walls and R-38 in the ceilings. The plumbing fixtures installed by Declarant in the Common Area shall be continually maintained by the COA and shall be water-conserving fixtures, including but not limited to 3.5 gallon per flush toilets, low-flow shower heads and aerator type or flow restricted faucets.

Section 7.2. Access to Units. The COA shall have the irrevocable right, to be exercised by the Board of Directors or its agent, to have access to each Unit from time to time during reasonable hours as may be necessary for the inspection, maintenance, repair or replacement of any of the Common Area therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Area, Limited Common Area or to other Units.

Section 7.3. Responsibility of Owner. In the event that the Board of Directors should determine that the need for maintenance or repairs by the COA as provided for in this Section 8 is caused through the willful or negligent act of an Owner or the lessee of an Owner, their families, invitees or guests, the cost of which is not covered or paid for by insurance, then the cost, both direct and indirect, of such maintenance or repairs shall be added to and become a part of the Assessment to which such Owner and his Unit are subject. Each Owner shall maintain, repair or replace at his own expense all portions of his Unit which may become in need thereof, including the heating system for such Unit located within his Unit, all bathroom and kitchen fixtures and appliances, light fixtures, interior non-loadbearing walls, carpeting, drapes, windows, screens and other items within the Unit. Further, each Owner shall, at his own expense, keep the Limited Common Area to which his Unit has exclusive access and of which he has exclusive use, if any, clean and neat. If the Owner does not make those repairs to be made by him within thirty (30) days from the date of receipt of written demand from the COA, the same may be repaired by the COA and the cost thereof shall be assessed against the Owner and Unit owned by such Owner. The plumbing fixtures installed by Declarant in the Units shall be

continually maintained by the Unit Owners and shall be water-conserving fixtures, including but not limited to low-flush toilets, low-flow shower heads and aerator type or flow restricted faucets, including but not limited to 3.5 gallon per flush toilets, low-flow shower heads and aerator type or flow restricted faucets.

8. Unit Restrictions. All Units shall be, and the same hereby are, restricted exclusively to residential use. The following restrictions shall hereafter apply to all Units:

- (a) There shall be no obstruction of the Common Elements. Nothing shall be stored in the Common Areas without the Manager's prior consent;
- (b) Nothing shall be done or kept in any Unit or in Common Elements which will increase the rate of insurance on the Common Areas without the Manager's prior consent. No unit owner shall permit anything to be done or kept in his unit or in the Common Elements which will result in cancellation of insurance on any unit or any part of the Common Elements, or which will be in violation of any law. No waste shall be committed in the Common Elements;
- (c) No sign of any kind shall be displayed to public view on or from any Unit or the Common Elements without the Manager's prior consent;
- (d) No animals, livestock or poultry shall be raised, bred or kept in any unit or in the Common Areas and facilities, except that cats and other household pets may be kept in units, subject to rules and regulations adopted by the Board of Directors, but no dogs shall be permitted;
- (e) No noxious or offensive activity shall be carried on in any Unit or in the Common Elements, nor shall anything be done therein which may be or become an annoyance or nuisance to the other Owners; and
- (f) Nothing shall be altered or constructed in, placed on, or removed from, the Common Elements, except upon the written consent of the Manager.
- (g) No commercial activity shall take place on the property with the exception of a unit to be selected by the declarant, which may be used as a sales model or sales office.
- (h) No hazardous waste or explosive material will be allowed on the Project site.
- (i) No clotheslines shall be visible or allowed on the exterior of any unit.
- (j) No satellite dishes shall be permitted on the Project site.

- (k) No trailers or recreational vehicles shall be parked or stored on the Project site, except as occasionally necessary in conjunction with loading or unloading, maintenance or brief visits by guests of unit owners.
- (l) No motorcycles shall be permanently parked or stored on the Project site.
- (m) No boat or other trailers shall be permanently parked or stored on the project site.

9. Easements.

Section 9.1. Encroachments. If any portion of the Common Area and/or Limited Common Area encroaches upon any Unit or any Unit encroaches upon any other Unit or upon any portion of the Common Area and/or Limited Common Area as a result of settling or shifting of a building, an easement shall exist for the encroachment and for the maintenance of the same so long as the building stands. If any building, any Unit, any adjoining part of the Common Area and/or Limited Common Area shall be partially or totally destroyed as a result of fire or other casualty or as a result of eminent domain proceedings, and then rebuilt, encroachments of part of the Common Area and/or Limited Common Area upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Area and/or Limited Common Area due to such rebuilding, shall be permitted, and valid easements for such encroachments and maintenance thereof shall exist so long as the subject building shall stand.

Section 9.2. Utilities, Easements. There is hereby granted a blanket easement upon, across, over and under all the Project for ingress, egress, installation, replacing, repairing and maintaining all utilities, including, but not limited to, water, gas, sewers, telephones and electricity. Such easements grant to appropriate utility companies the right to erect and maintain the necessary poles and other necessary equipment on the Project and to affix and maintain utility wires, circuits and conduits on, above, across and under the roofs and exterior walls of the Units. In addition, the Board of Directors shall be entitled to grant additional permits, licenses and easements over the Common Area for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance and operation of the Project.

Section 9.3. Other Easements. There is hereby granted to the COA, its directors, officers, agents and employees and to any manager employed by the COA and to all policemen, firemen, ambulance personnel, and all similar emergency personnel, an easement to enter and right of entry upon the Project or any part thereof in the proper performance of their respective duties. Except in the event of emergencies, the rights under this Section 10.3 shall be exercised only during reasonable daylight hours, and then, whenever practicable, only after advance notice to the Unit Owner or Owners affected thereby.

Section 9.4. Authority to Grant Easements. The COA has the authority to execute, acknowledge, deliver, and record on behalf of the

Unit Owners, easements, rights of way, licenses and similar interests affecting the general common elements, including, but not limited to the right to convey fee interest of utilities and roadways to any governmental agency.

Section 9.5. Reservation of Easements. David Chamberlain, Inc., for itself and for any affiliate of David Chamberlain, Inc., and any mortgagee of David Chamberlain, Inc., and their agents, servants, contractors and subcontractors hereby reserves a non-exclusive easement to use private ways, utility lines or conduits, and other common elements for the purposes of ingress and egress, construction, unit sales and for such other uses as are necessary to completion of the project as now constructed or hereafter expanded. In addition, the above-mentioned entities may maintain one or more units as models and sales offices. Such easements and rights shall terminate upon the date on which the Condominium is complete and all the units are sold, and all contractual obligations of the above-mentioned entities appertaining to Country Commons Condominium have terminated.

Section 9.6. Reservation of Easement for Benefit of Adjacent or Adjoining Land. Declarant further reserves, for itself, its successors and assigns, a non-exclusive easement in common with Unit Owners and the COA for the benefit of any land adjacent to or adjoining the Project, which may now be owned or may be hereafter acquired by Declarant, its successors or assigns, whether or not such adjacent or adjoining land may be made a part of the project, for ingress and egress, construction, utility connections and such other uses as are necessary and appropriate to the development of such adjacent or adjoining lands, by Declarant, its successors or assigns, provided however, that the use of this easement shall not unreasonably interfere with the use and enjoyment of Units in the Project, that Declarant, its successors or assigns, shall promptly repair any damage to the project arising out of the use of this easement, and that Declarant, its successors or assigns, shall pay a pro rata share of maintenance, use, or replacement expenses resulting from its use of any roadway or utility conduit in common with Unit Owners or the COA under the terms of this easement.

Section 9.7. Declarant's Right to Make Reasonable Modification. Nothing contained in this Declaration shall be deemed to affect in any way whatsoever the right of Declarant, its successors or assigns, to make reasonable modifications or changes in the Building Plans or specifications for the Buildings. Substitution of material and equipment with materials and equipment of substantially equal standards, and minor changes in dimensions of any portion of the Condominium, shall be deemed reasonable.

Section 9.8. Declarant's Right to Rent Units. Notwithstanding anything contained herein, Declarant shall have the right to rent any Unit owned by Declarant, whether constructed on the land or additional land, including Units which have been previously conveyed and later reacquired by Declarant. Declarant shall have the right to rent any Unit Owned by it for any period of time and upon such terms as it may deem desirable.

10. Rights Related to Mortgagees.

Section 10.1. Notice of Action. Upon written request to the COA from any first mortgage holder including, without limitation, Declarant's Mortgagee, which is deemed to have made written request ("Eligible Mortgage Holder") or any insurer or government guarantor of a first mortgage ("Eligible Insurer/Guarantor") identifying the name and address of the holder, insurer or guarantor and the Unit Estate number or address, such Eligible Mortgage Holder or Eligible Insurer/Guarantor shall be entitled to timely written notice of:

- (a) any condemnation loss or any casualty loss which affects any material portion of the Project or any Unit Estate on which there is a first mortgage held, insured or guaranteed by such Eligible Mortgage Holder or Eligible Insurer/Guarantor, as applicable;
- (b) any delinquency in the payment of Assessments or other charges owed by any Owner of a Unit Estate subject to a first mortgage held, insured or guaranteed by such Eligible Holder or Eligible Insurer/Guarantor which remains uncured for a period of sixty (60) days;
- (c) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the COA;
- (d) any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders as specified in Section 10.2 hereafter.

Section 10.2. Special Voting Rights of Eligible Mortgage Holders. To the extent permitted by the Act, any action with respect to the Project, including, but not limited to, material amendment of the Project Documents, restoration or repair of the Project after partial or total condemnation or casualty loss, or termination of the legal status of the Project under the Act, requiring the vote of the Owners shall also require the consent of the Eligible Mortgage Holders holding mortgages on Unit Estates which represent at least fifty-one per cent (51%) of the aggregate Percentage Interests of Unit Estates subject to liens of mortgages of Eligible Mortgage Holders; provided, however, that in the case of termination of the legal status of the Project not made as a result of destruction, damage, or condemnation, the applicable percentage shall be sixty-seven per cent (67%) instead of fifty-one percent (51%). Any Mortgage Holder consent herein required shall not be unreasonably withheld.

Exhibit "M" details amendments which invoke material rights of institutional Mortgagees and require notice to them and their consent.

Section 10.3. Failure to Provide Negative Response. For purposes of Section 10.2 hereinabove, an Eligible Mortgage Holder who receives a written request to approve action of the Owners in accordance with Section 10.2 shall be deemed to have consented to such action unless the Eligible Mortgage Holder provides a negative written response to the COA within thirty (30) days of the date of receipt by the Eligible Mortgage Holder of the written request.

11. General Provisions.

Section 11.1. Adherence to Provisions of Declaration, Bylaws and Rules and Regulations. Every Owner who rents his Unit must post inside his Unit a list of the Rules and Regulations of the COA. Any rental agency handling his rentals must further agree to abide by the Rules and Regulations and shall be responsible for informing and correcting any breaches of the policies by persons renting through its agency. Should a particular agency or person continue not to take corrective action against the renters he has contracted with, or refuse to cooperate with the COA in the enforcement of its Rules and Regulations along with provisions of the Project Documents, the COA may require the Owner to cease using the services of that particular rental agency. Refusal to do so may result in fines against the Owner in an amount to be determined by the Board of Directors.

Section 11.2. Amendment. Amendments to this Declaration, except as herein expressly provided to the contrary, shall be proposed by the Board of Directors or by any member of the COA in accordance with the following procedure:

(a) Notice. Notice of the subject matter of the proposed amendment or amendments shall be included in the notice of the meeting of the COA at which such proposed amendment or amendments are to be considered;

(b) Adoption. The Declaration may be amended at any time and from time to time at a meeting of the COA called in accordance with the Bylaws and this Declaration upon the vote of Owners representing at least sixty-seven percent (67%) of the Total Percentage Interests; provided, however, that if the COA shall vote to amend the Bylaws in any respect, such amendment shall be set forth in an amendment to this Declaration and shall be valid only when approved by a vote of Owners representing at least sixty-seven percent (67%) of the Total Percentage Interests;

(c) Recording. A copy of each amendment provided for in this Section 11.2 shall be certified by the Board of Directors of the COA as having been duly adopted and shall be effective when recorded;

(d) Percentage Vote. Notwithstanding anything herein to the contrary the required percentage vote of Owners necessary to amend this Declaration or the Bylaws shall not be changed by amendment of this Declaration to a percentage lower than sixty-seven per cent (67%) of the Total Percentage Interests.

(e) Approval of Amendments Required by FNMA, FHLMC, PMIs, VA. The Declaration and Bylaws may be amended by the affirmative vote of a majority of the Board of Directors of the COA at any regular or special meeting without further action of Unit Owners or mortgagees where such amendment is necessary in order to comply with the requirements of the Federal National Mortgage Association (hereinafter "Fannie Mae" or "Freddie Mac" or FHLMC"), Private Mortgage Insurers (hereinafter "PMIs"), and the Veterans Administration ("hereinafter the "VA"). The

Board of Directors is hereby designated as attorney-in-fact for all Unit Owners and mortgagees to adopt such amendments and to authorize one or more officers of the COA to execute any and all documents necessary and property to accomplish such amendment.

Section 11.3. Termination. The Project may be terminated and the Project removed from the provisions of the Act in the following manner:

(a) Agreement. All the Owners may remove the Project from the provisions of the Act by an instrument to that effect, duly executed and recorded;

(b) Destruction. In the event it is determined in the manner provided in Section 5.6 that the Project shall not be repaired or reconstructed after casualty, the Project will be terminated and the Project Documents revoked. The determination not to repair or reconstruct after casualty shall be evidenced by a certificate of the COA certifying as to the facts effecting the termination, which certificate shall become effective upon being recorded;

(c) Condemnation. In the event that any part of a Unit, or the Limited Common Area or Common Area essential to the use of any Unit shall be taken by an authority having the power of eminent domain and the consent of Owners representing at least sixty-seven per cent (67%) of the Total Percentage Interest as provided in Section 6.3 to a plan for continuation of the Project shall not be expressed in an amendment to this Declaration duly recorded within ninety (90) days after such taking, the Project shall be terminated and the Project Documents revoked. Such termination shall be evidenced by a certificate of the COA certifying as to the facts effecting the termination, which certificate shall become effective upon being recorded.

Section 11.4. Covenants Running With the Land. All provisions of this Declaration shall be construed to be covenants running with the land, and with every part thereof and interest therein, including, but not limited to every Unit and the appurtenances thereto; and each and every provision of this Declaration shall bind and inure to the benefit of all Owners and claimants of the Project or any part thereof or interest therein, and their heirs, executors, administrators, successors and assigns.

Section 11.5. Enforcement. Each unit owner shall comply strictly with the provisions of this Declaration and with the Bylaws of the COA and rules and regulations promulgated pursuant thereto, as the same shall be lawfully amended from time to time. Failure so to comply shall be grounds for an action to recover sums due for damages, or for injunctive relief, or both, maintainable by the Board of Directors or manager on behalf of the COA or by any aggrieved Unit Owner. Unit Estate Owners shall have similar rights of action against the COA for failure of the COA to comply with the provisions of the Declaration and with the Bylaws of the COA and rules and regulations promulgated pursuant thereto, as the same shall be lawfully amended from time to time.

Section 11.6. Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provisions hereof.

Section 11.7. Perpetuities and Restraints on Alienation. If any of the covenants, conditions, restrictions or other provisions of this Declaration shall be unlawful, void or voidable for violation of the rules against perpetuities, then such provisions shall continue only until 21 years after the death of the last survivor of the now living descendants of Ronald Reagan, President of the United States, or James Earl Carter, former President of the United States.

Section 11.8. Gender or Grammar. The singular whenever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed. In addition, the use of the terms "herein" or "hereof" shall mean this Declaration and not merely the Article, Section or Paragraph in which such term is utilized.

Section 11.9. Headings. All Section headings are utilized merely for convenience and shall not limit or enlarge the application of the respective Sections.

Section 11.10. Powers of Attorney. All powers of attorney for which provisions have been made in this Declaration are special limited powers coupled with an interest and irrevocable.

Section 11.11. Service of Process. The name of the person to receive service of process in the cases provided in Subsection 8 Section 1311, Chapter 15, Title 27, Vermont Statutes Annotated is David Chamberlain, and his place of business at P.O. Box 81, Ferrisburg, Vermont, Addison County, Vermont.

Section 11.12. Powers of Board of Directors. The Board of Directors shall manage the business and affairs of the COA and shall contract for insurance upon the units and general and limited elements and for all goods and services necessary for the repair, maintenance, improvements and replacement of all general and limited common elements and shall have the power to assess the Unit Owners on account thereof in the manner provided in the Bylaws of the COA. Until the first meeting of the Board of Directors, which shall be held no later than the earlier of the following events: (i) four (4) months after seventy-five percent (75%) of the units in the Project have been conveyed to unit purchasers; or (ii) five (5) years following conveyance of the first unit; the initial Board of Directors, shall exercise all the powers of the Board of Directors, and shall have the power and authority to contract for insurance, goods and services on behalf of the COA for terms extending to, or beyond, the first meeting of the Board of Directors; provided, however, that such insurance, goods and services shall not be contracted for a period in excess of that normally to be contracted for by a prudent property owner. The Property and Project

submitted to the Act by this Declaration constitute Phase I of an expandable condominium development which the Declarant expects, but does not warrant or guarantee will include a total of forty-four (44) units.

Section 11.13. Failure of the Board of Directors to Insist on Strict Performance. The failure of the Board of Directors or manager to insist, in any one or more instances, upon strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or to exercise any right or option herein contained, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment with respect to the future enforcement of such term, covenant, condition or restriction, but such term, covenant or restriction shall remain in full force and effect.

Section 11.14. Limitation of Liability. The Board of Directors and the Officers of the COA, and each thereof, shall not be liable for any failure of water supply or other service to be obtained and paid for by the COA hereunder, or for any injury or damage to person or property caused by the elements or by another owner or person in the project or damage from electricity, water, rain, snow or ice which may leak or flow from outside or from any part of the building, or from any of its pipes, drains, conduits, appliances or equipment or from any other place unless caused by willful misfeasance or malfeasance of the Board of Directors or the Officers of the COA, as the case may be. No diminution or abatement of common expense assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the common areas and facilities or from any action taken to comply with any law, ordinance or order of a governmental authority.

Section 11.15. Indemnification of Directors and Officers. In accordance with and to the extent permitted by the laws of the State of Vermont made and provided, every director and every officer of the COA shall be indemnified by the COA against all expenses and liabilities, including counsel fees, reasonably incurred or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being, or having been, a director or officer of the COA, or any settlement thereof, whether or not he is a director or officer at the time such expenses are incurred, except in such case wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interest of the COA. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

Section 11.16. Land Description. The description of the land upon which the Condominium is declared is set forth in Exhibit "A" attached hereto and hereby made a part hereof.

Section 11.17. Name. The name by which the project is known is Country Commons Condominium, herein called "Country Commons Condominium", "the project", "the property" or "the condominium".

Section 11.18. Assigned Value and Unit Vote. The value of the property and of each unit and the percentage of undivided interest in the common areas and facilities appertaining to each unit and its unit owner for all purposes, including voting, are set forth in Exhibit "G", attached hereto and hereby made a part hereof.

Section 11.19. Effective Date. This Declaration shall take effect upon recording.

Section 11.20. Compliance with Applicable Permits. The Country Commons Condominium Owners' Association, Inc. shall be responsible for the perpetual maintenance of the following facilities until and unless such facilities are accepted as public facilities by the City of Vergennes:

- a. Access roads and parking areas including sidewalks along or through access roads and parking areas;
- b. Street lights within the Project;
- c. Snow and refuse removal;
- d. All water and sewer services not deeded or otherwise conveyed to the Town of Vergennes.

12. Exhibits.

Section 12.1. Exhibits Attached. The following Exhibits are attached hereto and incorporated verbatim in this Declaration by reference as fully as if set forth in this Declaration.

<u>Descriptive</u>	<u>Identification</u>
Legal Description of	A
Lot Plan	B
Floor Plans	C
Description of Common Areas	D
Description of Limited Common Areas	E
Description of Buildings	F
Schedule of Assigned Values	G
Articles of Association of the Association	H
Bylaws of the COA	I
Rules and Regulations	J
Form of Unit Deed	K

Legal Description of Additional Phases Real Property L
Material Amendments to the Declaration or By-Laws
Requiring Approval from Institution or First Mortgage M
Holders or Insurers

IN WITNESS WHEREOF, Declarant has caused its corporate name to be subscribed and its corporate seal to be affixed by its proper officers, thereto duly authorized on this _____ day of December, 1987.

WITNESSES: DAVID CHAMBERLAIN, INC.
Declarant

Witness as to Declarant

By: DAVID H. CHAMBERLAIN, President
and Duly Authorized Agent

Witness as to Declarant

STATE OF VERMONT

COUNTY OF ADDISON, SS.

At _____, In said County and State, on this _____ day of November, 1987, personally appeared DAVID H. CHAMBERLAIN, who, being duly sworn, on oath did say: That he is the President of David Chamberlain, Inc., a Vermont corporation; and that the instrument was signed on behalf of the corporation by authority of its Board of Directors; and he acknowledged the instrument to be its voluntary act and deed.

Before me: _____
Notary Public

My Commission Expires: 2/10/91

EXHIBIT A

Legal Description of the Land

Being a portion of the same lands and premises conveyed to Declarant by Lawrence J. Sullivan and Mabel L. Sullivan by Warranty Deed dated April 19, 1985, and recorded in the Vergennes City Land Records in Book 33 at Page 442, the parcel herein submitted to the Act and this Declaration being more particularly described as follows:

In aid of this description, reference may be had to a Lot Plan entitled "Plan of Land owned by D. H. Chamberlain & W.S. Mace located in Vergennes, Vermont", by and under seal of Donald B. Burchard, Registered Land Surveyor, dated September 12, 1987.

Subject however, to the following:

1. Conditions, restrictions, reservations, limitations and easements of record as of the date hereof or existing in connection with matters shown on the Lot Plan.
2. Terms, conditions, restrictions, easements, reservations and conditions in the Declaration of Condominium of which this Exhibit "A" is a part.
3. Terms and conditions as imposed in applicable governmental permits, certificates, approvals, laws, regulations and ordinances.
4. An easement reserved unto Declarant, its successors and assigns, upon, across, over and under all of the Project for ingress, egress and for installation, replacement, repair, maintenance and use of all utilities, including but not limited to water, gas, sewer, electricity, and telephone, and for connection to and use of roads, and all utility services located on, over or under the herein conveyed parcel as necessary to permit Declarant to develop the first or subsequent phases of the Project.

EXHIBIT B

LOT PLAN

Country Commons Condominium

Reference may be had to a Lot Plan entitled "Plan of Land owned by D. H. Chamberlain & W.S. Mace located in Vergennes, Vermont", by and under seal of Donald B. Burchard, Registered Land Surveyor, dated September 12, 1987. Said Lot Plan is recorded in the Vergennes City Land Records in Map Book ____ at Page _____.

EXHIBIT C

FLOOR PLANS

Country Commons Condominium

Reference may be had to certain First Floor Plans and Second Floor Plans entitled "Country Commons Condominium - Hopkins Road - Vergennes, Vermont", by and under seal of Mill Bridge Construction, Inc. dated November _____, 1987, as follows:

Building "3"	Unit No. A
Building "3"	Unit No. B
Building "3"	Unit No. C
Building "3"	Unit No. D
Building "4"	Unit No. A
Building "4"	Unit No. B
Building "4"	Unit No. C
Building "4"	Unit No. D

Said Floor Plans are to be recorded simultaneously herewith in the Vergennes Land Records.

EXHIBIT D

DESCRIPTION OF COMMON AREA

COUNTRY COMMONS CONDOMINIUM

The Common Area consists of land, described in Exhibit "A", and the improvements thereon, including without limitation, the parking areas, driveways, pathways, exterior walls, roofs, foundations, columns, girders, beams, supports, main walls, installations of central services such as electricity, water, sewage, telephone and cable television wiring and electrical wiring and conduit, and all other areas and elements in common use for each building excepting those portions of the foregoing which are included within the condominium units or included as limited common areas and facilities.

EXHIBIT E

DESCRIPTION OF LIMITED COMMON AREA

COUNTRY COMMONS CONDOMINIUM

The Limited Common Area and facilities consist of a deck or patio area adjacent and appurtenant to each Unit as and when more fully shown on the Floor Plans attached hereto as Exhibit "C", and any covered parking or garage space designated for exclusive use by a Unit Owner, whether such designation appears in the Declaration, on the Lot Plan or by resolution of the Board of Directors.

EXHIBIT F

DESCRIPTION OF BUILDINGS AND UNIT BOUNDARIES

COUNTRY COMMONS CONDOMINIUM

Phase I of Country Commons Condominium consists of two (2) buildings containing four (4) units each. Each building is two stories high and is constructed on a full basement. Each building is of wood frame construction with wood clapboard exterior surface and asphalt shingle roof. Each unit is bounded by the undecorated interior surface of its perimeter walls (which includes the perimeter walls of its entry), ceiling, floor, and extends to the interior edge of its deck or patio area or a vertical line rising from the edge of its deck or patio area. The unit number, location, access to immediate common area, dimension, design (including number of rooms) and approximate area of each unit are set forth in the attached Lot Plan (Exhibit "B") and Floor Plan (Exhibit "C").

EXHIBIT G

SCHEDULE OF ASSIGNED VALUES AND PERCENTAGE INTERESTS

COUNTRY COMMONS CONDOMINIUM

This schedule reflects the initial percentage interest attached to each Unit in Phase I of Country Commons Condominium. Upon expansion of the Project and inclusion of any additional phase or phases, or any amendment or modification undertaken by Declarant as provided in the Declaration, Declarant shall file in the Vergennes City Land Records an amended Exhibit G which shall establish the percentage set forth in this Exhibit G.

<u>Building</u>	<u>Unit</u>	<u>Assigned Value</u>	<u>Assigned Percentage of Undivided Interest Per Unit</u>
3	A	\$	12.50%
3	B	\$	12.50%
3	C	\$	12.50%
3	D	\$	12.50%
4	A	\$	12.50%
4	B	\$	12.50%
4	C	\$	12.50%
4	D	\$	12.50%
Value of all Units		\$	100.00%

The common element interests shown above and elsewhere in this Exhibit G have been rounded off to the nearest .00001% without exceeding 100%. The interest appertaining to any Unit can be determined more precisely by dividing the assigned value of that Unit by the total aggregate assigned value of all the units as those values are shown in this Exhibit G.

In the event the Declarant elects to expand the Project as provided in Section 3 of the Declaration, all Units added to the Project shall have the following valuations:

<u>Type of Unit</u>	<u>Assigned Valuation</u>
All Units	\$

The Percentage Interest appurtenant to each Unit of the Project shall thereafter be established in accordance with the following formula:

$$\frac{V^u}{A} = P^u$$

P^u = Percentage Interest of each Unit

V^u = Valuation of the respective Unit as set forth in this Exhibit G.

Λ = Aggregate Valuation of all Units existing in the Project and added to the Project as provided in Section 3 of the Declaration.