

BY-LAWS

PAUL REVERE VILLAGE ASSOCIATION, INC.

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BY-LAWS

OF

PAUL REVERE VILLAGE ASSOCIATION, INC.

ARTICLE I - DEFINITIONS

All terms and expressions herein used which are defined in Chapter 183A, Section 1, of the General Laws of Massachusetts, as amended, shall have the same meanings unless the context indicates otherwise. Further, the additional terms defined in this Article shall for all purposes of these By-Laws have the meanings herein specified.

Articles of the Association shall refer to the Articles of Organization of Paul Revere Village Association, Inc. (hereinafter referred to as the Association), which are filed in the office of the Secretary of the Commonwealth of Massachusetts, a true copy of which is on file at the principal office of the Association, together with such amendments to the Articles of the Association as may from time to time be properly made.

Association shall mean the Paul Revere Village Association, Inc., and shall have the same meaning as "Organization of Unit Owners," as defined in Chapter 183A, Section 1, of the General Laws of Massachusetts, i.e., "the corporation, trust or association owned by the unit owners and used by them to manage and regulate the condominium."

Board of Governors shall mean the Board of Directors of the Association.

By-Laws of the Association shall mean the By-Laws of Paul Revere Village Association, Inc. as they may be amended from time to time pursuant to the provisions contained in such By-Laws.

Condominium shall mean the Paul Revere Townhouses Condominium.

Paul Revere Townhouses Condominium Master Deed - See Master Deed.

Paul Revere Townhouses Condominium shall mean the premises to be submitted to the provisions of Chapter 183A of the General Laws of Massachusetts as a condominium by Forrow Builders, Inc.

Declarant shall refer to Forrow Builders, Inc., its successors and assigns.

Fiscal Year shall mean the year ending August 31, unless changed or modified by the Board of Governors.

Master Deed shall mean the instrument by which Paul Revere Townhouses Condominium shall be submitted to the provisions of Chapter 183A of the General Laws of Massachusetts as a Condominium and any amendment to said instrument.

Member of the Association shall mean any person, corporation, partnership, joint venture or other legal entity which is a member of the Association as defined in the By-Laws of the Association, the Articles of the Association, and the Master Deed.

Organization of Unit Owners - See Association.

Owner - See Townhouse Owner.

Person shall mean an individual, corporation, unincorporated association, partnership, joint venture, trustee, conservator, administrator, or any entity which has the right to hold title to real property.

Property shall mean the land, buildings and all other improvements thereon in the Paul Revere Townhouses Condominium.

Restrictions shall mean any restrictions contained in the Master Deed and the By-Laws of the Association.

Rules and Regulations of the Association shall mean the Paul Revere Townhouses Condominium Rules and Regulations as may be adopted by the Board of Governors pursuant to the provisions of the Master Deed and the By-Laws of the Association, as they may be amended from time to time.

Townhouse shall have the same meaning as "unit" as defined in Chapter 183A, Section 1, of the General Laws of Massachusetts, i.e. a part of the Condominium including one or more rooms, with appurtenant areas such as decks stipulated in the master deed as being owned by the unit owner, occupying one or more floors or a part or parts thereof, including the enclosed space therein, intended for any type of use, and with a direct exit to a way or to a common area leading to a way.

Townhouse Designation shall have the same meaning as "unit designation" as defined in Chapter 183A, Section 1, of the General Laws of Massachusetts, i.e., the number, letter or combination thereof designating the unit in the Master Deed.

Townhouse Owner shall have the meaning as "unit owner" as defined in Chapter 183A, Section 1, of the General Laws of Massachusetts, i.e. the person or persons owning a unit.

Unit, Unit Designation, Unit Owner. See Townhouse, Townhouse Designation, and Townhouse Owner, respectively.

ARTICLE II - GENERAL

Section 1 - The Condominium

The Condominium is located on a parcel of land located on Grafton Street in Millbury, Massachusetts and is established by a Master Deed dated _____ recorded with the Worcester District Registry of Deeds as Instrument No. _____.

Section 2 - The Association

Paul Revere Village Association, Inc. (the "Association") has been organized to perform the functions described in the By-Laws of the Association, except for those to be performed by others as set forth in the By-Laws of the Association or the Master Deed. The Association is charged with the duties and has the powers prescribed by law and set forth in the Master Deed, the Articles of the Association and the By-Laws of the Association, as they may be amended from time to time. Neither the Articles of the Association nor the By-Laws of the Association shall for any reason be altered or interpreted so as to be inconsistent with the Master Deed.

The Association is an organization owned by the Townhouse Owners of the Paul Revere Townhouses Condominium and used by them to manage and regulate the Condominium. Each Townhouse Owner shall have the same percentage of interest in the Association as the percentage of interest set forth in paragraph 6 of the Master Deed.

Each Townhouse Owner, upon becoming a Townhouse Owner, and by virtue of being such a Townhouse Owner, and for so long as he is such a Townhouse Owner, shall be deemed a Member of the Association. Upon becoming a Member of the Association, the rights, duties, privileges, immunities and liabilities of being a Townhouse Owner, as a Member of the Association, shall be those set forth in and shall be exercised in accordance with the Master Deed, the Articles of the Association, the By-Laws of the Association, and the Rules and Regulations of the Association as the foregoing may be amended or adopted by the Association or by the Board of Governors, as provided therein.

Membership in the Association shall not be transferred, pledged, or alienated in any way except upon transfer of title of a Townhouse, and then only to the transferee of title, except in the instance of suspension of membership as provided hereunder. Any attempt to make a prohibited transfer shall be null and void.

Section 3 - Provisions of By-Laws Applicable

The provisions of the By-Laws of the Association are applicable to the Condominium and to the use and occupancy thereof. The provisions of the By-Laws of the Association shall automatically become applicable to any property which may be added to the Condominium by act of the Declarant, its successors and assigns, or the Association.

Section 4 - By-Laws Applicable to Present and Future Owners

All present and future owners, mortgagees, lessees, and occupants of Townhouses and their employees, and any other person(s) who may use the facilities of the Condominium in any manner, are subject to the By-Laws of the Association, the Rules and Regulations of the Association, the restrictions contained in the Master Deed and the Articles of the Association. Accepting a deed to a Townhouse, taking conveyance of a Townhouse, entering into a lease for use of a Townhouse or the act of occupying a Townhouse, shall constitute an agreement that all of the above documents, restrictions and conditions, as they may be amended from time to time, are accepted, ratified and shall be complied with.

Section 5 - Office of the Association

The office of the Association and of the Board of Governors of the Association shall be located on Bunker Hill Road, Millbury, Massachusetts, or at some other location within the Commonwealth, as may be selected from time to time by the Board of Governors and of which the Townhouse Owners and listed mortgagees have been given written notice as provided in ARTICLE VII hereof.

Section 6 - Certificates of Membership

The Board of Governors may provide for the issuance of certificates of membership in the Association in a form which it shall determine. One such certificate shall be issued for each Townhouse and shall contain the name and address of the member or members who own such Townhouse, the Townhouse Designation, its location, and the beneficial interest appurtenant to said Townhouse. The date of issuance of the certificate shall be entered in the records of the Association by the Clerk.

Section 7 - Documents Available for Review

Copies of the By-Laws of the Association, the Articles of the Association, the Rules and Regulations of the Association and the Master Deed, as they may be adopted or amended from time to time, shall be made available for inspection by Townhouse Owners and their authorized agents and by holders, insurers and guarantors of first mortgages which are secured by Townhouses in the Condominium during reasonable business hours.

Section 8 - Termination

The Townhouse Owners may remove the Condominium from the provisions of Chapter 183A of the General Laws of Massachusetts and the Master Deed by the procedure set forth in the appropriate section of said Chapter 183A, as amended from time to time.

Upon such removal, the Townhouse Owners shall be deemed to own the Condominium property as tenants in common, with undivided interest therein in the percentage of undivided interest previously held by each Townhouse Owner in the common areas and facilities. Further, upon such removal, the Townhouse Owners shall be deemed to have withdrawn the Condominium property from the Paul Revere Townhouses Condominium.

The removal provided for in this Section and in the Master Deed shall not bar the subsequent resubmission of the Condominium property to the provisions of Chapter 183A of the General Laws of Massachusetts.

ARTICLE III - MEMBERSHIP AND VOTING RIGHTS

Section 1 - Membership

Every person who is an owner of record of a Townhouse which is subject by covenants of record to assessment by the Association shall be a Member of the Association, except as hereafter provided relative to suspension of membership, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a Member of the Association, and provided further that any such person or entity who holds such interest, but whose membership is under suspension as provided hereunder, shall not be a Member of the Association.

Section 2 - Voting

A member of the Association shall be entitled to a vote in the percentage of interest appurtenant to the Townhouse in which he holds the interest required for membership as described in Section 1 above as set forth in the Master Deed. When more than one person holds such interest in any Townhouse, all such persons shall be Members of the Association, and the vote for such Townhouse shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Townhouse, and such vote shall be voted as an entirety as provided in the By-Laws of the Association.

ARTICLE IV - BOARD OF GOVERNORS

Section 1 - Board of Governors

The Board of Governors which shall constitute the whole Board of Governors shall be at least three (3) and no more than five (5) as determined by the Members at the Annual Meeting or Special Meeting called for the purpose of electing Governors, and the length of the term of each Governor. Until succeeded by the Governors elected by the members, the initial Governors, who, notwithstanding the foregoing, shall be only two (2) in number, need not be Townhouse Owners. Upon expiration of the term of each member of the first Board of Governors, the successors to such Governor, elected by the Members of the Association, shall be members and Townhouse Owners. Except as provided in the Articles of the Association with respect to the First Board of Governors, Governors shall be elected on a staggered basis. In any event, however, each Governor shall hold office until such time as a successor has been elected, except in the event of death, resignation, suspension of membership, or sale of all Townhouses in the Condominium which make such person eligible to be a Governor. In the event that a corporation or other legal entity is a member of the Association, it may designate one or more natural persons who shall be eligible to serve as Governor.

Section 2 - Election of Governors

Subject to the provisions of the By-Laws of the Association concerning the First Board, at each Annual Meeting of the Association or at a Special Meeting called for this express purpose, the members shall elect Governors to fill such vacancies as may exist on the Board of Governors. There shall be no cumulative voting. The candidates receiving the highest number of votes, up to the number of Governors to be elected, shall be deemed elected.

Section 3 - Resignation

Any Governor may resign at any time by giving written notice to the President or to the Clerk of the Association.

Section 4 - Powers and Duties of the Board of Governors

The Board of Governors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things except as by law, or by the Master Deed, or by the By-Laws of the Association, are reserved to the Members of the Association acting at a properly called meeting or as are specifically allowed to the Association. Such powers and duties of the Board of Governors shall include, but shall not be limited to the following:

(a) Provisions for the operation, care, upkeep and maintenance of the common areas and facilities of the Condominium and the exterior of any Townhouse and its appurtenant structures as provided in Article VII hereof including the establishment and maintenance of an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the common areas and facilities, which fund shall be maintained out of regular assessments for common expenses;

(b) Determination of the common expenses required for the affairs of the Condominium, including, subject to the limitations imposed by the Association or by the restrictions contained in the Master Deed, the operation and maintenance of the property and the allocation of income and expenses;

(c) Collection of the common charges from the owners, including the right to enforce these collections by methods described elsewhere in the By-Laws of the Association.

(d) Opening of bank accounts on behalf of the Association and designating the signatories required therefor.

(e) Leasing, managing and otherwise dealing with such Condominium facilities as may be provided for as common areas and facilities, including granting permits, licenses and easements over the common areas and facilities for utilities, roads and other purposes necessary for the proper operation of the Condominium;

(f) Owning, conveying, encumbering, leasing and otherwise dealing with Townhouses conveyed to it or purchased by it or by the Association as the result of enforcement of a lien for common expenses or otherwise.

(g) Obtaining of insurance for the common areas and facilities and for Townhouses as provided elsewhere in the By-Laws of the Association.

(h) Making repairs, additions, improvements to or alteration of the common areas and facilities in accordance with the other provisions of the By-Laws of the Association and as described in the Master Deed.

(i) Enforcement of obligations of the Townhouse Owners.

(j) Adoption of rules and regulations relating to the use, upkeep, or preservation of the Condominium.

(k) Designation of portions of the common areas and facilities under their control for any purpose which the Board of Governors in its discretion deems to be in the best interest of the Condominium as a whole.

(l) Election to purchase on behalf of the Association any Townhouse in the Condominium at a foreclosure sale as hereinafter provided; provided, however, that any such purchase by the Association shall have the prior approval of eighty-five percent (85%) of the Townhouse Owners.

(m) Purchase or acquisition in the name of the Association of easements or other appurtenant rights and the power to designate such rights and easements as part of the common areas of the Condominium.

Section 5 - The First Board of Governors and Subsequent Boards

The First Board of Governors shall be designated by the Declarant and shall consist of two (2) members who shall serve until the Second Annual Meeting of the Members of the Association held pursuant to the provisions of Article V of the By-Laws of the Association. At each Annual Meeting, beginning with the Second Annual Meeting of the Members of the Association, all the members of the Board of Governors shall be elected by the Members of the Association to fill vacancies in the Board of Governors and/or vacancies created by expiration of a term, and all such successors to the First Board of Governors shall be Townhouse Owners and Members of the Association. Any Governor elected to fill a vacancy in the Board of Governors otherwise created shall be elected to fill the unexpired term.

Section 6 - Removal of Governors

Except for the members of the initial Board of Governors, Governors may be removed for cause and a successor elected by an affirmative vote of the majority of the Members of the Association. However, removal of members of the First Board of Governors prior to the expiration of their respective terms shall require unanimous vote of all Members of the Association, including the Declarant if it shall own any Townhouses or land in the Condominium whether or not built upon at the time.

Section 7 - Vacancies in the Board of Governors

Vacancies in the Board of Governors caused by any reason other than the removal of a Governor under Section 6 of this Article, shall be filled by vote of a majority of the remaining Governors at a special meeting of the Board of Governors held for that purpose, which meeting shall be held promptly after the occurrence of any such vacancy, even though the Governors present at such meeting may constitute less than a quorum, and each person so elected shall be a Governor until the next Annual Meeting or Special Meeting of the Members of the Association duly called and held for the express purpose of electing a Governor to fill the vacancy until the expiration of the term. Except for members of the First Board of Governors, no Governor shall continue to serve as such if he shall cease to be a Townhouse Owner or a Member of the Association during his term of office.

Section 8 - Board of Governors Meeting Following First Annual Meeting

Following the first Annual Meeting of Members of the Association, there shall be a meeting of the Board of Governors within ten (10) days, at such time and place as shall be fixed by the Townhouse Owners at the meeting at which such Board of Governors shall have been elected, and no notice shall be necessary to the Governors in order legally to constitute such meeting, provided a majority of the whole Board of Governors shall be present thereat.

Section 9 - Regular Meetings

Regular meetings of the Board of Governors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Governors. Notice of regular meetings of the Board of Governors shall be given to each

Governor by mail at least three (3) business days prior to the day named for such meeting.

Section 10 - Special Meetings

Special meetings of the Board of Governors may be called by the President of the Association on three (3) business days' notice to each Governor given by mail, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Governors shall be called by the President or Clerk in like manner and on like notice on written request of at least (3) Governors.

Section 11 - Waiver of Notice of Meetings

Any Governor may at any time waive notice of any meeting of the Board of Governors in writing and such waiver shall be deemed equivalent to the giving of such notice.

Section 12 - Quorum

At all meetings of the Board of Governors, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the Governors present at a meeting at which a quorum is present shall constitute the decision of the Board of Governors. If at any meeting of the Board of Governors, there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time without further written notice.

Section 13 - Surety Bonds

The Board of Governors shall seek adequate surety bonds for all officers and employees of the Association handling or responsible for the Association funds. A management agent which handles funds for the Association shall also be covered by its own fidelity bond. Except for bonds which a management agent obtains for its personnel, all bonds shall name the Association as an obligee. The premium on such bonds shall constitute a common expense. The bonds shall cover the maximum funds which will be in the custody of the Association or its management agent at any time while the bond is in force, and, in addition, shall equal or exceed the sum of 3 months' assessments on all Townhouses plus the Association's reserve fund. The bonds shall provide for at least ten (10) days' written notice to the

Association and to all mortgagees of Townhouses prior to cancellation or modification.

Section 14 - Compensation of the Board of Governors

No member of the Board of Governors shall receive any compensation from the Association for acting as such, except for reimbursement of necessary and duly incurred expenses.

Section 15 - Governors Not Liable

The Governors shall not be liable to the Members of the Association for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Townhouse Owners shall indemnify and hold harmless each member of the Board of Governors against all contractual liability to others arising out of contracts made by the Board of Governors of behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Master Deed or the By-Laws of the Association and, excepting the foregoing, members of the Board of Governors shall have no personal liability with respect to any contract made by them on behalf of the Association. The First Board of Governors is specifically authorized to contract for goods or services with the Declarant, and employees and affiliates of the Declarant whether or not such persons are then members of the Board of Governors, and no such contracting shall be deemed to involve a conflict of interest. It is also intended that the liability of any Townhouse Owner arising out of any contract made by the Board of Governors out of the aforesaid indemnity shall be limited to such proportion of the total liability thereunder as the percentage of beneficial interest appurtenant to the Townhouse owned by him bears to the total percentage of beneficial interest held by Townhouse Owners in the Condominium, except those Townhouses owned by the Association. Every agreement made by the Board of Governors, their agents or appointees on behalf of the Association shall provide that the members of the Board of Governors, or their agents or appointees, as the case may be, are acting only as agents for the Association and have no personal liability thereunder, except as Townhouse Owners, and that each Townhouse Owner's liability thereunder shall be limited to that proportion of the total liability as the percentage of beneficial interest appurtenant to the Townhouse owned by him bears to the total percentage of beneficial interest held by Townhouse Owners in the Condominium, except for those Townhouses owned by the Association.

Section 16 - Records

The Board of Governors shall cause to be kept detailed records of the actions of the Board of Governors and the Association, including but not limited to minutes of the meetings of the Board of Governors, minutes of the meetings of the Townhouse Owners and financial records and books of account of the Association, which records shall be made available for inspection by Townhouse Owners and their authorized agents and by holders, insurers, and guarantors of first mortgages which are secured by Townhouses in the Condominium during reasonable business hours.

Section 17 - Annual Report

An annual report of the receipts and expenditures of the Condominium shall be made at the end of each fiscal year by a certified public accountant. The Board of Governors shall cause this report to be made and a copy of such report to be sent to each Townhouse Owner and to each holder, insurer and guarantor of any first mortgage which is secured by a Townhouse in the Condominium submitting written request therefor promptly after it is made. In addition, a copy of such report shall be kept on file at the office of the Association and shall be made available for inspection by the Townhouse Owners and their authorized agents and by holders, insurers and guarantors of first mortgages which are secured by Townhouses in the Condominium during reasonable business hours.

ARTICLE V - MEETINGS OF MEMBERS OF THE ASSOCIATION

Section 1 - Annual Meetings; Election of Governors

On the third Thursday of June, 1986, the Board of Governors shall call the First Annual Meeting of the Members of the Association. Thereafter, Annual Meetings shall be held on the third Thursday of June each year. In each succeeding year, the date of the Annual Meeting may be changed by proper amendment to the By-Laws of the Association. Beginning with the Second Annual Meeting of the Members of the Association, all the members of the Board of Governors shall be elected by ballot of the Members of the Association in accordance with the provisions of the By-Laws of the Association. The Members of the Association may also transact such other business of the Association as may properly come before them.

Section 2 - Location of Annual Meeting

Meetings of the Members of the Association shall be held at the principal office of the Association, or at such other suitable place convenient to the Members of the Association as may be designated by the Board of Governors.

Section 3 - Special Meetings

Special meetings of the Members may be called by the President or by the Board of Governors, and shall be called by the Clerk, or in the case of the death, absence, incapacity or refusal of the Clerk, by any other officer, upon written application of three or more Members.

Section 4 - Notice of Meetings

It shall be the duty of the Clerk to mail or deliver a notice of each Annual or Special Meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Townhouse Owner of record, at least five (5), but not more than ten (10), days prior to such meeting. The mailing or delivery of a notice in the manner provided in these By-Laws shall be considered notice served. Notice of a meeting need not be given to a Townhouse Owner if a written waiver thereof executed before, during or after the meeting by such Townhouse Owner or his duly authorized attorney or agent, is filed with the records of the meeting.

Section 5 - Quorum

Except as provided otherwise in the By-Laws of the Association, the presence in person or by proxy of a majority of the Members of the Association shall constitute a quorum at all meetings of the Members of the Association. If any meeting of the Members of the Association cannot be held because of lack of a quorum, a majority in interest of the Members of the Association who are present at such meeting, either in person or by proxy, shall adjourn the meeting to a time not less than forty-eight (48) hours from the time for which the original meeting was called, without further written notice.

Section 6 - Voting

The Member of the Association or some person designated by such Member of the Association to act as proxy on his or their behalf, who need not be a Townhouse Owner, shall be entitled to cast the vote appurtenant to such Townhouse at any meeting of the Members of the Association, provided the membership represented is not under suspension. The designation of any proxy shall be made in writing to the Clerk, and be revocable prior to the meeting upon written notice to the Clerk by the Member so designating. Any or all Members of the Association present at any meeting of the Members of the Association, including the Declarant, shall be entitled to cast one vote at all meetings of the Members of the Association, which vote shall be weighted by multiplying it by the beneficial interest percentage appurtenant to the Townhouse owned by such Member of the Association as set forth in the Master Deed; provided, however, that the vote attributable to each Townhouse must be voted as an entirety and if owners of a Townhouse shall be unable to agree on the vote to be cast on any issue, their right to vote on that issue shall be deemed waived. Any Townhouses owned by the Association or by the Board of Governors on behalf of the Association shall not be entitled to vote and shall be excluded from the total number of Townhouses in the Condominium when computing the proportionate interest of all other Townhouse Owners for voting purposes, excepting those Townhouses held by the Declarant prior to the initial sale of any such Townhouse.

Section 7 - Majority Defined

As used in the By-Laws of the Association, "Majority of Members of the Association" shall mean those Members of the Association having more than fifty percent (50%) of the beneficial interest of all Members of the Association present in person or by proxy and voting at any meeting of the Members of the Association, determined in accordance with Section 6 of this Article. The vote of the majority of Members of the Association present at a meeting at which a quorum is present shall be binding upon all Townhouse Owners for all purposes except when a higher percentage vote is required by law, the Master Deed, or the By-Laws of the Association.

ARTICLE VI - OFFICERS

Section 1 - Principal Officers of the Association

The principal officers of the Association shall be the President, the Clerk, and the Treasurer. The initial officers

shall be appointed by the Declarant. Subsequent officers shall be elected by the Board of Governors to serve as such officers. In addition, the President and Treasurer shall be Members of the Association. The Board of Governors may appoint an Assistant Treasurer, an Assistant Clerk and such other officers as in its judgment may be necessary.

Section 2 - Selection and Removal of Officers

The officers shall be elected annually at the first meeting of the Board of Governors following the Annual Meeting of Members of the Association, and shall hold office at the pleasure of the Board of Governors or until their successors are elected. Upon affirmative vote of a majority of the Board of Governors at a regular or special meeting thereof called for that purpose, any officer may be removed, either with or without cause, and his successor elected.

Section 3.- President

The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Members of the Association and of the Board of Governors. He shall have all of the general powers and duties which are incidental to the office of President, including but not limited to the power to appoint committees from among the Members of the Association from time to time as he may in his discretion decide are appropriate to assist in the conduct of the affairs of the Association.

Section 4 - Clerk

The Clerk shall keep the minutes of all meetings of the Members of the Association and of the Board of Governors, shall have charge of such books and papers as the Board of Governors may direct, and shall perform all the duties incidental to the office of Clerk and as described elsewhere in the By-Laws of the Association or the Master Deed.

Section 5 - Treasurer

The Treasurer shall have the responsibility for the Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation or required financial data. He shall be responsible for the deposit

of all moneys and other valuable effects in the name of the Board of Governors or the Association in such depositories as may from time to time be designated by the Board of Governors, and he shall perform all duties incidental to the office of Treasurer. No payment voucher shall be paid unless and until approved by the Treasurer.

Section 6 - Execution of Documents for the Board of Governors

All agreements, contracts, deeds, leases, checks and other instruments of the Association or the Condominium shall be executed by such officer or officers of the Association or by such other person(s) as may be authorized by the Board of Governors.

Section 7 - Compensation of Officers

No officer shall receive any compensation from the Association for acting as such, except for reimbursement of necessary and duly incurred expenses.

Section 8 - Resignation

Any officer may resign at any time by giving written notice to the Board of Governors, the President, or the Clerk. Any such resignation shall take effect at the date of the receipt of such notice or any later time specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

ARTICLE VII - NOTICES

Section 1 - Notice Procedure

Whenever under the provisions of the Master Deed or the By-Laws of the Association, notice is required to be given to the Association, the Board of Governors or any Townhouse Owner, it shall not be construed to require personal notice; but such notice may be given in writing, either by mail, by depositing the same in a post office or letter box in a postpaid, sealed envelope addressed to the Association, the Board of Governors, or such Townhouse Owner, respectively, at such address as appears on the books of the Association, provided that such mailing is made in the Commonwealth of Massachusetts, or by delivery to such

person's address. Notice shall be deemed given as of the date of mailing or as of the date of delivery.

Section 2 - Waiver of Notice

Whenever any notice is required to be given under the provisions of the Master Deed, the law, or the By-Laws of the Association, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

The Board of Governors shall advise all Townhouse Owners promptly and in writing of the amount of the common charges payable by each of them, respectively, as determined by the Board of Governors and shall furnish copies of each budget on which such charges are based to all Townhouse Owners and to their mortgagees. The Declarant will be required to pay common charges in full on any Townhouse owned by it and either occupied or not sold within six months. A separate statement will be provided each Townhouse Owner by the Association as to charges due for services provided by it on behalf of the Association, including the Townhouse Owner's share of the charges for services provided to Paul Revere Townhouses Condominium.

Section 3 - Payment of Common Charges

All Townhouse Owners shall pay the common charges assessed by the Board of Governors pursuant to the provisions of the By-Laws of the Association monthly in advance, or at such other time or times as the Board of Governors shall determine.

No Townhouse Owner shall be liable for the payment of any part of the common charges assessed against his Townhouse subsequent to a sale, transfer or other conveyance by him duly recorded with the Worcester District Registry of Deeds including conveyance to the Association.

Subject to the provisions of Section 4 of this Article, a purchaser of a Townhouse shall be liable for the payment of all common charges assessed and unpaid against such Townhouse prior to the acquisition by him of such Townhouse, and a mortgagee or other purchaser of a Townhouse at a foreclosure sale of such Townhouse shall be subject to, and shall be liable for, a lien for the payment of common charges assessed both prior to and subsequent to the foreclosure sale, excepting a first mortgagee.

Section 4 - Default

In the event of default by any Townhouse Owner in the payment of the common charges, such Townhouse Owner shall be obligated to pay interest at the rate of fifteen percent (15%)* per annum on such common charges from the due date thereof, together with all expenses including without limitation attorneys' fees, incurred by the Board of Governors in collecting same. The Board of Governors may seek to recover such common charges, interest and expenses by action to recover the same brought against such Townhouse Owner, or by foreclosure of the lien for such unpaid charges.

* 18% - 1997

Section 5 - Power to Suspend Membership

In the event of default by any Townhouse Owner in the payment of the common charges, or any other amounts owed the Association, the Board of Governors shall have the power to suspend the Townhouse Owner's membership in the Association, but such suspension shall remain in effect only until such amounts as are owed are paid.

Section 6 - Foreclosure

In any action brought by the Board of Governors to foreclose a lien on a Townhouse because of unpaid common charges, the Townhouse Owner shall be required to pay a reasonable rental for the use of his Townhouse, if such use continues after the foreclosure, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Governors acting on behalf of the Association, shall have the power to purchase such Townhouse at the foreclosure sale and to acquire, hold, lease, convey, mortgage (but not to vote the interest appurtenant thereto), or otherwise deal with the same. A suit to recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing the same.

Section 7 - Statement of Unpaid Common Charges

The Board of Governors shall promptly provide any Townhouse Owner requesting same in writing, with a written certificate of all unpaid common charges due from such owner in form suitable for recording, and the same when recorded with the Worcester District Registry of Deeds shall operate to discharge the Townhouse from any other sums not included in such certificate then unpaid as to bona fide third parties relying on such statement.

Section 8 - Maintenance

(a) All maintenance and replacement of and repairs to any Townhouse, whether structural or nonstructural, ordinary or extraordinary, and to the doors and windows, electrical, plumbing, heating, water and sewer facilities and fixtures belonging to the Townhouse Owner and not a part of the common areas and facilities or the areas concerning which easements have been conveyed to the Association, shall be done by the Townhouse Owner and at the Townhouse Owner's expense, except as otherwise specifically provided herein; provided that all repair, replacement, painting, or decorating of the exterior of any Townhouse, including but not limited to doors, windows, trim, clapboard, shingles, roofs, brickwork and decks, shall be done by the Association, or its appointee, as a common charge, except to the extent that the same are necessitated by the negligence, misuse or neglect of a Townhouse Owner, in which case such expense shall be charged to such Townhouse Owner in the same manner as a common charge and enforceable in the same manner as a common charge.

(b) All maintenance, repair and replacements to the common areas and facilities or to those areas concerning which easements have been conveyed to the Association shall be done by the Board of Governors or its appointee and shall be included as a common expense of the Association, except to the extent that the same are necessitated by the negligence, misuse or neglect of a Townhouse Owner, in which case such expense shall be charged to such Townhouse Owner in the same manner as a common charge and enforceable in the same manner as common charge. The Association shall have the septic tanks inspected annually and pumped periodically, written verification of which shall be sent each year to the Millbury Board of Health. The Association shall establish a reserve for long-range capital repairs and improvements no later than the date the first Townhouse is sold by the Declarant, such reserve to be in an amount which the Association's accountant shall deem proper in accordance with generally accepted accounting principles.

Section 9 - Improvement Restriction

No improvements, additions, alterations or other work which in any way alter the exterior, including but not limited to any exterior antennas and window air conditioners, of any Townhouse from its natural or improved state existing on the date such Townhouse was first conveyed by the Declarant shall be made or done except as provided in the Master Deed and herein.

Section 10 - Cost Allotment of Improvements

(a) If fifty percent (50%) or more but less than seventy-five percent (75%) of the Townhouse Owners agree to make an improvement to the common areas and facilities or to areas concerning which an easement has been granted to the Association, the cost of such improvement shall be borne by the Townhouse Owners so agreeing.

(b) Seventy-five percent (75%) or more of the Townhouse Owners may agree to make an improvement to the common areas and facilities or to the areas concerning which an easement has been granted to the Association, and assess the cost thereof as a common expense, but if such improvement shall cost in excess of ten percent (10%) of the then total value of the Condominium, any Townhouse Owner not agreeing may apply to the Worcester Superior Court, on such notice to the Board of Governors as the Court shall direct, for an order directing the purchase of his Townhouse by the Association at fair market value thereof as approved by the Court. The cost of any such purchase shall be a common expense.

(c) All improvements undertaken pursuant to this Section shall be subject to the prior written approval of the Board of Governors.

Section 11 - Right of Access

A Townhouse Owner shall grant a right of access to his Townhouse to the Association and/or any other person authorized by the Board of Governors or the Association for the purpose of making inspections or for the purpose of correcting any conditions originating in his Townhouse and threatening another Townhouse or common area or facility, or for the purpose of performing installations, alterations, or repairs to the parts of the Condominium over which such person has control and/or responsibility for maintenance. Requests for such access must be made in advance and entry must be at a time reasonably convenient to the Townhouse Owner. In case of an emergency such right of entry shall be immediate, whether the Townhouse Owner is present or not.

Section 12 - Rules and Regulations of the Association

The use of the common areas and facilities in the Condominium shall be subject to rules and regulations from time to time adopted by the Board of Governors. Such rules and regulations shall be called the Paul Revere Village Rules and Regula-

tions and copies of such rules and regulations shall be made available to each Townhouse Owner prior to their effective date.

ARTICLE VIII - INSURANCE

Section 1 - Physical Damage

All buildings and improvements (as defined in subsection (e) hereof), and all of the personal property owned by the Association shall be insured for the benefit of the Association, the Townhouse Owners and mortgagees of Townhouses as their interests may appear, against risk or physical damages as follows:

(a) Amounts - As to real property, for an amount equal to not less than the agreed amount of its replacement cost; as to personal property, for an amount equal to its actual cash value. Prior to obtaining any insurance on real property under this Section, and at least annually thereafter, the Board of Governors shall obtain an appraisal from a qualified appraiser for the purposes of determining the replacement cost of such real property.

(b) Risks Insured Against - The insurance shall afford protection against loss or damage by reason of:

- (1) Fire and other perils normally covered by extended coverage;
- (2) Vandalism and malicious mischief as normally covered in standard insurance policies;
- (3) Such other risk of physical damage as from time to time may be customarily covered with respect to buildings and improvements similar in construction, location and use as those in the Condominium, including without limitation, builder's risk coverage for improvements under construction; and
- (4) Such other risks of physical damage as the Board may from time to time deem appropriate.

(c) Other Provisions - The insurance shall include, without limitation, the following provisions:

- (1) Waivers by the insurer of rights of subrogation, other than those based on fraud or criminal acts, against the Association and the Townhouse Owners;

- (2) That the insurance shall not be affected or diminished by reason of any other insurance carried by a Townhouse Owner or mortgagee of a Townhouse;
- (3) That the insurance shall not be affected or diminished by any act or neglect of any Townhouse Owner or any occupants or by owners of any improvements when such act or neglect is not within the control of the Association.
- (4) That the insurance shall not be affected or diminished by failure of any Townhouse Owner or any occupants or by owners of any improvements to comply with any warranty or condition when such failure to comply is not within the control of the Association.
- (5) Such deductible as to loss, but not co-insurance features, as the Board of Governors in its sole judgment deems prudent and economical;
- (6) That the insurance may not be canceled or substantially modified (except for the addition of property or increases in amounts of coverage) without at least thirty (30) days' prior written notice to the named insured, and to all mortgagees of Townhouses in question;
- (7) Provisions for identification of mortgagees of Townhouses and for the allocation of their several interests to specific Townhouses;
- (8) The standard mortgage clause, except that any loss otherwise payable to named mortgagees shall be payable in the manner set forth in subsection (10) hereof;
- (9) Adjustment of loss shall be made with the Board of Governors;
- (10) The named insured shall be the Association for the benefit of the Townhouse Owners; and
- (11) An agreed amount endorsement.

(d) Evidence of Insurance - Certificate of insurance signed by an agent of the insurer together with copies of all endorsements thereto and proof of payment of premiums, shall be delivered to all mortgagees of Townhouses at the times such poli-

cies are issued, and at least ten (10) days prior to the expiration of any then current policies.

(e) Definition - As used in this Section, the term "all buildings and improvements" shall also include, without limitation, all common areas and facilities and personal property of the Association, and all Townhouses including the standard partition walls, fixtures and installations initially installed by the Declarant, and may exclude fixtures, alterations, installations or additions situated within a portion of the Condominium used exclusively by an individual Townhouse Owner and made or acquired after the initial conveyance of the Townhouse by the Declarant.

Section 2 - Liability Insurance

The Board shall obtain and maintain public liability insurance for bodily injury and property damage in such limits as the Board of Governors may from time to time determine (provided, however, that such liability insurance shall provide coverage of at least \$1,000,000 for bodily injury and property damage for any single occurrence), insuring the Association, the Board of Governors and the officers of the Association, with respect to their liability arising from operation, maintenance or repair of the Condominium which is the responsibility of the Association, including without limitation liability arising from ownership of any Townhouse. Such liability insurance shall also cover cross-liability claims between the Townhouse Owners and the Association. The Board of Governors shall review such limits at least annually. The insurance provided under this Section shall include without limitation the following provisions:

(a) That the insurance shall not be affected or diminished by any act or neglect of any Townhouse Owner or any occupants or by owners of any improvements when such act or neglect is not within the control of the Association;

(b) That the insurance shall not be affected or diminished by failure of any Townhouse Owner or any occupants or by owners of any improvements to comply with any warranty or condition when such failure to comply is not within the control of the Association; and

(c) Waivers by the insurer of rights of subrogation, other than those based on fraud or criminal acts, against the Association or the Townhouse Owners.

ARTICLE IX - DAMAGE TO OR DESTRUCTION OF PROPERTY

Section 1 - Duty to Repair or Restore

Any portion of the Condominium including the buildings erected within the Condominium, damaged or destroyed shall be repaired or restored promptly by the Association, as provided in this Article, subject to the provisions of Chapter 183A, Section 17, of the General Laws of Massachusetts as the same may be amended from time to time.

Section 2 - Estimate of Cost

Promptly after damage to or destruction of some portion of the Condominium, and thereafter as often as it deems advisable, the Board of Governors shall obtain reliable and detailed estimates of the cost of repair or restoration. If such cost in the opinion of the Board of Governors may exceed \$5,000, the Board of Governors may retain the services of an architect, engineer or construction consultant to assist in the determination of such estimates and in the supervision of repair and restoration.

Section 3 - Collection of Construction Funds

Construction funds may consist of insurance proceeds, condemnation awards, proceeds of assessments against Townhouse Owners, payments by Townhouse Owners for damage to or destruction of improvements, and other funds received on account of or arising out of injury or damage to the Condominium.

(a) Insurance Proceeds - The Board of Governors shall adjust losses under physical damage insurance policies of the Association. Insurance proceeds from losses in excess of \$25,000 shall be payable to the Board of Governors as trustees.

(b) Assessments Against Owners - If the insurance proceeds are insufficient to effect the necessary repair or restoration of the common areas and facilities, such deficiency shall be charged against all Townhouse Owners as a common expense. The proceeds of assessments for such common expenses shall be paid by the Board of Governors directly to the vendor making the repairs or restoration if the loss is less than \$25,000 and shall be paid to the Board of Governors as trustees if in excess of \$25,000.

(c) Payments by Owners - Payments received from Townhouse Owners pursuant to Section 5(a)(2) of this Article shall be paid to and disbursed by the Board of Governors as trustees if the loss is in excess of \$25,000 and otherwise disbursed by the

Board of Governors directly for the repairs to whoever makes the repairs.

(d) Payments by Others - Any other funds received on account of or arising out of injury or damage to the Condominium shall be paid to and disbursed by the Board of Governors as trustees if the loss is in excess of \$25,000 and otherwise the funds shall be administered directly by the Board of Governors. Except after a determination not to repair or restore pursuant to Section 6(e) of this Article, all insurance proceeds or other funds received by the Board of Governors as trustees shall be dedicated solely to the repair or restoration of the loss as provided herein; and any application of said funds or proceeds by the Board of Governors as trustees on account thereof, shall be prior to the application of such proceeds for any other purpose.

Section 4 - Plans and Specifications

Any repair or restoration must be either

(a) substantially in accordance with the architectural and engineering plans and specifications for the original buildings, and shall also include such improvements and fixtures as may have been installed by any particular Townhouse Owner and as to which payment for such repair or reconstruction is forthcoming, or

(b) according to plans and specifications approved by the Board of Governors and by a majority in beneficial interest of the Townhouse Owners and the holders of first mortgages encumbering fifty-one percent (51%) of the Townhouse subject to mortgages, and if the damaged property includes buildings, by all the Townhouse Owners thereof, which approvals shall not be withheld unreasonably.

Section 5 - Townhouses

Damage or destruction of improvements situated within a Townhouse shall be repaired or restored, except after a determination not to repair or restore pursuant to Section 6(e) of this Article, as follows:

(a) Construction Funds

(1) To the extent that such damage or destruction is covered by insurance of the Association, the proceeds of such insurance or award shall be made available for the repair or restoration of the Townhouse.

- (2) To the extent that such damage or destruction is not covered by insurance of the Association, such Townhouse Owner shall be responsible for the cost of repair and restoration.
- (3) If the damage is only to those parts of a Townhouse for which the responsibility of maintenance and repair is that of a Townhouse Owner, then the Townhouse Owner shall be responsible for the cost of reconstruction and repair after casualty, unless such damage is specifically covered by the insurance purchased by the Association, in which event the Association shall be responsible for said costs.

(b) Performance of Work and Payment

If there is damage to or destruction of all or part of the Condominium and the combined damage or destruction of all affected property for which the Association is responsible to insure and the common areas and facilities exceeds \$5,000, the repair or restoration of the property shall be effected by the Association to the extent that construction funds as described in subsection (a)(1) of this Section are available and to the extent that the Townhouse Owners make payment as hereafter provided. Each Townhouse Owner shall pay to the Board of Governors such sum as is necessary, according to the estimate of cost described in Section 2 of this Article, to cover any part of the cost of repair or restoration which is not covered by insurance of the Association or by a condemnation award not specifically allocated to the Townhouse Owner.

Section 6 - Disbursement of Construction Funds

The Board of Governors as trustees may deduct from the construction funds their actual costs and expenses and a reasonable fee for the performance of their duties, and shall disburse the balance of the construction funds in the following manner:

- (a) Damage or Destruction not exceeding \$25,000 shall be administered by the Board of Governors.
- (b) Payment for Repair or Restoration exceeding \$25,000 shall be administered by the Board of Governors as trustees. The Board of Governors as trustees shall apply such balance to pay directly, and to reimburse the Association for the payment of, the costs of repair or restoration of such Townhouses and common areas and facilities, including the cost of temporary repairs for the protection of such Townhouses and common areas and facilities pending the completion of permanent repairs and

restoration, upon written request of the Association in accordance with Section 7(a) of this Article, and upon presentation of an architect's certificate stating that the work represented by any such payment has been completed satisfactorily.

(c) Contribution by Owners

The Association shall maintain a separate account as to each Townhouse with respect to payments by a Townhouse Owner pursuant to Section 5(a)(2) of this Article, and expenditures of such payments. General expenses of administration, such as deductions by the Board of Governors as trustees for their costs, expenses and fees, shall be charged against the Association's construction funds and against Townhouse Owners' payments pursuant to Section 5(a)(2) of this Article, in proportion to the amounts of each. All portions of such payments by Townhouse Owners not expended as herein provided shall be refunded to the Townhouse Owners, and the mortgagees of the Townhouses as their interests may appear.

(d) Surplus Funds

If, after payment of all repairs and restoration, and the refund of any excess payments by Townhouse Owners pursuant to subsection (c) of this Section, there remain any surplus funds, shall be paid to the Townhouse Owners in proportion to their contributions resulting from assessments levied against them pursuant to Section 3(c) of this Article; provided, however, that no Townhouse Owner shall receive a sum greater than that actually contributed by him. Any surplus remaining after such payments shall be paid to the Association and shall be part of its general income.

(e) Determination Not to Repair or Restore

Subject to the provisions of Chapter 183A, Section 17, of the General Laws of Massachusetts, if there is destruction of the improvements in the Condominium and seventy-five percent (75%) in interest of the Townhouse Owners vote not to proceed with repair or restoration, any balance of construction funds, after the refund of any payments by Townhouse Owners pursuant to subsections (c) and (d) of this Section, shall be disbursed in the proportion that the beneficial interest appurtenant to the Townhouse(s) owned by each Townhouse Owner bears to the total percentage of beneficial interest held by Townhouse Owners in the Condominium except for those Townhouses owned by the Association and in accordance with the fair market value of the respective Townhouses as determined by arbitration. In the event of dispute as to the percentage of destruction, that issue shall be submitted to arbitration in accordance with the rules of the American Arbitration Association.

Section 7 - Certificates

The Board of Governors as trustees, in the event that any payments are to be made to a Townhouse Owner or mortgagee, may rely on an Attorney's Certificate of Title based upon a search of the records of the Worcester District Registry of Deeds from the date of the recording of the original Master Deed, stating the name of the Townhouse Owner and the mortgagees.

ARTICLE X - MORTGAGE

Section 1 - Mortgage of Townhouses

A Townhouse Owner who mortgages his Townhouse shall notify the Board of Governors of the name and address of the mortgagee. The Board of Governors shall maintain such information in a book entitled "Mortgage of Townhouses."

Section 2 - Listed Mortgagee

As used in these By-Laws, "Listed Mortgagee" shall mean a lender holding a first mortgage of record on a Townhouse of which the owner affected has given the notice required in Section 1 of this Article. Such a mortgagee shall remain a Listed Mortgagee until the Board of Governors receives written notice from the mortgagee of withdrawal of the listing or the mortgage is discharged of record.

Section 3 - Unpaid Common Charges

The Board of Governors, whenever so requested in writing by a mortgagee of a Townhouse, shall promptly report any then unpaid common charges due from, or any default by, the Townhouse Owner of the mortgaged Townhouse.

Section 4 - Notice of Default

The Board of Governors when giving notice to a Townhouse Owner of a default in paying common charges or other default shall send a copy of such notice to each holder of a mortgage covering such Townhouse whose name and address has theretofore been furnished to the Board of Governors.

Section 5 - Examination of Books

Each Townhouse Owner and each mortgagee of a Townhouse shall be permitted to examine books of account of the Association at reasonable times on business days.

ARTICLE XI - SALE OF TOWN HOUSES

In the event that a Townhouse shall be acquired by the Association, the Townhouse Owners shall be deemed to have waived all rights of partition with respect to such Townhouse.

ARTICLE XII - AMENDMENTS TO THE BY-LAWS OF THE ASSOCIATION

The By-Laws of the Association may be modified or amended by the affirmative vote of sixty-six and two-thirds percent (66-2/3%) (or any larger percentage if such modification or amendment affects a provision requiring a larger percentage) in beneficial interest of all Members of the Association, present in person or by proxy, at a meeting of such Members of the Association duly called and held for such purpose.

The written consent of the holders of a majority of the first mortgages on mortgaged Townhouses shall be required for an amendment materially changing any provisions which establish, provide for, govern or regulate any of the following:

- (a) voting rights;
- (b) assessments, assessment liens, or subordination of assessment liens;
- (c) reserves for maintenance, repair and replacement of common areas;
- (d) responsibility for maintenance and repairs;
- (e) reallocation of interests in the common areas, or rights to their use;
- (f) convertibility of units into common areas or vice versa;
- (g) expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominium;
- (h) insurance or fidelity bonds;

- (i) leasing of Townhouses;
- (j) imposition of any restrictions on a Townhouse owner's right to sell or transfer his or her unit;
- (k) restoration or repair of the Condominium after a hazard damage or partial condemnation in a manner other than that specified in the By-Laws;
- (l) termination of the legal status of the Condominium after substantial destruction or condemnation occurs; or
- (m) provisions which expressly benefit mortgage holders, insurers or guarantors.

ARTICLE XIII - CONFLICTS

In case any of the By-Laws of the Association are in conflict with the provisions of any statute, the Articles of the Association or the Master Deed, the provisions of such statute, Articles of the Association or Master Deed, as the case may be, shall control.

ARTICLE XIV - MISCELLANEOUS

Section 1 - Invalidity

The invalidity of any part of the By-Laws of the Association shall not impair or affect in any manner the validity, enforceability or effect of the balance of the By-Laws of the Association.

Section 2 - Captions

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of the By-Laws of the Association or the intent of any provisions thereof.

Section 3 - Gender

The use of any gender in the By-Laws of the Association shall be deemed to refer to all other genders and the use of the

singular shall be deemed to include the plural and vice versa, whenever the context so requires.

Section 4 - Waiver

No restriction, condition, obligation, or provision contained in the By-Laws of the Association shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which occur.

Adopted this 17th day of SEPTEMBER, 1984.

A true copy.

ATTEST:

Philip Rawinski
Philip Rawinski, Clerk

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Recorded SEP 21 1984 at 2h/5m PM