

BY-LAWS OF  
VILLAGES AT STOW CONDOMINIUM 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 meaning herein specified.

Articles of the Association shall refer to the Articles of Organization of the Villages at Stow Condominium 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 Villages at Stow Condominium 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...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 the Villages at Stow Condominium Association, Inc., as they may be amended from time to time, pursuant to the provisions contained in said By-Laws. Condominium shall mean the Villages at Stow Condominium.

Villages at Stow Condominium Master Deed - See Master Deed.

Villages at Stow Condominium shall mean the premises to be submitted to the provisions of Chapter 183A of the General Laws of Massachusetts as a condominium by the Master Deed to be recorded and any amendments thereto duly adopted and recorded.

Declarant shall refer to Stow Villages, LLC, its successors and assigns.

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

Gender shall in the By-Laws of the Association not only refer to the masculine but also to the feminine and neuter gender, and the use of the singular shall be deemed to include the plural and vice versa, whenever the context so requires.

Master Deed shall mean the instrument by which the Villages at Stow Condominium shall be submitted to the provisions of Chapter 183A of the General Laws of Massachusetts.

Members 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 Unit Owner.

Person shall mean an individual, corporation, unincorporated association, partnership, joint venture, trustee, conservator or administrator.

Property shall mean all the land and the common area, buildings and improvements located at the Villages at Stow 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 Villages at Stow 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.

Units shall mean individual condominium units at the Villages at Stow Condominium as more particularly set forth in the Master Deed which Units include Stand-Alone Units and Tri-Plex Units.

Unit Owner shall mean the owner of said unit.

## **ARTICLE II - GENERAL**

### Section 1 - The Condominium

The Condominium is located on parcels of land situated in Stow, Massachusetts, more particularly described in the Master Deed recorded with the Middlesex South District Registry of Deeds, and shown on the plans filed with or referred to in said Master Deed and shown on a plan entitled, "Site Plan for Villages at Stow, A Comprehensive Permit Project, Stow, Massachusetts" dated August 10, 2004, Revised: October 14, 2004, November 15, 2004 and March 30, 2005, by Stamski and McNary, Inc., recorded with the Middlesex South District Registry of Deeds as Plan No. 1532 of 2005, said plans being the Condominium Plans hereafter referred to.

### Section 2 - The Association

The Villages at Stow Condominium Association, Inc., (the "Association") has been organized to perform the functions set forth in Section 10 of said Chapter 183A and 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 power 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 changed or interpreted so as to be inconsistent with the Master Deed.

The Association is an organization owned by the Unit Owners of the Villages at Stow Condominium and used by them to manage and regulate the Condominium. Each Unit Owner, upon becoming a Unit Owner, shall be deemed a Member of the Association. As a member of the Association, the rights, duties, privileges, immunities and liabilities of being a Unit Owner 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 adopted or amended 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 Unit 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 or assigns, or of the Association.

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

All present and future owners, mortgagees, lessees and occupants of Units 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 Unit, taking conveyance of a Unit, entering into a lease for use of a Unit or the act of occupying a Unit 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 shall be located at the Condominium 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 Unit Owners and listed mortgagees have been given written notice.

#### 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 Unit and shall contain the name and address of the member or members who own such Unit, the Unit designation, its location and the beneficial interest appurtenant to said Unit. The date of issuance 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 available for inspection by Unit Owners and their authorized agent during reasonable hours.

### Section 8 - Termination

The Unit 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 may be amended from time to time provided, however, that the Unit Owners shall obtain the prior written approval of DEP.

Upon such removal, the Unit Owners shall be deemed to own the Condominium property as tenants in common, with undivided interest therein in the same percentage of undivided interest previously held by each Unit Owner in the common areas and facilities. Further, upon such removal, the Unit Owners shall be deemed to have withdrawn the Condominium property from the provisions of said Chapter 183A.

The removal provided for in this Section and in the Master Deed shall not bar the subsequent resubmission of the 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 Unit which is subject by covenants of record to assessment by the Association shall be a member of the Association, except that any such

person or entity who holds such interest merely as security for the performance of an obligation 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 Unit in which he holds the interest required for membership as described in Paragraph 6 of the Master Deed. When more than one person holds such interest in any Unit, all such persons shall be members of the Association and the vote for such Unit shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast on any issue with respect to any Unit and such vote shall be cast as an entirety as provided in the By-Laws of the Association.

### **ARTICLE IV - BOARD OF GOVERNORS**

#### Section 1 - Constitution

The number of governors which shall constitute the whole Board of Governors shall be at least three (3) and no more than five (5), as provided in the Master Deed. Until succeeded by the governors elected by the members, the initial governors need not be Unit Owners. Upon the expiration of the term of each governor of the first Board of Governors, the successors to such governor, elected by the members of the Association, shall be a Unit Owner. Except as provided in the Articles of the Association with respect to the first Board of Governors (including successors appointed by the Declarant), governors shall be elected on an annual basis. In any event, however, each governor shall hold office until such time as his successor has been elected and qualified, except in the event of death, resignation, suspension of membership or sale of all his Units in the Condominium which renders such person ineligible 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

Subject to the provisions of the By-Laws of the Association concerning the first Board (or any vacancy on such 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 candidate receiving the highest number of votes for each vacancy 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 and thereupon such resignation shall take effect at the time specified in said written notice.

#### 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. Providing for the operation, care, upkeep and maintenance of the common areas and facilities of the Condominium and its appurtenant structures as provided in Article VIII hereof.



b. Determining the common expenses of the Condominium, including, subject to the limitation imposed by the Association or by the restrictions contained in the Master Deed, the operation and maintenance of the property, costs relating to the management, upkeep and operation of the Sewage Treatment Facility, the allocation of income and expenses and Tri-Plex Charges, as hereinafter defined.

c. Collecting the common charges and Tri-Plex Charges from the Owners, including the right to enforce these collections by methods described elsewhere in the By-Laws of the Association.

d. Opening bank accounts on behalf of the Association and designating signatories required therefore.

e. Leasing, managing and otherwise dealing with such Condominium facilities as may be provided for as common areas and facilities, including without thereby limiting the generality of the foregoing the right to engage a professional management company, the right to grant permits, licenses and easements over the common areas for utilities, passage rights and other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium.

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

g. Obtaining insurance for the Tri-Plex Units in accordance with the terms hereof, the common areas and facilities and for Units as provided elsewhere in the By-Laws of the Association.

h. Making repairs, additions, improvements to or alterations 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. Enforcing obligations to be performed or observed by the Unit Owners imposed on them by the Master Deed, the By-Laws of the Association and the Rules and Regulations promulgated pursuant thereto, including without limiting the generality of the foregoing, legal action to collect payment of common area expenses and Tri-Plex Charges assessed. No legal action, however, shall be commenced, except as hereinafter provided, by the Association or its Board of Governors against parties other than unit owners or their mortgagees, without the prior affirmative vote of seventy-five (75%) percent of all the Unit Owners (based on beneficial interest in the Association) and specifying as a part of the vote a specific monetary limitation to be paid as legal fees and costs and expenses to be incurred in connection therewith. Such vote shall also include, as a part thereof, a special assessment on all unit owners on an amount equal to such monetary limitation, payable within thirty (30) days and deposited in a segregated account which is to be used only for such purpose. Such legal action shall not be commenced until at least seventy-five (75%) percent of such assessment has been collected and so deposited.

j. Adopting rules and regulations relating to the use, upkeep and preservation of the Condominium.

k. Promulgating and collecting fines for violation of the Rules and Regulations, which fines shall be paid to the Association.

l. Designating and setting aside portions of the common areas and facilities under their control (1) for the collection and reception of mail for the Condominium residents; (2) as a

central disposal and collection site for trash and other refuse; (3) as a storage area for such tools, equipment and supplies as are used in the maintenance and upkeep of the Condominium; and (4) for any other purpose which the Board of Governors, in its discretion, deems to be in the best interests of the Condominium as a whole.

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

#### Section 5 - The First Board of Governors and Subsequent Boards

The first Board of Governors and their successors shall be appointed by the Declarant, including such successors in the event of vacancy, and shall consist of three (3) members who may serve until the fifth annual meeting of the members of the Association held pursuant to the provisions of Article V of these By-Laws of the Association. At each annual meeting, beginning with the third annual meeting of the members of the Association, all members of the Board of Governors shall be elected by the members of the Association to fill vacancies the Board of Governors and/or vacancies created by expiration of a term and all such successors thereafter to the Board of Governors shall be Unit 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.

Notwithstanding anything to the contrary in these By-Laws contained, those Governors appointed or selected by the Declarant as aforesaid shall resign no later than the earlier of the following events:

a. Four (4) months after one hundred (100%) percent of the Units in the Condominium have been conveyed to Unit purchasers; and

b. Ten (10) years after conveyance of the first Unit.

For this purpose, "control" means the right of the Declarant to control the Unit Owners' Association or its Board of Governors, the Condominium itself or the Unit Owners in any manner, except through votes allocated to Units owned by the Declarant on the same basis as votes pertaining to sold Units.

#### Section 6 - Resignation and Removal

Any Governor may resign at any time by instrument in writing signed and duly acknowledged by that Governor in the manner required in Massachusetts for the acknowledgment of deeds, and such resignation shall take effect as in said instrument set forth. While the Declarant shall have the right to designate the Board of Governors of its choice, the Declarant may remove any Governor with or without cause and appoint a successor, and after the expiration of the Declarant's right to designate, any Governor may be removed with or without cause, by vote of Unit Owners entitled to more than fifty (50%) percent of the beneficial interest hereunder and the vacancy resulting from such removal shall be filled in the manner provided in Section 7 of this Article. Any removal shall become effective upon the filing with the Secretary of State a certificate of officers signed by the Clerk or Assistant Clerk of the Association.

#### Section 7 - Vacancies in the Board of Governors

Vacancies in the Board of Governors, other than the original Board, 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 remaining 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 for the duration of the unexpired term, except that any vacancy occurring while the Declarant has the right to designate the Board of Governors shall be filled by appointment by the Declarant. Except for members of the Board of Governors, or their successors, appointed by the Declarant, no governor shall continue to serve as such if he shall cease to be a Unit Owner or if his membership shall be under suspension.

#### Section 8 - Board of Governors Meeting Following First Annual Meeting

Within ten (10) days after the first annual meeting of members of the Association, there shall be a meeting of the Board of Governors at such time and place as shall be fixed by the Unit Owners at such meeting and no notice shall be necessary to the governors in order legally to constitute such meeting, provided majority of the whole Board of Governors shall be present thereat.

#### Section 9 - Regular Meetings

Regular meeting 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 by first class mail or home delivery of regular meetings shall be given to each governor at least three (3) 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, telephone or telegraph, 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 notice on written request of at least three (3) governors.

#### Section 11 - Waiver of Notice of Meetings

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

#### Section 13 - Fidelity Bonds

The Board of Governors must maintain a fidelity bond or insurance coverage against dishonest acts on the part of the governors, employees or volunteers responsible for handling funds belonging to or administered by the Condominium Association of Unit Owners as hereafter provided. The premium for such bonds shall constitute a common expense.

#### 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 judgement, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall, to the extent of their Unit ownership, indemnify and hold harmless each member of the Board of Governors against personal contractual liability to others arising out of contracts made by the Board of Governors on 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. It is intended that the 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, or employees or affiliates of the Declarant, whether or not such persons are members of the Board of Governors and no such contract shall be deemed to involve a conflict of interest. It is also intended that the liability of any Unit 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 interest appurtenant to the Units owned by him bears to the total percentage of beneficial interests held by all of the Unit Owners in the Condominium, except for those Units owned by the Association. Every agreement made by the Board of Governors, its agents or appointees on behalf of the Association, shall provide that the members of the Board of Governors of the Association, 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 Unit Owners, and that each Unit Owner's liability thereunder shall be limited to that proportion of the total liability as the percentage of beneficial interest appurtenant

to the Unit(s) owned by him bears to the total percentage of beneficial interest held by Unit Owners in the Condominium, exclusive of Units 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 of the Association, including, but not limited to, minutes of the meeting of the Unit Owners and financial records and books of account of the Association, to which records the Unit Owners and their mortgagees shall be entitled to reasonable access.

#### Section 17 - Annual Report

The Board of Governors shall cause an annual report of the receipts and expenditures of the Condominium to be made at the end of each fiscal year by an independent, disinterested, certified public accountant and a copy of said report shall be sent promptly to each Unit Owner. In addition, a copy of said report shall be kept on file at the office of the Association and shall be made available for inspection by the Unit Owners, holders of mortgages on Units, and their authorized agents during reasonable business hours.

### **ARTICLE V - MEETINGS OF MEMBERS OF THE ASSOCIATION**

#### Section 1 - Annual Meetings; Election of Governors

On the first anniversary following the incorporation of the Villages at Stow Condominium Association, Inc., the Board of Governors shall call the first annual meeting of the members of the Association. Thereafter, annual meetings shall be held on the anniversary date of such meeting. 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, unless the right of the Declarant to appoint members of the Board



of Governors shall have previously expired as in Section 5 of Article IV provided, all 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 Meetings

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

It shall be the duty of the President to call a special meeting of the members of the Association as directed by the Board of Governors or upon delivery to the Clerk of a petition signed by at least one-third (1/3) in interest of the members of the Association.

#### Section 4 - Notice of Meetings

It shall be the duty of the Clerk to mail or deliver to each Unit Owner of record a notice of each annual and special meeting, stating the purpose(s), date, time and place thereof at least five (5), but no more than ten (10), days prior to such meeting. 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 Unit Owner if a written waiver thereof executed by such Unit Owner or by his duly authorized attorney or agent before, during or after the meeting, 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 in interest 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 a quorum is not presented, a majority in interest of the members of the Association who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time for which the original meeting was called.

### Section 6 - Voting

The member(s) of the Association, or some person designated by each such member of the Association to act as proxy on his or their behalf, who need not be a Unit Owner, shall be entitled to cast the vote appurtenant to such Unit at any meeting of the members of the Association, provided the member is not under suspension. The designation of any proxy shall be made in writing to the Clerk and shall be revocable at any time prior to or at the meeting upon written notice to the Clerk by the member(s) so designating. Any and all members of the Association may be present at any meeting of the members of the Association, either in person or by proxy. Each member of the Association, including the Declarant, shall be entitled to cast one (1) vote at all meetings of the members of the Association, which vote shall be weighed by multiplying it by the beneficial interest percentage appurtenant to the Unit(s) owned by such member of the Association as set forth in the Master Deed; provided, however, that the vote attributable to each Unit must be voted as an entirety and if Owners of a Unit 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 Units owned by the Association or Board of Governors on behalf of the Association shall not be entitled to vote and shall be excluded from the total number of Units in the Condominium when computing the proportionate interest of all Unit Owners for voting purposes.

#### Section 7 - Majority Defined

As used in the By-Laws of the Association, "majority of members of the Association" shall mean any aggregation of members of the Association having more than fifty (50%) percent of the beneficial interest of all members of the Association, present in person or by proxy, as determined in accordance with Section 6 of this Article. The vote of a majority of members of the Association present at a meeting at which a quorum is present shall be binding upon all Unit 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 those designated in the Articles of Organization. Their successors shall be elected by the Board of Governors to serve as such officers. The President and Treasurer shall be members of the Association. The Board of Governors may appoint a Vice President, Assistant Treasurer, Assistant Clerk and such other officers as it deems necessary or appropriate for the conduct of the business of the Condominium and may thereafter remove or replace said appointees at any time at the pleasure of the Board of Governors.

## 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 and qualified. 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 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 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 shall direct, and shall perform all duties incidental to the office of the Clerk and as described elsewhere in the By-Laws of the Association or the Master Deed.

## Section 5 - Treasurer

The Treasurer shall have 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 of required financial data. He shall be responsible for the deposit of all monies 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 render 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 Unit Owner, it shall not be construed to mean 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 wrapper addressed to the Association, the Board of Governors or such Unit 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 said person's address. Notice shall be deemed given if mailed as of the date of mailing or if otherwise, 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 written waiver thereof, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

### **ARTICLE VIII - OPERATION OF THE CONDOMINIUM**

#### Section 1 - Budget

a. The Board of Governors shall, from time to time and at least annually, prepare a budget for the Association and, in connection therewith, determine the amount of common expenses of the Association and allocate and assess common expenses among the Unit Owners according to the respective percentages of ownership in the Condominium as set forth in the Master Deed. The common expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be, or which have been, obtained by the Board of Governors, pursuant to the provisions of the By-Laws of the Association. The common expenses shall also include the amounts estimated for the operation, care, upkeep and maintenance of the Condominium, including, without limitation, any amount for working capital of the Association, for a general operating reserve, an adequate reserve fund for maintenance, repair and replacement

of those portions of the common areas and facilities which must be replaced on a periodic basis and to make up any deficit in the common expenses of any prior year and any costs relating to the management, upkeep and operation of the Sewage Treatment Facility, public water supply, stormwater drainage facilities and roadways, as more particularly set forth in a Reciprocal Easement and Usage Agreement by and between Stow Villages, LLC and the Villages at Stow Shoppes, LLC, to be recorded with the Middlesex South District Registry of Deeds. The common expenses may also include such amounts as may be required for the purchase or lease by the Board of Governors on behalf of all the Unit Owners, of any Unit whose Owner has elected to sell or lease such Unit, or any Unit which is to be sold at foreclosure or other judicial sale, such purchase or lease to be in accordance with the provisions of Article XII hereof.

b. In addition, a working capital fund shall be established for the initial months of Condominium operation equal to at least two (2) months' estimated common area charges for each Unit, which funds shall be collected and transferred to the Association at the time of delivery of the first Unit deed of each Unit, and which shall be maintained in a segregated account for the use and benefit of the Association. The contribution to such funds for each unsold and created Unit shall be paid to the Association within sixty (60) days after the date of the conveyance of the first Unit. The purpose of the working capital fund is to insure that there will be cash available to meet unforeseen expenditures or to acquire additional equipment or services deemed necessary or desirable by the Board of Governors. Amounts paid into the fund shall not be considered advance payment of regular assessments. In addition thereto, a separate working capital account shall be created for the sewage treatment facilities as required by DEP which funds shall be collected from each Unit Purchaser and transferred to the Association at the

time of delivery of the first Unit deed of each Unit, and which shall be maintained in a segregated account for the use and benefit of the Association.

c. The Board of Governors shall advise all Unit Owners promptly 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 Unit Owners and to their mortgagees. The Declarant will be required to pay common charges in full on any Unit owned by it. A separate statement will be provided each Unit Owner by the Association as to charges due for services provided by it on behalf of the Association, including the Unit Owner's share of the charges for services provided in the Condominium.

#### Section 2 - Payment of Common Charges

All Unit Owners shall pay the monthly and special common charges when assessed by the Board of Governors, pursuant to the provisions of the By-Laws of the Association.

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

Each assessment against a Unit shall also be the personal obligation of the Unit Owner, in accordance with the first paragraph of this Section. Subject to the provisions of Section 3 of this Article, a purchaser of a Unit shall not be liable for the payment of common charges assessed and unpaid against such Unit prior to the acquisition by him of such Unit unless assumed by him or required by applicable law and a mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit shall be subject to, but not personally liable for, a lien for unpaid common charges



assessed prior to the foreclosure sale, except as otherwise provided in Paragraph 17 of the Master Deed with respect to first mortgages.

The Board of Governors may assess a late charge of the greater of (i) \$20.00 per month or (ii) interest on the amount owed at an annual rate equal to five percent (5%) above the so-called prime rate (as published in The Wall Street Journal) up to the highest rate of interest allowed by law, if the amount due is not paid by the 10th day of each month for each month that the amount due remains unpaid. The amounts due hereunder, together with the late charges shall constitute a lien on the Unit of the Unit Owner assessed, pursuant to the provisions of the Act.

### Section 3 - Default

In the event of default by any Unit Owner in paying the common expenses, such Unit Owner shall be obligated to pay the above-described late charges, together with all expenses, including attorney's fees, incurred by the Board of Governors in any proceeding brought to collect such unpaid charges. All such unpaid charges shall constitute a lien on the Unit of such Unit Owner to the extent provided by law. The Board of Governors shall have the right and duty to attempt to recover such charges, together with late charges, and the expenses of the proceedings, including attorneys' fees, from Unit Owners who fail to pay such assessment within thirty (30) days after the due date (or within such shorter period of time as may be determined by the Board of Governors) in an action to recover the same brought against such Unit Owner, or by the foreclosure of the lien on such Unit as provided by law.

### Section 4: Tri-Plex Charges

As described in the Master Deed, the Condominium consists of Stand-Alone Units containing only one unit and buildings containing three (3) units, each unit in these buildings

being referred to as a “Tri-Plex Unit”. The owner of a Stand-Alone Units shall be known as a “Stand-Alone Unit Owner” and an owner of a Tri-Plex Unit shall be known as a “Tri-Plex Unit Owner”. The Tri-Plex Buildings have larger exterior portions of the buildings than the Stand-Along Units. The Stand-Alone Unit Owners maintain the exterior portions of their Units, and the Tri-Plex Unit Owners do not. The casualty insurance for the Tri-Plex Buildings is maintained by the Association and the casualty insurance for each Stand Alone Unit is maintained by the respective Stand Alone Unit Owners. As a result of the foregoing configurations, the buildings will have different budgetary requirements. In order to provide for these differing budgetary requirements, the Board of Governors shall be entitled to levy assessments (referred to as the “Tri-Plex Charges”), in addition to the common assessments set forth in Section 2, and not in substitution therefor, against the Tri-Plex Unit Owners based upon the budgetary requirements for the Tri-Plex Buildings. The amount of the Tri-Plex for each Tri-Plex Unit shall be determined by multiplying the Tri-Plex annual budget for all Tri-Plex Buildings by the Tri-Plex Factor set forth in Exhibit C to the Master Deed (and as hereinafter defined).

The Tri-Plex Factor for a Tri-Plex Unit shall be defined as a number (expressed as percentage) equal to the percentage interest in the common areas of such Tri-Plex Unit divided by the total percentage interest in the common areas for all Tri-Plex Units. The Tri-Plex Factor shall be reduced upon the phasing in of additional units from time to time in the same manner as a Unit’s percentage interest in the common areas and the revised Tri-Plex percentages shall be duly set forth the Amendment to the Master Deed by which such additional units are included in the Condominium.

Commencing with the date of recording of the Master Deed (or upon the recording of an Amendment thereto which subjects a Unit to the Act), each Tri-Plex Unit Owner shall be liable for the Tri-Plex Charges according to his respective Tri-Plex Factor.

At least thirty (30) days prior to the commencement of each fiscal year of this Association, the Board of Governors shall estimate the Tri-Plex Charges expected to be incurred during such fiscal year, together with a reasonable provision for contingencies and reserves, and after taking into account any undistributed common profits from prior years, shall determine the assessment to be made for such fiscal year. The Board of Governors shall promptly render statements to the Tri-Plex Unit Owners for their respective shares of such charges, and each Tri-Plex Unit Owner thereafter shall pay one-twelfth (1/12) of his share of the estimated applicable Tri-Plex Charge monthly in advance on the first day of each month. If an annual assessment is not made as above required, an assessment shall be presumed to have been made in the amount of the last prior assessment.

In the event that the Board of Governors shall determine during any fiscal year that the Tri-Plex Charge so made is less than the Tri-Plex expenses actually incurred, or in the reasonable opinion of the Board of Governors likely to be incurred, the Board of Governors shall make supplemental charges and render statements therefor in the manner aforesaid, and such statements shall be payable and take effect as aforesaid. The Board of Governors may, in their discretion, provide for payment of such supplemental charges in monthly or other installments.

The Board of Governors may assess a late charge of the greater of (i) \$20.00 per month or (ii) interest on the amount owed at an annual rate equal to five percent (5%) above the so-called prime rate (as published in The Wall Street Journal) up to the highest rate of interest

allowed by law, if the amount due is not paid by the 10th day of each month for each month that the amount due remains unpaid. The amounts due hereunder, together with the late charges shall constitute a lien on the Unit of the Unit Owner assessed, pursuant to the provisions of the Act.

The Board of Governors shall expend Tri-Plex Charges only for building envelope expenses, insurance and lawful purposes permitted hereby and by the provisions of the Act.

Section 5 – Tri-Plex Charge Default. In the event of default by any Tri-Plex Unit Owner in paying the Tri-Plex Charges as determined by the Board of Governors, such Tri-Plex Unit Owner shall be obligated to pay the above-described late charges, together with all expenses, including attorney's fees, incurred by the Board of Governors in any proceeding brought to collect such unpaid charges. All such unpaid charges shall constitute a lien on the Unit of such Unit Owner to the extent provided by law. The Board of Governors shall have the right and duty to attempt to recover such charges, together with late charges, and the expenses of the proceedings, including attorneys' fees, in an action to recover the same brought against such Tri-Plex Unit Owner, or by the foreclosure of the lien on such Unit as provided by law.

#### Section 6 - Power to Suspend Rights of Membership

In the event of default by any Unit Owner in the payment of common charges, Tri-Plex Charges, or any other amounts owed to the Association, the Board of Governors shall have the power to suspend the Unit Owner's membership rights and privileges in the Association, including the right to serve on the Board of Governors, but such suspension shall remain in effect only until such amounts as are owed are paid.

#### Section 5 - Foreclosure of Liens

In any action brought by the Board of Governors to foreclose a lien on a Unit because of unpaid common charges or Tri-Plex Charges, the Unit Owner shall be required to pay in addition to all other charges and assessments a reasonable rental for the use and occupation of his Unit, if such use continues after the foreclosure, and the plaintiff in such foreclosure action, in addition to all other rights and remedies to which it may be entitled, 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 Unit at the foreclosure sale and to acquire, hold, lease, convey, mortgage (but not to vote the share(s) appurtenant thereto) and 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 same.

#### Section 6 - Statement of Unpaid Common Charges and Priority of Lien

The Board of Governors shall promptly provide any Unit Owner requesting the same, in writing, with a written statement of all unpaid common charges and Tri-Plex Charges of such Owner in form suitable for recording and the same, when recorded with the Middlesex South District Registry of Deeds, shall operate to discharge the Unit from any other charges not included in such statement then unpaid.

a. To the extent permitted by applicable law, any lien of the Association for common expense assessments or other charges becoming payable on or after the date of recordation of the first mortgage on any Unit shall be subordinate to said mortgage. In addition, any fees, late charges, fines or interest which may be levied by the Association in connection with unpaid assessments shall be subordinate to said mortgage.

b. A lien for common expense assessments, including Tri-Plex Charges shall not be affected by any sale or transfer of a Unit, except that a sale or transfer pursuant to a foreclosure of a first mortgage shall extinguish a subordinate lien for assessments which became payable prior to such sale or transfer. Any such delinquent assessments which are so extinguished may be reallocated assessed to all Unit estates as a common expense. Any such sale or transfer pursuant to a foreclosure shall not relieve the purchaser or transferee of a Unit from liability for, nor the Unit from the lien of, any assessment made thereafter.

#### Section 7 – Maintenance

a. All maintenance and replacement of repairs to any Unit, whether structural or non-structural, ordinary or extraordinary, and to the doors and windows, electrical, plumbing, heating, air conditioning, water and sewer facilities and fixtures belonging to a Unit Owner and not part of the common areas and facilities or the areas concerning which easements have been conveyed to the Association, shall be done by the Unit Owner and at the Unit Owner's expense, except as otherwise specifically provided herein, unless otherwise set forth in the Master Deed; provided that all repair, replacement, painting or decorating of the exterior of any Triplex Unit, shall be done by the Association, or its appointee, as a Tri-Plex Charge, except to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit 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 Unit Owner, in which case such expense shall be charged to such Unit Owner in the same manner as a common charge and enforceable in the same manner as a common charge.

#### Section 8 - Restrictions

a. No nuisances shall be allowed in the Condominium, nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful enjoyment of the Condominium.

b. No immoral, improper, offensive or unlawful use shall be made of the condominium or any part thereof and all laws, zoning by-laws, ordinances and regulations of all governmental bodies having jurisdiction thereover shall be observed.

c. Signs - No signs, plaques or communication of any description shall be placed on the exterior of any Unit or any common area or facility by a Unit Owner or his agent.

#### Section 9 - Improvement Restriction

a. No improvements, additions, alterations or other work which in any way alters the exterior appearance or structure of any Unit from its natural or improved state existing on the date such Unit was first conveyed in fee by the Declarant shall be made or done, except as provided in the Master Deed and herein.

b. The Board of Governors may authorize that Units in common ownership be connected for the purpose of single occupancy and that for such purposes cuts be made in common walls or floors; provided, always, that the owners of the Units permitted so to combine them shall do any work in connecting Units at such owners' expense and only in the manner prescribed by the Board of Governors. Any such authorization shall be valid only if in writing signed by a

majority of the Board of Governors then in office and shall become void unless the work to connect the Units shall be commenced within six (6) months after the date of authorization and shall be completed within a reasonable time thereafter. At such time as connected Units are no longer to be common ownership, the owners of such Units shall promptly restore the common walls and/or floors between the Units at their expense and upon failure to do so, the Board of Governors may perform or cause to be performed such work, in which event such Unit Owners shall be personally liable to the Association for the cost of the work which, if not paid when demanded, shall constitute a lien on the Units in question in proportion to their respective common interests. Such lien shall be valid notwithstanding any conveyance of the Units, or any of them, out of ownership prior to demand or any filing in the Middlesex South District Registry of Deeds to enforce the lien.

c. The Board of Governors may authorize that exclusive use of one or more common areas be assigned to one or more Units for such time and on such conditions as the Board of Governors may determine, provided such use does not interfere with the use and enjoyment of any other Unit, which conditions may, without limitation, include a requirement that the Unit Owners so benefitted pay, as additional common expenses, such costs of said common areas as the Board of Governors from time to time may determine. The failure of the Board of Governors granting said exclusive use to require payment of any such costs as a condition of such exclusive use shall not preclude those Board of Governors, or any successor Governors, from imposing reasonable additional common expenses for the exclusive use of said common areas. Unless otherwise provided in writing signed by a majority of the Board of Governors and recorded with the Middlesex South District Registry of Deeds, such rights of exclusive use of common areas shall



be personal to the Unit Owners to whom granted and shall terminate when such Unit Owners no longer own the Units so benefitted.

#### Section 10 - Cost Allotment of Improvements

a. If fifty (50%) percent or more, but less than seventy-five (75%) percent of the Unit 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 Unit Owners so agreeing.

b. Seventy-five (75%) percent or more of the Unit Owners may agree to make an improvement to the common areas and facilities or to 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 (10%) percent of the then total value of the Condominium, any Unit Owner not so agreeing may apply to the Middlesex Superior Court, on such notice to the Board of Governors as the Court shall direct, for an order directing the purchase of his Unit(s) 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 Unit Owner shall grant a right of access to his Unit(s) to the Association and/or any other person authorized by the Board of Governors for the purpose of making inspections or for the purpose of correcting any conditions originating in his Unit and threatening another Unit or a common area or facility, or for the purpose of performing installations, alterations or repairs to

the parts of the Condominium over which said person(s) has (have) 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 Unit Owner. In an emergency, such right of entry shall be immediate, whether the Unit Owner is present or not.

#### Section 12 - Rules and Regulations of the Association

The use of the Units and 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 Villages at Stow Condominium Rules and Regulations and copies of such Rules and Regulations shall be made available to each Unit Owner prior to their effective date.

#### Section 13 - Right of Action

The Board of Governors, on behalf of the Association and any aggrieved Unit Owner, shall have the appropriate right of action against Unit Owners for failure to comply with the provisions of the Master Deed, By-Laws and Rules and Regulations of the Condominium. Unit Owners shall have similar rights of action against the Board of Governors.

#### Section 14 - Ingress and Egress of Unit Owners

There shall be no restrictions upon any Unit Owner's right of ingress and egress to his or her Unit, which right shall be perpetual and appurtenant to the Unit ownership.

### **ARTICLE IX – INSURANCE**

#### ARTICLE 1 – CASUALTY INSURANCE

a. The Board of Governors shall obtain and maintain, to the extent available at reasonable cost, master policies of casualty and physical damage insurance for the benefit and

protection of the Board of Governors and all of the Unit Owners, naming as the named insureds, as with loss proceeds payable to the Board of Governors hereunder, as Insurance Trustees for all of the Unit Owners collectively of the Condominium and their respective mortgagees, as their interests may appear, pursuant to such condominium form of insurance as may from time to time be customarily used in Massachusetts. As to Tri-Plex Units, such insurance shall cover the Tri-Plex buildings and all other insurable improvements forming part of the Common Elements, including all service machinery, apparatus, equipment, and installations in the Common Elements, and including also all such portions and elements of the Tri-Plex Units for which the Tri-Plex Unit Owners are responsible, but not including the furniture, furnishings, or other personal property of the Tri-Plex Unit Owners and also not including those portions of the Condominium reserved for the exclusive use by any Stand Alone Unit Owner. As to Stand Alone Units, such insurance shall cover all insurable improvements of the Common Elements, excluding all Stand Alone Units and those portions of the Condominium reserved for the exclusive use by any Stand Alone Unit Owner which shall be maintained by each Stand Alone Unit Owner. Such insurance shall, insofar as practicable, be maintained in an amount not less than one hundred percent (100%) of the replacement value of the insured property for insurance purposes as determined by the Board of Governors at least annually and shall insure against:

- i. Loss or damage by fire and other hazards covered by the standard extended coverage endorsement and, if applicable, insurance to meet flood insurance requirements; and
- ii. Such other hazards or risks as the Board of Governors from time to time in their discretion shall determine to be appropriate, including but not limited to vandalism,

malicious mischief, windstorm and water damage, federal flood hazards, so-called, and boiler and machinery explosion or damage. Such insurance may have a deductible amount to be determined from time to time by the Board of Governors.

## SECTION 2 – POLICY REQUIREMENTS.

a. Such policy shall contain the standard mortgagee clause commonly accepted by private institutional mortgage investors in the area in which the Condominium is located, which shall be endorsed to provide that any proceeds shall be paid to the Board of Governors for the use and benefit of mortgagees as their interests may appear. Agreed amount, inflation guard and construction code endorsements are required, if available.

b. Policies for such casualty insurance shall provide as far as practical, that:

i. The Insurer waives any right of subrogation against the Association, the Board of Governors, their agents and employees, Unit Owners, their respective employees, agents, tenants and guests;

ii. The insurance shall not be prejudiced by any act or neglect of any Unit Owners or occupants or any other person or firm (including employees and agents of the Association) when such act or neglect is not within the control of the Board of Governors and the Association (or Unit Owners collectively) or by failure of the Board of Governors and the Association (or Unit Owners collectively) to comply with any warranty or condition with regard to any portion of the premises over which the Board of Governors and the Association (or Unit Owners collectively) have no control;

- iii. That such policies may not be canceled or reduced without at least thirty (30) days prior written notice to the Board of Governors, all Unit Owners, and the first mortgagees of the Units;
- iv. The Insurer shall not be entitled to contribution as against any insurance obtained by individual Unit Owners covering their own Units;
- v. If available, that the Insurer shall waive any right it may have under the policy to repair or restore damage should the Unit Owners elect to terminate the Condominium because of such damage;
- vi. That, notwithstanding any provisions hereof which give the Insurer the right to elect to restore damage in lieu of making a cash settlement, such election may not be exercisable without the approval of the Board of Governors and may not be exercisable if in conflict with the terms of the Act, the Master Deed, or these By-Laws;
- vii. For waivers of any defense based upon the conduct of any insured; and
- viii. For recognition of any Insurance Trust Agreement.

SECTION 3 – CERTIFICATES OF INSURANCE. Certificates of insurance, with proper mortgagee endorsements, when requested, shall be issued to the Owners of each Unit.

SECTION 4 – UNIT OWNER IMPROVEMENTS. Each Unit Owner shall have the duty to promptly report to the Board of Governors any improvements made by the Unit Owner to his Unit so that the Board of Governors may obtain necessary additional insurance coverage as required by these By-Laws, and the Unit Owner shall pay the cost of the additional insurance, if any, resulting from said improvements. In the event of a casualty loss, if the cost of repair and

restoration of the Condominium exceeds the available insurance proceeds and such excess is the result of a lack of insurance coverage caused by the failure of a Unit Owner to notify the Board of Governors of improvements made by him to his Unit, as provided in the preceding sentence, the excess cost resulting from such failure shall be borne solely by the Unit Owners so failing to report the same. The extent to which the cost in excess of insurance proceeds is attributable to a Unit Owner failing to report improvements as aforesaid shall be determined by the Board of Governors.

SECTION 5 – INSURANCE TRUSTEE; APPLICATION. The Board of Governors hereunder designated as Insurance Trustee or Trustees as aforesaid shall collect and receive all casualty loss insurance proceeds and shall hold, sue, apply and disburse the same in accordance with applicable provisions of this Article.

With respect to losses which affect portions or elements covered by such insurance of a Unit, or of more than one Unit to substantially the same or to different extents, the proceeds relating thereto shall be used, applied and disbursed by the Board of Governors in a fair and equitable manner.

SECTION 6 – LIABILITY INSURANCE. The Board of Governors shall obtain and maintain, to the extent obtainable and permitted by applicable law, a comprehensive policy of public liability insurance in such limits as the Board of Governors may, from time to time determine, but at least in the amount of \$1,000,000.00 per occurrence for personal injury and/or property damage covering the Association, each Governor, the managing agent, the manager and each Unit Owner with respect to liability arising out of ownership, maintenance or repair of those portions of the Condominium not reserved for exclusive use by the Owner or Owners of a single

Unit, such insurance to provide for cross claims by the co-insureds. Such insurance policy shall contain a “severability of interest” endorsement which shall preclude the Insurer from denying the claim of a Unit Owner because of negligent acts of the Board of Governors or other Unit Owners. Coverage shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the Common Elements and legal liability arising out of law suits related to employment contracts of the Association.

SECTION 7 – WORKERS COMPENSATION, OTHER INSURANCE. The Board of Governors shall also obtain and maintain, to the extent obtainable and permitted by applicable law, workmen’s compensation and employees’ liability with respect to any manager, agent, or employee of the Association, but excluding any independent agent or manager, and such other risks as the Board of Governors in their discretion deem it appropriate to insure. All such insurance shall be in such amounts and forms as the Board of Governors shall in their discretion deem appropriate, and shall insofar as practicable, contain provisions as above set forth with respect to noncancellation, waiver or subrogation, waiver of defense based on conduct of any insured, and noncontribution.

SECTION 8 – OTHER REQUIREMENTS. The cost of all insurance obtained and maintained by the Board of Governors pursuant to provisions of this Section shall be a common expense. To the extent a policy of builder’s risk insurance must be maintained in respect of all or a portion of the Buildings (as defined in the Master Deed) after the same are included in the Condominium, the premium on account thereof allocable to the period of time following inclusion of such Building(s) in the Condominium shall also be treated as a common expense.

The Board of Governors shall comply with all applicable insurance and bonding requirements of the FNMA and FHLMC as promulgated from time to time.

The Board of Governors shall review insurance coverage at least annually in order to ascertain the adequacy of such coverage.

The Board of Governors shall determine the size of any deductible and shall determine the responsibility for funding the deductible in a fair and equitable manner as to each loss.

SECTION 9 – UNIT OWNER INSURANCE REQUIREMENTS.

a. Each Stand-Alone Unit Owner shall have the duty and obligation to procure and maintain full replacement cost fire and casualty coverage insurance on his or her Unit, and those portions of the Condominium Common Elements reserved for the exclusive use of such Unit Owner. Such coverage shall also include replacement coverage on all insurable improvements forming part of such Unit and all service machinery, apparatus, equipment, and installations in the Common Elements which exclusively serve such Unit. Such policy shall name the Association as additional insureds. Each year, all Stand-Alone Unit Owners shall provide the Board of Governors evidence of the foregoing coverage and payment of all premiums in connection therewith. If any Stand-Alone Unit Owner fails to obtain or maintain the required insurance provided for herein, the Board of Governors shall obtain such insurance of the Unit Owners behalf and charge such Unit Owner for the costs thereof, and the Unit Owner shall be liable for such costs as a part of and in addition to such Unit Owner's share of Common Expenses. Until such charges are paid by such Unit Owner, the same shall constitute a lien against the Unit pursuant to the provisions of these By-Laws, the Master Deed and the Act.

b. Each Unit Owner may obtain additional insurance for his own benefit at his own



expense. No such policy shall be written so as to decrease the coverage provided under any of the policies obtained by the Board of Governors pursuant to this Section above, and each Unit Owner hereby assigns to the Board of Governors the proceeds of any such policy to the extent that any such policy does in fact result in a decrease in such coverage, said proceeds to be applied pursuant to the terms of this Section as if produced by such coverage. Copies of all such policies (except policies covering only personal property of individual Unit Owners) shall be filed with the Board of Governors.

SECTION 10 – REBUILDING AND RESTORATION; CONDEMNATION.

In the event of any casualty loss to the Condominium, the Board of Governors shall determine in their reasonable discretion whether or not such loss exceeds ten percent (10%) of the value of the Condominium immediately prior to the casualty, and shall notify all Unit Owners of such determination. If such loss as so determined does not exceed ten percent (10%) of such value, the Board of Governors shall (without notice to the Unit Owners), proceed with the necessary repairs, rebuilding or restoration in the manner provided in the Act.

If said casualty loss exceeds ten percent (10%) of the value of the Condominium prior to the casualty, and:

- a. If seventy-five percent (75%) in interest of the Unit Owners (or such other percentage as may be subsequently be required by the Act) do not agree by execution of written authorizations furnished to the Board of Governors within 120 days after the date of the casualty to proceed with the repair or restoration, the Condominium, including all Units, shall be subject to partition at the suit of any Unit Owner. Such suit shall be subject to dismissal at any time prior to entry of an order to sell if an appropriate

agreement to rebuild is filed. The net proceeds of a partition sale, together with any common funds including the proceeds of any insurance, shall be divided in proportion to the Unit Owner's respective undivided ownership in the Common Elements. Upon such sale, the Condominium shall be deemed removed from the provisions of the Act (subject to the Approval of the Massachusetts Department of Environmental Protection); or

b. If seventy-five percent (75%) in interest of the Unit Owners (or such other percentage as may subsequently be required by the Act agree to proceed with the necessary repair or restoration, the cost of rebuilding the Condominium, in excess of any available common funds including the proceeds of any insurance, shall be a common expense, provided, however that if such excess cost exceeds ten percent (10%) of the value of the Condominium prior to the casualty, any Unit Owner who did not so agree may apply to the Superior Court of Middlesex County on such notice to the Association as the Court shall direct, for an order directing the purchase of his Unit by the Association at the fair market value thereof as approved by the Court. The cost of any such purchase shall be a common expense.

The Board of Governors as agents for the Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Elements, or part thereof. Each Unit Owner appoints the Board of Governors as attorney-in-fact for such purpose.

In the event of a taking or acquisition of part or all of the Common Elements by a condemning authority, the award or proceeds of settlement shall be payable to the Board of

Governors for the use and benefit of the Unit Owners and their mortgagees as their interest may appear.

#### Section 11 - 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 a particular Unit 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 Unit Owners and the holders of first mortgages encumbering fifty-one (51%) percent of the Units subject to mortgages, which approvals shall not be unreasonably withheld.

#### Section 12 - Certificates

The insurance trustee may rely on the following certifications:

a. By the Board of Governors - The Board of Governors shall certify to the insurance trustee, in writing, as to the following matters:

1. Whether or not damage or destroyed property is to be repaired or restored
2. Whether or not, in the opinion of the Board of Governors, the cost of repair or restoration may exceed Twenty-Five Thousand and No/100 (\$25,000.00) Dollars.
3. The amount or amounts to be paid for repairs or restoration and the names and addresses of the parties to whom such amounts are to be paid.

b. By Attorneys - The Board of Governors shall furnish the insurance trustee, in the event that any payments are to be made to a Unit Owner of mortgagee(s), with an Attorney's Certificate of Title based upon a search of the land records from the date of the recording of the original Master Deed, stating the name of the Unit Owner and the mortgagees.

## **ARTICLE XI - MORTGAGES**

### Section 1 - Notice to Board of Governors

A Unit Owner who mortgages his Unit shall notify the Board of Governors of the name and address of the mortgagee, and such notice may be given by the mortgagee. The Board of Governors shall maintain a current list of such information and a mortgagee shall remain on such list until the Board of Governors receives written notice from such mortgagee to the contrary or a copy of the discharge of mortgage.

### Section 2 - Listed Mortgagee

As used in these By-Laws, "listed mortgagee" shall mean a lender holding a first mortgage of record on a Unit of which the Unit Owner or mortgagee affected has given the notice required in Section 1 of this Article. Such mortgage 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 unit, shall promptly report any then unpaid common charges due from, or any violation of the provisions of the Master Deed or these By-Laws by the Unit Owner of the mortgaged Unit which has not been cured within sixty (60) days.

#### Section 4 - Notice of Default

The Board of Governors, when giving notice to a Unit Owner of a default for nonpayment of common expenses or any other default or violation, shall send a copy of such notice to each mortgagee of the Unit whose name and address has theretofore been furnished to the Board of Governors.

#### Section 5 - Examination of Books

Each mortgagee of a Unit shall be permitted to examine the books, accounts and records of the Association at reasonable times on business days.

#### Section 6 - Notice of Loss

The Board of Governors shall give each first mortgage of which they shall have a record, pursuant to Section 1 of this Article, notice whenever there is (a) damage to a mortgaged Unit in excess of One Thousand and No/100 (\$1,000.00) Dollars (notice to the mortgagee of the damaged Unit) or (b) damage to common areas and facilities in excess of Ten Thousand and No/100 (\$10,000.00) Dollars (notice to all mortgagees).

### **ARTICLE XII - SALE OF UNITS**

#### Section 1 - Appurtenant Interest

No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit, without including therein the appurtenant interest. For the purposes of this Section, "appurtenant interest" shall include, in addition to those appurtenances described in the Master Deed, and those in the By-Laws of the Association, the following:

a. such Unit Owner's undivided interest in the common areas and facilities and the rights in areas concerning which easements have been conveyed to the Association;

- b. membership in the Association;
- c. the interest of such Unit Owner in any other assets of the Association.

Any deed, mortgage or other instrument purporting to affect a Unit shall be deemed and taken to include the appurtenant interest, whether or not such interests are specifically included therein. No part of the appurtenant interest of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interest is appurtenant or as part of a sale, transfer or other disposition of such part of the appurtenant interest of all Units in the Condominium.

#### Section 2 - Waiver of Rights of Partition

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

#### ARTICLE XIII - 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 (66 2/3%) percent (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.

#### ARTICLE XIV - CONFLICTS

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

#### ARTICLE XV - 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.

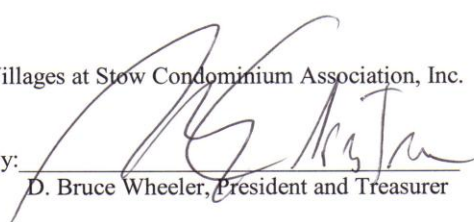
Section 3 - Waiver

No restriction, condition, obligations 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.

Duly adopted by the Villages at Stow Condominium Association, Inc., this 24<sup>th</sup> day of October, 2006

Villages at Stow Condominium Association, Inc.

By:



D. Bruce Wheeler, President and Treasurer