

BY-LAWS OF  
THE LOFTS AT EAGLE SQUARE ASSOCIATION

ARTICLE I  
DEFINITIONS

These By-Laws shall be referred to as the "By-Laws" of THE LOFTS AT EAGLE SQUARE ASSOCIATION. The other terms used in these By-Laws shall have the same definition and meaning as those set forth in the Declaration for the Condominium of THE LOFTS AT EAGLE SQUARE, unless herein provided to the contrary, or unless the context otherwise requires. The acceptance of a deed, entering into a lease, or the act of occupancy of a Unit within the Condominium shall conclusively constitute acceptance and ratification of these By-Laws, the Rules and Regulations, and the provisions of the Declaration, as the same may be amended from time to time, by the person or persons so acquiring, leasing, or occupying a Unit, and shall constitute an agreement by such person to comply with the same.

ARTICLE II  
LOCATION  
PURPOSE AND POWERS

Section 1. The principal office of the Association shall be located at:  
220 Elm Street  
New Canaan, CT. 06840

Section 2. The purpose for which the Association is organized is to be a condominium association within the meaning of the Act, and in turn for the purpose of operating, administering and managing the property and affairs of the Condominium, to wit: THE LOFTS AT EAGLE SQUARE CONDOMINIUM, and to exercise all powers granted to it as an unincorporated association under the laws of the State of Rhode Island, these By-Laws, and the Declaration of Condominium to which these By-Laws are attached, and further to exercise all powers granted to a condominium association under the Act, and to acquire, hold, convey and otherwise deal in and with real and personal property in its capacity as a condominium association. These By-Laws shall be governed by the laws of the State of Rhode Island, and more specifically by R.I.G.L. § 34-36.1-1, et seq. (the "Condominium Act"), and in the event of any conflict, the provisions of the Act shall apply.

Section 3. The Association shall have all power granted to it by law, the Declaration and the Act.

Section 4. The Executive Board shall have the powers and duties necessary for the administration of the affairs of the Condominium and may take all actions, through the proper officers of the Association, in executing such powers, except such acts which by law, the Declaration or these By-Laws may not be delegated to the Executive Board by the Unit Owners. Such powers and duties which may be taken by the Executive Board shall include, without limitation (except as limited elsewhere herein) the following:

(a) Operating and maintaining the Common Elements, and to transact all business and exercise all powers incidental thereto.

(b) Determining the expenses required for the operation of the Condominium and the Association.

(c) Collecting the Assessments and Special Assessments and fees for Common Expenses from Unit Owners.

(d) Adopting and amending rules and regulations concerning the details of the operation and use of the Condominium Property, subject to a right of the Unit Owners to overrule the Board as provided herein.

(e) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.

(f) Purchasing and otherwise acquiring Units or other property in the name of the Association, or its designee (which may be a corporation or other entity organized for such purpose), either by private contract, foreclosure, judicial sale, or otherwise, and selling, leasing, mortgaging, or otherwise dealing with such Units.

(g) Obtaining insurance for the Condominium Property.

(h) Making repairs, additions and improvements to, or alterations of, the Condominium Property, and repairs to and restoration of the Condominium Property, in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(i) Enforcing obligations of the Unit owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Condominium.

(j) Levying fines against the Unit Owners for violations of the Rules and Regulations established by the Association to govern the conduct of the Unit Owners.

(k) Borrowing money on behalf of the Association when required in connection with the operation, care, upkeep and maintenance of the Common Elements or Condominium Property or the acquisition of property, and granting mortgages and/or security interests on Association property; provided, however, that the consent of the Owners of at least two-thirds (2/3rds) of the Units represented at a meeting at which a quorum has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum in excess of Ten Thousand Dollars (\$10,000.00). If any sum borrowed by the Executive Board on behalf of the Association pursuant to the authority contained in this subparagraph is not repaid by the Association, a Unit owner who pays to the creditor such portion thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against, or will affect, the Unit Owner's Unit.

(l) Contracting for the management of the Condominium and delegating to such manager such powers and duties of the Executive Board as the Board may deem appropriate in the circumstances, except those which may be required by the Declaration and these By-Laws to be approved by the members of the Association; contracting for the management or operation of portions of the Condominium property susceptible to separate management or operation; and granting concessions for the purpose of providing services to the Unit Owners. In exercising this power, the

Association may contract with affiliates of itself and the Declarant.

(m) Exercising all powers specifically set forth in the Declaration, these By-Laws, and in the Act, and all powers incidental thereto, and all other powers of a Rhode Island unincorporated association.

(n) Acting on behalf of the Condominium at all meetings of the Association of Eagle Square Commons, the Master Condominium, pursuant to the provisions of Section E of the Declaration. The Executive Board may delegate one or more Directors from time to time to attend any meeting of the condominium association of the Master Condominium and to vote as the Executive Board may direct on behalf of the Association on any matter which might come before such association.

### ARTICLE III MEMBERSHIP

Section 1. Every person who is a record owner of a fee or undivided fee interest in any Unit which is a part of the Condominium shall be a member of the Association; provided, however, no person who holds an interest in a Unit merely as security for the performance of an obligation shall be deemed to be a member of the Association; and provided, further, that no Unit shall have more than one certificate of beneficial interest associated with it, whether or not it shall be owned by one or more persons. Ownership of a Unit shall be the sole qualification for being a member of the Association, and membership shall be appurtenant to and may not be separated from ownership of a Unit.

Section 2. The rights of membership are subject to payment of annual and special assessments or fees levied by the Association, the obligation of which assessment is imposed against each Owner of, and becomes a lien upon, the Unit against which such assessments or fees are made, as provided in Article L.2. of the Declaration.

### ARTICLE IV EXECUTIVE BOARD

Section 1. There shall be not less than (3) members of the Executive Board of the Association who shall be elected annually at the annual meeting of the Members and all of whom shall be Unit Owners.

(a) Election of members of the Executive Board shall be held at the annual members' meeting, except as provided herein to the contrary.

(b) Nominations for the election to the Board shall be made by a nominating committee appointed by the Board, or nominations may be made from the floor.

(c) Nominations for directors and additional directorships created at the meeting may be made from the floor.

(d) The election shall be by written ballot (unless dispensed with by majority consent of the Units represented at the meetings) and by a plurality of the votes cast each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

(e) Except as to vacancies resulting from removal of directors by members, vacancies in the Executive Board occurring between annual meetings of members shall be filled by the remaining directors provided that all vacancies in the Executive

Board to which directors were appointed by the Declarant pursuant to the provisions of subdivision (f) hereof shall be filled by the Declarant without the necessity of any meeting.

(f) Any director may be removed by concurrence of two-thirds (2/3rds) of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the Executive Board so created shall be filled by the members of the Association at the same meeting, unless such director was appointed by the Declarant, in which case the Declarant shall appoint another director without the necessity of any meeting.

(g) Provided, however, that until a majority of the Directors are elected by the members other than the Declarant of the Condominium, neither the first Directors of the Association, nor any Directors replacing them, nor any Directors named by the Declarant, shall be subject to removal by members other than the Declarant. The first Directors and Directors replacing them may be removed and replaced by the Declarant without the necessity of any meeting.

Section 2. A meeting of the duly elected Executive Board, for the purpose of organization, shall be held immediately after the annual meeting of Members, provided the majority of the members of the Board elected are present. If the majority of the members of the Board elected shall fail to elect officers, the meeting of the Board to elect officers shall then be held within thirty (30) days after the annual meeting of Members upon three (3) days notice in writing to each member of the Board elected, stating the time, place and object of such meeting.

Section 3. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone, facsimile or e-mail and shall be transmitted at least three (3) days prior to the meeting. Regular meetings of the Executive Board shall be open to all Unit Owners and notice of such meeting shall be posted conspicuously on the Condominium Property at least forty eight (48) hours in advance for the attention of the members of the Association, except in the event of an emergency, and in that event, Unit Owners need not be noticed.

Section 4. Special meetings of the Board may be called at any time by the President or by any two (2) members of the Board and may be held *at a designated location* at a time specified.

Section 5. Notice of each special meeting of the Board, stating the time, place and purpose or purposes thereof, shall be given by or on behalf of the President or by or on behalf of the Secretary or by or on behalf of any two members of the Board to each member of the Board not less than three (3) days by mail or one (1) day by telephone, facsimile or e-mail prior to the meeting. Special meetings of the Board may also be held at any place and time without notice by unanimous waiver of notice by all the Directors.

Section 6. Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by said Director of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, except when his attendance is for the express purposes of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

Section 7. A quorum at Directors' meetings shall consist of a majority of the entire Board. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board, except when approval by a greater number of Directors is specifically required by the Declaration, the Articles or these By-Laws.

Section 8. If, at any proposed meeting of the Board, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notices.

Section 9. The participation of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of that Director for the purpose of determining a quorum.

Section 10. The presiding officer of the Directors' meetings shall be the Chairman of the Board, if such an officer has been elected, and if none, the President shall preside (or may designate any other person to preside). In the absence of the presiding officer, the Directors present may designate any person to preside.

Section 11. No Director shall receive compensation for any service rendered to the Association

Section 12. Notwithstanding anything to the contrary contained in Article IV or otherwise:

(a) the Declarant and any successor Declarant designated in writing by the Declarant as a successor Declarant shall have the right for the periods of time hereinafter provided to appoint or direct that there be elected specific directors of the Association and they be non Unit Owners.

(i) Until such time that Declarant shall have sold and closed the sale of at least twenty-five (25 %) percent of the Units to persons other than a successor Declarant, the Declarant may appoint or direct that there be elected all members of the Executive Board.

(ii) Not later than sixty (60) days after the conveyance of thirty-three (33%) percent of the Units to owners other than the Declarant at least one (1) member of the Board must be elected by Unit Owners other than the Declarant. Not later than sixty (60) days after the conveyance of sixty-six (66%) percent of the units to Unit Owners other than the Declarant, at least two members of the Board must be elected by Unit Owners other than the Declarant).

Not later than the termination of any period of Declarant control, the Unit Owners shall elect the Executive Board.

(b) Within sixty (60) days after Unit Owners other than the Declarant or a successor are entitled to elect or appoint a member or members of the Executive Board, the Association shall call, and give not less than thirty (30) days' nor more than forty (40) days' notice of, a meeting of the Owners for this purpose. The meeting may be called and the notice given by an owner if the Association fails to do so.

(c) Within a reasonable time after Unit Owners other than the Declarant elect a majority of the members of the Executive Board of the Association (but not more

than sixty (60) days after such event), the Declarant shall relinquish control of the Association and shall deliver to the Association all property of the Unit Owners and of the Association held by or controlled by the Declarant, including but not limited to, the following items, if applicable:

(i) The original or a photocopy of the recorded Declaration of Condominium for the Condominium operated by the Association, and all amendments thereto. If a photocopy is provided, the Declarant must certify by affidavit that it is a complete copy of the actual recorded Declaration;

(ii) A certified copy of the Articles of the Association, if any;

(iii) A copy of the By-Laws of the Association;

(iv) The Minute Books, including all minutes, and other books and records of the Association, if any;

(v) Any Rules and Regulations which have been promulgated;

(vi) Resignations of officers and Board members who were appointed by the Declarant who are required to resign because the Declarant is required to relinquish control of the Association;

(vii) An audit and accounting, which need not be certified, for all Association Funds, performed by an auditor independent of the Declarant including capital accounts, reserve accumulations in accordance with law, if applicable and contributions.

(viii) Association Funds or the control thereof;

(ix) All tangible personal property that is the property of the Association or is or was represented by the Declarant to be part of the Common Elements or is ostensibly part of the Common Elements, and an inventory of such property;

(x) Insurance policies;

(xi) Copies of any Certificates of occupancy which may have been issued for the Condominium Property;

(xii) Any other permits issued by governmental bodies applicable to the Condominium Property in force or issued within one (1) year prior to the date the Unit Owners take control of the Association;

(xiii) All written warranties of contractors, subcontractors, suppliers, and manufacturers, if any, that are still effective;

(xiv) A roster of Unit Owners and their addresses and telephone numbers, if known, as shown on the Developers records;

(xv) Leases of the Common Elements and other Leases to which the Association is a party, if applicable;

(xvi) Employment contracts or service contracts in which the Association is one of the contracting parties, or service contracts in which the Association or Unit Owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person or persons performing the service; and

(xvii) All other contracts to which the Association is a party.

(d) The Declarant may waive or relinquish in whole or in part any of its rights to appoint or elect one or more of the Directors it is entitled to appoint or elect.

(e) This Article IV, Section 12 shall not be modified or amended without the consent of the Declarant or, in the appropriate case, a successor Declarant, so long as the Declarant or successor Declarant shall in accordance with the terms of this Section have the right to appoint or cause to be elected any Directors.

Section 13. The members of the Executive Board and the officers of the Association shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct or bad faith. The Unit Owners shall hold harmless each of the Officers and Directors from and against all contractual liability to others arising out of contracts made by the Officers and Directors on behalf of the Unit Owners unless such contract shall have been made in bad faith or contrary to the provisions of the Declaration or the By-Laws. It is intended that the Officers and Directors shall have no personal liability with respect to any contract made by them on behalf of the Unit Owners, and that the liability of any Unit Owner arising out of any contract made by the Officers or Directors, or on the aforesaid indemnity granted to the Officers and Directors, shall be limited to such proportion of the total liability thereunder as such Unit Owner's percentage interest bears to the total percentage interests of all Unit Owners.

ARTICLE V  
OFFICERS

Section 1. All officers shall be elected annually by a majority of the Directors at the organizational meeting of each new Board, and shall hold office at the pleasure of the Board. The President and Vice-President shall be members of the Board, and all other officers may be, but are not required to be, members of the Board. All officers shall be Unit Owners. Any officer may be removed at any time by the affirmative vote of a majority of the Board at any duly called regular or special meeting of the Board. A vacancy in any office shall be filled by the Board at its next regular or special meeting.

Section 2. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Members of the Association and of the Board. He shall have the general powers and duties of supervision and management of the Association which usually pertain to his office, and shall perform all such duties as are properly required of him by the Board.

Section 3. The Board may elect a Vice President, who shall have such powers and perform such duties as usually pertain to such office or as are properly required of him by the Board. In the absence or disability of the President, the Vice President shall perform the duties and exercise the powers of the President.

Section 4. The Secretary shall issue notice of all meetings of the Membership of the Association and the Directors where notices of such meetings are required by law or in these By-Laws. He shall keep the minutes of the meetings of the Membership and of the Executive Board.

Section 5. The Treasurer shall have the care and custody of all the monies and securities of the Association. He shall enter on the books of the Association, to be kept by him for that purpose full and accurate accounts of all monies received by him and paid by him on account of the Association. He shall sign such instruments as require his signature and shall perform all such duties as usually pertain to his office or as are properly

required of him by the Executive Board.

ARTICLE VI  
VACANCY

Section 1. Any Director or Officer of the *Association* may resign at any time by written instrument. Resignations shall take effect at the time specified therein, and if no time is specified, at the time of receipt by the President or Secretary of the Association. The acceptance of a resignation shall not be necessary to make it effective.

Section 2. When a vacancy occurs on the Board, the vacancy shall be filled by the remaining members of the Board at their next meeting, by electing a person who shall serve until the next annual meeting of members.

Section 3. When a vacancy occurs in an office for any cause before an Officer's term has expired, the office shall be filled by the Board at its next meeting by electing a person to serve for the unexpired term or until a successor has been elected by the Board and shall qualify.

Section 4. A majority of members of the Association present at any regular meeting or special meeting duly called at least in part for that purpose and at which a quorum is present may remove any Director or Officer for cause affecting his ability or fitness to perform his duties; provided, however, if any Director or Officer appointed by the Declarant is so removed the Declarant may replace said Director or Officer.

Section 5. Officers and Directors of the Association shall be indemnified to the full extent provided by Rhode Island law and in the Articles of Association.

Section 6. Any resignation of an Officer or Director that was appointed by the Declarant, shall be replaced by the Declarant's appointee unless the resignation is for the explicit purpose of giving the Unit Owners more seats.

ARTICLE VII  
MEETINGS OF UNIT OWNERS

Section 1. The regular annual meeting of the Unit Owners shall be held in each year on the first Tuesday in \_\_\_\_\_, commencing in 2004, at such time and place as shall be determined by the Board.

Section 2. Special meetings of the Unit Owners for any purpose may be called at any time by the President, the Vice President, the Secretary or Treasurer, or upon written request of two or more of the Unit Owners who have a right to vote twenty (20%) percent of all the votes of the entire membership.

Section 3. Notice shall be given to the Unit Owners by sending a copy of the notice by regular mail, postage prepaid, to the addresses appearing on the records of the Association. Each member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special, shall be mailed and shall be posted in a conspicuous place on the Condominium Property not less than ten (10) nor more than forty (40) days, in advance of the meeting and shall set forth the general nature of the business to be transacted; provided, however, that if any business of any meeting shall involve any action governed by the Articles of Association, notice of such meeting shall be given or sent as therein.



Section 4. The presence in person or by proxy at the meeting of Members entitled to cast not less than fifty per cent (50%) of the votes shall constitute a quorum for any action governed by these By-Laws.

Section 5. Any member may give to another person (but not to a tenant) a proxy vote on behalf of the absent Member at any meeting. Such proxy shall be in writing, shall be signed by the absent Member and filed with the Association prior to or at the meeting. The proxy shall be effective only for the specific meeting for which it is originally given. It will be revocable with notice at the pleasure of the Unit Owner executing it.

Section 6. Except as provided in Section 7 hereof,

(a) a Unit Owner shall be entitled to cast one (1) vote for each Unit owned in any meeting of the Unit Owners. The vote of a Unit shall not be divisible.

(b) The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all Unit Owners for all purposes except where otherwise provided by law, the Declaration, the Articles of Association or these By-Laws. As used in these By-Laws, the Articles of Association or Declaration, the terms "majority of the Unit Owners" and "majority of the Members" shall mean those Unit Owners having not less than fifty (50%) of the then total authorized votes present in person or by proxy and voting at any meeting of the Unit Owners at which a quorum shall have been attained.

(c) If a Unit is owned by one person, his right to vote shall be established by the roster of Members. If a Unit is owned by more than one person, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record owners of the Unit according to the roster of Owners and filed with the Association. If a Unit is owned by a corporation, the person (who must be a director, officer or employee of the corporation) entitled to cast the vote for the Unit shall be designated by a certificate signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Association. That certificate shall be valid until revoked or until superseded by subsequent certificates or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote for a Unit may be revoked by the Owner. If a certificate designating the person entitled to cast the vote for a Unit is not on file or has been revoked, the vote of the Owners shall not be considered in determining whether a quorum is present nor for any other purpose, except if the Unit is owned jointly by a husband and wife. If a Unit is owned jointly by a husband and wife, they may, without being required to do so, designate a voting member in the manner provided above. In the event a husband and wife do not designate a voting member, the following provisions shall apply.

(i) If both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting, provided that their vote shall be considered in determining whether a quorum is present on that subject at that meeting.

(ii) If only one is present at a meeting, the person present shall be counted for purposes of a quorum and may cast the vote, just as though he or she owned the Unit individually, and without establishing the concurrence of the absent person.

(iii) If both are present at a meeting and concur, either one may cast the vote.

Nothing herein shall prevent members from granting proxies as provided in Section 5

above.

Section 7. If any assessment or fee or portion thereof imposed against a Unit Owner remains unpaid for thirty (30) days after the date due and payable, such Unit Owner's voting rights in the Association shall be automatically suspended until all such past due Assessments, fees, or applicable portions thereof are paid, whereupon the voting rights shall be automatically reinstated.

Section 8. Order of Business. The order of business at all annual or special meetings of the Unit Owners shall be as follows:

1. Roll call;
2. Proof of notice of meeting or waiver of notice;
3. Reading of the minutes of preceding meeting;
4. Reports of officers;
5. Reports of committees;
6. Election of officers (if election to be held);
7. Unfinished business;
8. New business.

#### ARTICLE VIII RECORDS, BOOKS AND DEPOSITORIES FISCAL YEAR

Section 1. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any Member of the Association as provided in the Declaration.

Section 2. The funds of the Association shall be deposited in a state or federally insured bank, credit union, or other financial institution in the State of Rhode Island. Such deposit shall be to an account of the Association under resolutions approved by the Executive Board and the funds deposited shall be withdrawn only over the signature of the duly designated officer or officers. Said funds shall be used only for Association purposes.

Section 3. The Association shall maintain accounting records according to good accounting practice. Such records shall include a record of receipts and expenditures, an account for each Unit Owner which shall designate the name and address of the Unit Owner, the amount of each assessment and fee, the due dates and amount of each assessment and fee, the amounts paid upon the account, and the balance due, a register for the names of any mortgage holders or lien holders who have notified the Association of their liens, and to which lien holders the Association will give notice of default if required. The Association shall furnish a reasonable written summary of the foregoing to each Unit Owner at least annually. The Board shall present at each annual meeting of the Association members, a full and clear statement of the business and condition of the Association.

Section 4. A member of the Association shall have the right to inspect the books, records and other documents belonging to the Association at reasonable times and upon reasonable notice to the President and Treasurer of the Association.

Section 5. The minutes of all meetings of the Executive Board of the Association

shall be kept in a book available for inspection by Unit Owners or their authorized representatives and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.

#### ARTICLE IX VIOLATIONS AND DEFAULT

In the event of a violation (other than non-payment of an Assessment or fee by a Unit Owner) of any of the provisions of the Declaration, these By-Laws, the Rules and Regulations of the Condominium, the Articles of Association of the Association, or any provisions of the Act, the Association, after reasonable notice to cure not to exceed fifteen (15) days, shall have all rights and remedies provided by law including without limitation (and such remedies shall be cumulative) the right to sue for damages, the right to injunctive relief and, in the event of a failure to pay Assessments or fees, the right to foreclose its lien provided in the Act, and in every enforcement action, whether suit is filed or not, the Unit Owner at fault shall be liable for court costs and the Association's reasonable attorney's fees. If the Association elects to enforce its lien by foreclosure, the Unit Owner shall be required to pay a reasonable rent for his Condominium Unit during the foreclosure process, and the Association shall be entitled to the appointment of a receiver to collect such rent. A suit to collect unpaid assessments may be prosecuted by the Association without waiving the lien securing such unpaid Assessments or fees.

#### ARTICLE X AMENDMENT OF BY-LAWS

Except as in the Declaration provided otherwise, these By-Laws may be amended in the following manner:

(a) Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered.

(b) A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board or by not less than one-third (1/3) of the Members of the Association. Directors and Members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that such approval is delivered to the Secretary at or prior to the meeting. The approval must be by affirmative vote of not less than sixty-seven (67%) percent of the votes of members of the Association in good standing at the time of such vote, at a meeting at which a quorum has been attained.

(c) No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Declarant or mortgagees of Units without the consent of said Declarant and mortgagees in each instance. No amendment shall be made that is in conflict with the Articles or Declaration.

(d) A copy of each amendment shall be attached to a certificate certifying that the

amendment was duly adopted as an amendment of the By-Laws, which certificate shall be executed by the President or Vice President and attested by the Secretary of the Association with the formalities of a deed, or by the Declarant alone if the amendment has been adopted consistent with the provisions of the Declaration allowing such action by the Declarant. The amendment shall be effective when the certificate and copy of the amendment are recorded in the land records of the City of Providence.

ARTICLE XI  
FISCAL MANAGEMENT

Section 1. Common Expenses shall be paid by each Unit Owner in the manner provided herein in accordance with the percentage set forth in the Declaration. Common Profits, if any, and any surplus funds collected by the Association shall be distributed to the Unit Owners in the same manner, at such time or times as the Association shall determine, after first making provision for the payment of Common Expenses and establishing a reserve to meet anticipated future Common Expenses.

Section 2. In order to provide for the payment of Common Expenses, the Association shall in each Budget Year levy an Annual Assessment against each Unit in such amounts as the Board determine, subject to the provisions of Section 7 of this Article. The Annual Assessment shall be delivered to each Unit Owner on or before the first day of *July* in each *fiscal* year to meet expected Common Expenses for the next succeeding Budget Year. The Annual Assessment shall be payable in twelve (12) equal monthly installments on the first day of each month in the Budget Year following the Annual Assessment. In the event that any installment of the Annual Assessment is not paid within ten (10) business days of the date when due, interest thereon shall be payable at a rate equal to eighteen (18%) percent per annum (or such other rate as the Board shall determine and set forth in the notice of the Annual Assessment). The amount of such interest shall be deemed to be added to such Annual Assessment not paid. The Association may increase or decrease the Annual Assessment at any time during the year in which it is payable, provided that the Association shall give not less than twenty (20) days prior written notice to each Unit Owner of any such increase. In the event of such increase, the amount thereof shall be payable in equal installments on the remaining monthly payment dates during such year and shall be deemed to constitute the Annual Assessment.

Section 3. In addition to the Annual Assessment, the Association may from time to time levy Special Assessments against the Units as provided in this Declaration or as may be necessary to meet any nonrecurring Common Expenses not reasonably contemplated at the time of notice of the Annual Assessment; provided, however, that no Special Assessment shall be levied in connection with the repair, replacement, construction or reconstruction of any portion of the Common Area in excess of Ten Thousand Dollars (\$10,000.00) unless the aggregate amount of the Special Assessment and manner of payment thereof shall have received the Approval of the Unit Owners by a majority vote thereof at a meeting called expressly for said purpose. A Special Assessment not requiring a special meeting of Unit owners shall be payable in such manner as the Association shall determine. Any Special Assessment or portion

thereof not paid within ten (10) days of the date when due shall bear interest at the rate and payable in the manner described in Section 2.

Section 4. The amount of Common Expenses assessed against each Unit together with any interest payable thereon shall be a debt of the owner of such Unit at the time such assessment is made, whether by Annual Assessment or Special Assessment, and shall be collectible as such. The Association, on behalf of all Unit Owners shall have the right to maintain suit to recover a money judgment for Common Expenses from any Unit Owner failing to pay the same when due without foreclosing or waiving the lien securing the same. If any Unit Owner shall fail or refuse to make any payment of the Common Expenses when due, the amount thereof together with interest and collection costs (including attorney's fees) shall constitute a lien on the interest of such Unit Owner in his Unit, *appurtenant Limited Common Element*, the Common *Elements*, and his interest in the Association prior to all other liens and encumbrances, recorded or unrecorded, except (a) tax and special assessment liens on such interest in the Property in favor of any public or municipal taxing authority and (b) liens or encumbrances on such interest in the Property recorded prior to the date of such lien.

Section 5. The Association shall have the right to enforce such lien for nonpayment of Common Expenses by sale or foreclosure of the Unit Owner's interest in his Unit and in the Common *Elements* in accordance with the provisions of law applicable to the exercise of powers of sale or foreclosure in deeds of trust or mortgages or in any manner permitted by law. In any such foreclosure or sale, the Unit Owner shall pay the costs and expenses of such proceedings, including reasonable attorney's fees. In the case of such foreclosure or sale, the Unit Owner shall pay to the Association a reasonable rental for such Unit Owner's Unit, determined by the Association, and the Association in connection with any foreclosure action shall be entitled to the appointment of a receiver to collect such rental without regard to the value of such Unit Owner's interest in the Common *Elements*. At any such foreclosure or other sale, the Association shall have the power to bid in such manner and to hold, lease, mortgage and convey the same.

Section 6. Each Unit Owner by acceptance of a deed to his Unit, shall be deemed to have expressly consented to the creation of the lien and to the foreclosure or sale of his interest in his Unit, the Common *Elements*, and his certificate of beneficial interest in the Association, as provided in this Article XI.

Section 7. Maximum Annual Assessments:

(a) Until changed by the methods herein provided, the Annual Assessment of each Unit shall be determined in accordance with Article D contained within the Declaration.

(b) The Board shall set a date for a meeting of the Unit Owners to consider ratification of the Budget not less than fourteen (14) nor more than thirty (30) days after mailing of the proposed Budget. Unless at that meeting the unanimous vote of the Unit Owners rejects said Budget, the Budget is ratified. In the event that the proposed Budget is rejected, the periodic Budget last ratified by the Unit Owners shall be continued until such time as the Unit Owners ratify a new proposed Budget.

Section 8. The Association shall maintain a complete and accurate record of all Annual Assessments or Special Assessments indicating for each Unit the name and

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address of each Unit Owner and the amounts of all assessments paid or unpaid. Upon the written request of any Unit Owner, mortgagee or prospective mortgagee of a Unit, the Association shall issue a written statement setting forth the unpaid Common Expenses with respect to such Unit.

**Exhibit E – Operating Budget  
Eagle Square Lofts**

Initial Condominium Association Operating Budget  
Average Fee is \$3,400.00/Residence\*

Porter (1/2 day)	\$17,000.00
Rubbish Removal & Compaction Charges	18,000.00
Elevator Maintenance & Service Contract	8,000.00
Window Cleaning (4 times/yr.)	4,000.00
Roof Repairs	1,000.00
Cleaning Supplies	5,000.00
Common Electric	25,000.00
Line Striping – Garage	1,000.00
Garage Maintenance	2,500.00
Exterminating	1,500.00
Manager's Compensation	17,000.00
Building Repairs	5,000.00
Replacement Cost, Liability, Excess Liability, And Flood Insurance	25,000.00
Miscellaneous	2,000.00
Replacement Reserve	<u>4,000.00</u>
Total	\$136,000.00

\*Fees are approximate and are subject to change as per those applicable provisions of the Condominium Declaration & By Laws

# DAVID PRESBREY ARCHITECTS

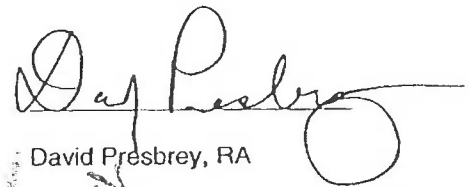
101 Friendship Street  
Providence, Rhode Island  
02903-4507  
Fax: 401-521-3980  
Tel: 401-751-4460

## EXHIBIT F

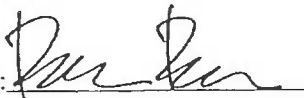
### ARCHITECT'S CERTIFICATE OF SUBSTANTIAL COMPLETION THE LOFTS AT EAGLE SQUARE

I, David Presbrey, RA of David Presbrey Architects, hereby certify, pursuant to Section 34-36.1-2.01(b) of the Rhode Island Condominium Act, that the structural components and mechanical systems of the buildings containing Units C-3 and H-2 within the Eagle Square Commons, which will comprise the 40 residential units within The Lofts at Eagle Square, are substantially complete in accordance with the plans of those buildings.

Witness my hand this 8th day of September, 2004



David Presbrey, RA

Witness: 

  
Recorder of Deeds

PROVIDENCE, RI  
REGISTERED PROFESSIONAL  
RECORDERS AGENCY  
RECORDED OF DEEDS

SEP 14 PM 1:30

PROVIDENCE, RI  
REGISTERED PROFESSIONAL  
RECORDERS AGENCY  
RECORDED OF DEEDS