

QUITCLAIM DEED

DANIEL C.A. JOHNSON and MAE A. JOHNSON of West Warwick, Rhode Island for consideration paid grant to DOWNING/HIDDEN VALLEY, INC. a Rhode Island corporation with an address at 200 Dyer Street, Providence, Rhode Island 02903 with QUIT-CLAIM COVENANTS:

That certain parcel of land together with all buildings and improvements thereon (if any), located on the westerly side of Quaker Lane in the Town of West Warwick, Rhode Island more particularly described as follows:

Beginning at a point in the westerly line of Quaker Lane at the northeasterly corner of land now or formerly of Park Central Associates and the southeasterly corner of the within described premises; thence running N75°13'9"W 404.92 feet; thence turning an interior angle of 180°55'22" and running N76°08'31"W 345.80 feet; thence turning an interior angle of 179°2'29" and running N75°11'00"W 292.51 feet; thence turning an interior angle of 182°02'00" and running N77°13'00"W 38.77 feet; thence turning an interior angle of 178°15'59" and running N75°28'59"W 171.99 feet to land now or formerly of Hilda A. Hamilton, the last five courses bounding southerly on said Park Central Associates land and said last 4 courses running in whole or in part along the line of a stone wall; thence turning an interior angle of 90°48'26" and running N13°42'35"E 326.55 feet; thence turning an interior angle of 179°19'49" and running N14°22'46"E 449.69 feet to a drill hole at the intersection of two walls and the southwesterly corner of land now or formerly of Quaker Associates of Weyerhaeuser Mortgage Company, said last two courses bounding westerly on said Hamilton Land and running in whole or in part along the line of a stone wall; thence turning an interior angle of 101°44'28" and running S87°21'42"E 503.85 feet to a drill hole at the intersection of two walls bounding northerly on said Quaker Associates land in part and on land now or formerly of E&J Realty Associates in part; thence turning an interior angle of 92°40'14" and running S00°01'56"E 32.62 feet; thence turning an interior angle of 192°40'38" and running S12°42'34"E 30.16 feet to a drill hole; thence turning an interior angle of 180°07'46" and running S12°50'20"E 64.52 feet to the end of a stone wall; thence turning an interior angle of 242°46'40" running S75°37'00"E 77.03 feet to the end of a stone wall, said last three courses running in whole or in part along a stone wall; thence turning an interior angle of 181°28'51" and running S77°05'51"E 224.24 feet to land now or formerly of Robert A. Nelson, Sr. et ux, said last five courses



bounding easterly and northerly on land now or formerly of Michele A. DeCiantis et al.; thence turning an interior angle of 179°39'28" and running S76°45'19"E along a stone wall 101.77 feet to a point along said stone wall that is the northwesterly corner of other land of the grantors and that is 293 feet from an iron pin set in the westerly line of Quaker Lane; thence turning an interior angle of 90°00'17" and running S13°14'24"W 300 feet; thence turning an interior angle of 269°59'45" and running S76°45'21"E 293 feet to the westerly line of Quaker Lane, said last two course bounding easterly and northerly on said other land of the grantors; thence turning an interior angle of 90°12'37" and running S13°02'02"W along a stone wall 477.96 feet to the point and place of beginning, bounding easterly on Quaker Lane; said last mentioned course and said first mentioned course forming an interior angle of 88°15'11".

The above described premises are conveyed subject to the rights of others in and to a cemetery located on the southerly side of the above described premises and to any roll back tax and sewer assessment.

IN WITNESS WHEREOF, the undersigned have caused these presents to be executed as of the 19th day of September, 1986.

*Daniel C.A. Johnson*  
Daniel C.A. Johnson

*Mae A. Johnson*  
Mae A. Johnson

STATE OF RHODE ISLAND  
COUNTY OF PROVIDENCE

In Providence, on the 19<sup>th</sup> day of September, 1986, before me personally appeared Daniel C.A. Johnson and Mae A. Johnson, to me known and known by me to be the persons executing the foregoing deed and they acknowledged said deed by them executed to be their free act and deed.

*Timothy T. More*  
Notary Public  
TIMOTHY T. MORE

SEP 19 1986 4:07 PM  
PAGE 44-45  
BOOK 184  
RECORDED AT  
OFFICE

*Anna C. Luerts*



*Cm*  
9/19/86  
\$22.00





*Hidden Valley Condominium Association*

*P.O. Box 554*

*West Warwick, R. I. 02893*

*2/21/88*

AMENDMENTS OF BY-LAWS

On April 13, 1988, the Hidden Valley Condominium Association amended the By-Laws of the Hidden Valley Condominium Association as follows:

1. The first sentence of Section 2.1 of the By-Laws was amended as follows:

"The Association is a Rhode Island Non-business corporation, all of the members of which are the Unit Owners of the Property."

2. The second sentence of Section 2.2(a)(1) of the By-Laws was amended as follows:

"The Annual Meeting of the Unit Owners shall be held in June of each year on the first Monday of that month, or as soon thereafter as is practicable."

3. The second sentence of Section 2.2(a)(2) was amended as follows:

"The Treasurer of the Executive Board shall present at each Annual Meeting a financial report (prepared by an independent certified public accountant) of the receipts and Common Expenses for the Association's immediately preceding fiscal year, itemized receipts and expenditures, the allocation thereof to each Unit Owner, and any charges expected for the present fiscal year."

*Joe Lee Elam*

Joe Lee Elam, Secretary  
HIDDEN VALLEY CONDOMINIUM  
ASSOCIATION

(hv\amendsto.bl)

Subscribed and sworn to before me this  
19<sup>th</sup> day of April, 1988.

*James R. Quinn*  
Notary Public

REC'D W. WARWICK, R.I. JUN 13 1988 AT 10:41 O'CLOCK AM My Commission expires 6/30/91

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*Anne C. Quarto* 53



# State of Rhode Island and Providence Plantations

CORPORATIONS DIVISION  
270 WESTMINSTER MALL  
PROVIDENCE, RHODE ISLAND 02903

Corporate ID 40080 Annual Report for the year 1987

FIRST: The name of the corporation is DOWNING/HIDDEN VALLEY, INC.

SECOND: It is incorporated under the laws of Rhode Island

THIRD: Character of business, briefly stated, is real estate

FOURTH: If foreign corporation, address of its principal office:

FIFTH: Business address in Rhode Island 200 Dyer Street, Providence, RI 02903

SIXTH: Names and addresses of its directors and officers: (Attach rider if necessary)

Name	Office	Address (including number, street, zip code)
Richard P. Baccari	Director	200 Dyer Street, Providence, RI 02903
Charles L. White	Director	200 Dyer Street, Providence, RI 02903
	Director	
Richard P. Baccari	President	200 Dyer Street, Providence, RI 02903
Charles L. White	Vice President	200 Dyer Street, Providence, RI 02903
Robert B. Gardner	Vice Pres.	200 Dyer Street, Providence, RI 02903
Robert B. Gardner	Secretary	200 Dyer Street, Providence, RI 02903
Timothy G. Fay	Ass't Sec.	200 Dyer Street, Providence, RI 02903
Richard P. Baccari	Treasurer	200 Dyer Street, Providence, RI 02903

SEVENTH: Number of Shares authorized:

No. of Shares	Class	Series	Par Value or statement that shares are without par value
4,000	Common		NPV

EIGHTH: Number of Shares issued:

No. of Shares	Class	Series	Par Value or statement that shares are without par value
200	Common		NPV

PAID APR 03 1987  
MAR 12 1987  
SEC'Y OF STATE

Dated 2/28 19 87

Downing/Hidden Valley, Inc.  
(Name of Corporation)  
By Richard P. Baccari  
Richard P. Baccari  
Title President

(Report must be signed by an officer)







State of Rhode Island and Providence Plantations  
OFFICE OF THE SECRETARY OF STATE  
CERTIFICATE OF INCORPORATION  
OF

*Hidden Valley Condominium Association, Inc.*

The undersigned, as Secretary of State of the State of Rhode Island, hereby certifies that duplicate originals of Articles of Incorporation for the incorporation of.....

*Hidden Valley Condominium Association, Inc.*

duly signed pursuant to the provisions of Chapter 7-6 of the General Laws, 1956, as amended, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Secretary of State, and by virtue of the authority vested in her by law, hereby issues this Certificate of Incorporation of.....

*Hidden Valley Condominium Association, Inc.*

and attaches hereto a duplicate original of the Articles of Incorporation.



IN TESTIMONY WHEREOF, I have hereunto set  
my hand and affixed the seal of the State of Rhode  
Island this *tenth* day of  
*June* A.D., 19 *88*

*Kathleen A. Connell*

Secretary of State

By *Thomas O. Allen*  
Acting Deputy Secretary of State



State of Rhode Island and Providence Plantations

NON-PROFIT CORPORATION

DUPLICATE

ORIGINAL ARTICLES OF INCORPORATION

The undersigned, acting as incorporator(s) of a corporation under Chapter 7-6 of the General Laws, 1956, as amended, adopt(s) the following Articles of Incorporation for such corporation:

FIRST: The name of the corporation is..... Hidden Valley Condominium Association, Inc.

SECOND: The period of its duration (if perpetual, so state)..... perpetual

THIRD: The purpose or purposes for which the corporation is organized are:

To establish and conduct the non-business of a Condominium Association and to engage in any other lawful business purposes authorized by the State of Rhode Island.

FOURTH: Provisions (if any) for the regulation of the internal affairs of the corporation, including provisions for the distribution of assets on dissolution or final liquidation, are:

(Note 1)

None

JUN 10 12 48 PM '88



FIFTH: The address of the initial registered office of the corporation is.....  
1400 Turks Head Place, Providence, RI 02903 (add Zip Code),

and the name of its initial registered agent at such address is: Barry J. Kusinitz

SIXTH: The number of directors constituting the initial Board of Directors of the corporation is..... 5  
and the names and addresses of the persons who are to serve as the initial directors are:

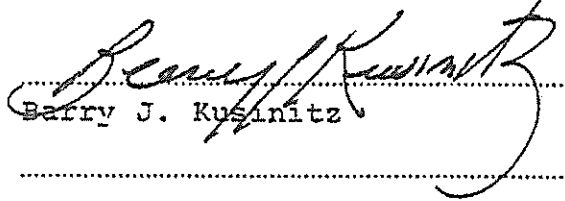
Name	Address
Barry J. Kusinitz	125 Trellis Drive, West Warwick, RI 02893
Gregory Paolino	37 Trellis Drive, West Warwick, RI 02893
Barbara Ardolino	120 Trellis Drive, West Warwick, RI 02893
Vincent Calise	12 Trellis Drive, West Warwick, RI 02893
Joe Lee Elam	72 Trellis Drive, West Warwick, RI 02893

SEVENTH: The name and address of each incorporator is:

Name	Address
Barry J. Kusinitz	125 Trellis Drive, West Warwick, RI 02893

EIGHTH: Date when corporate existence to begin (not more than 30 days after filing of these articles of incorporation): upon filing

Dated June 8, 1988

  
Barry J. Kusinitz

Incorporator(s)

NOTE: 1. If no provision for the regulation of the internal affairs of the corporation or for the distribution of assets on dissolution or final liquidation are to be set forth, insert "None." In an appropriate case provisions relating to members, their qualifications and rights (Section 7-6-15) may be inserted here.



BY LAWS

OF

HIDDEN VALLEY CONDOMINIUM ASSOCIATION

Pursuant to the provisions of  
the Rhode Island Condominium Act of 1982  
R.I.G.L. 34-36.1

BY LAWS  
OF  
HIDDEN VALLEY CONDOMINIUM ASSOCIATION

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BY LAWS  
HIDDEN VALLEY CONDOMINIUM ASSOCIATION  
Quaker Lane  
West Warwick, Rhode Island

These Bylaws have been adopted this \_\_\_\_\_ day of \_\_\_\_\_, 1987 by the persons constituting all of the members of the first Executive Board of Hidden Valley Condominium Association (the "Association").

ARTICLE 1

INTRODUCTORY PROVISIONS

Section 1.1. Applicability. These Bylaws ("Bylaws") shall relate solely to the property called Hidden Valley Condominium located in West Warwick, Rhode Island (the "Property"), more fully described in the Declaration of Condominium for Hidden Valley Condominium, dated \_\_\_\_\_, 1987 and the Plats and Plans attached thereto (collectively the "Declaration") recorded herewith in the Records of Land Evidence of the Town of West Warwick, as the same may be amended from time to time.

Section 1.2. Definitions. The capitalized items used herein without definition shall have the same definitions as such terms have in the Declaration and the Rhode Island Condominium Act of 1982, R.I.G.L. 34-36.1 et. seq. (the "Act"). Unless otherwise provided in the Act, in the event of inconsistencies in definitions between the Act and the Declaration, the Declaration shall control.

Section 1.3 Compliance. Pursuant to the provisions of the Act, every Unit Owner and all persons entitled to occupy a Unit shall comply with these Bylaws.

Section 1.4 Office. The office of the Condominium, the Association and the Executive Board shall be located at the Property or at such other place as may be designated from time to time by the Executive Board.

Section 1.5 Incorporation of Statutory Law. Except as expressly provided herein, in the Declaration, or in the Act, the Association shall be governed by the provisions of any applicable statute of the State of Rhode Island.

ARTICLE 2

THE ASSOCIATION

Section 2.1 Membership. The Association is a Rhode Island unincorporated association, all the members of which are the Unit Owners of the Property. The Declarant, being the initial owner of all Units, initially shall constitute all of the members of the Association. A person shall automatically become a member of the Association at the time he acquires legal title to his Unit, and he shall continue to be a member so long as he continues to hold title to such Unit. A Unit Owner shall not be permitted to resign from membership in the Association prior to the time when he transfers title to his Unit to another person. No membership may be transferred in any way except as appurtenant to the transfer of title to the Unit to which that membership pertains. Transfer of membership shall be automatic upon transfer of title, but the Association may treat the prior Unit Owner as the member for all purposes until satisfactory evidence of the recording of the instrument transferring title shall be presented to the Secretary of the Executive Board. The date of recordation of an instrument of conveyance in the Records of Land Evidence of the Town of West Warwick shall be determinative of all disputes concerning the date of transfer of title to any Unit or Units. ①

Section 2.2 Meetings. Meetings of the Association shall be conducted in accordance with the following:

(a) Annual Meetings.

(1) Unit Owners shall hold Annual Meetings for the purposes stated in Section 2.2(a)(2) herefor (the "Annual Meetings"). The Annual Meeting of Unit Owners shall be held on the first Monday of June of each year unless such date shall be a legal or religious holiday, in which event the meeting shall be held on the next following day. ②

(2) The purposes of the Annual Meetings of the Association shall be to elect the members of the Executive Board unless such action is being taken pursuant to the provisions of Section 2.2(q) hereof or Section 3.5 hereof, and to conduct such other business as may be required or permitted by law, the Declaration or these Bylaws to be done by a vote of Unit Owners. The Treasurer of the Executive Board shall present at each Annual Meeting a financial report (prepared and certified by an independent certified public accountant) of the receipts and Common Expenses for the Association's immediately ③

Hidden Valley Condominium Association

P.O. Box 554

West Warwick, R. I. 02893

AMENDMENTS OF BY-LAWS

On April 13, 1988, the Hidden Valley Condominium Association amended the By-Laws of the Hidden Valley Condominium Association as follows:

- 1. The first sentence of Section 2.1 of the By-Laws was amended as follows:

"The Association is a Rhode Island Non-business corporation, all of the members of which are the Unit Owners of the Property."

- 2. The second sentence of Section 2.2(a)(1) of the By-Laws was amended as follows:

"The Annual Meeting of the Unit Owners shall be held in June of each year on the first Monday of that month, or as soon thereafter as is practicable."

- 3. The second sentence of Section 2.2(a)(2) was amended as follows:

"The Treasurer of the Executive Board shall present at each Annual Meeting a financial report (prepared by an independent certified public accountant) of the receipts and Common Expenses for the Association's immediately preceding fiscal year, itemized receipts and expenditures, the allocation thereof to each Unit Owner, and any charges expected for the present fiscal year."

*Joe Lee Elam*

Joe Lee Elam, Secretary  
HIDDEN VALLEY CONDOMINIUM  
ASSOCIATION

(hv\amendsto.bl)

Subscribed and sworn to before me this  
19<sup>th</sup> day of April, 1988.

*James R. Quinn*  
Notary Public

My Commission expires 6/30/91

JUN 13 1988  
REC'D W. WARWICK, R.I. AT 10:41 O'CLOCK AM

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*Anna C. Quarto*



preceding fiscal year, itemized receipts and expenditures, the allocation thereof to each Unit Owner, and any charges expected for the present fiscal year. A copy of such financial report shall be sent to each Unit Owner not less than five (5) days prior to the Annual Meeting.

(b) Special Meetings.

(1) The President shall call a special meeting of the Association if so directed by resolution of the Executive Board or upon petition signed and presented to the Secretary by Unit Owners entitled to cast at least twenty percent (20%) of the aggregate Percentage Interests in the Association. The notice of any special meeting shall state the time, the place and purpose thereof. Such meetings shall be held within forty-five (45) days after receipt by the President of said resolution or petition; provided, however, if the purpose includes the consideration of the rejection of a budget or capital expenditure pursuant to Section 5.8 hereof, such meeting shall be held within fifteen (15) days after receipt by the President of said resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.

(2) Within sixty (60) days after conveyance of twenty-five percent (25%) of the Units which may be built, i.e., 120, to Unit Owners other than the Declarant, a special meeting of the Association shall be held at which two of the five members of the Executive Board designated by the Declarant shall resign (such resigning members to be selected by the Declarant), and the Unit Owners, excluding the Declarant as a Unit Owner, shall elect a successor member of the Executive Board to act in the place of each resigning member. Such successor member shall serve until the annual meeting of the Association following the meeting at which he was elected.

(3) Within sixty (60) days immediately preceding the date by which all members of the Executive Board must resign pursuant to Section 14.1(d) of the Declaration, a special meeting of the Association shall be held at which all of the members of the Executive Board shall resign, and the Unit Owners, including the Declarant if the Declarant owns one or more Units, shall thereupon elect successor members of the Executive Board to act in the place of those resigning. The successor member receiving the highest number of votes shall serve until the third Annual Meeting of the Association following the date of such election, the successor member receiving the second highest number of votes shall serve until the second Annual Meeting of the Association following the date of such

election, and the successor members receiving the next three highest number of votes shall serve until the first Annual Meeting following the date of such election. Thereafter each member of the Executive Board shall be elected for a term of one (1) year.

(c) Notice. Notice to Unit Owners of meetings of the Association or meetings of the Executive Board which Unit Owners who are not Executive Board members are entitled or invited to attend pursuant to Section 3.3(e) hereof shall be delivered either by hand or by prepaid mail to the mailing address of each Unit or to another mailing address designated in writing by the Unit Owner to the Executive Board. If a notice sent to Unit Owners pursuant to the foregoing sentence includes an item on the proposed agenda which would require the approval of all holders of mortgages pursuant to Section 10.6 of the Declaration, a copy of such notice will also be sent to the holders of all mortgages. Notwithstanding the foregoing sentence, copies of notices of impending meetings will be provided to the holders of mortgages strictly as a courtesy, and the failure of the Association or the Executive Board to provide any mortgagee with a copy of such notice shall not invalidate any actions taken by the Association or the Executive Board or subject any members of the Association or the Executive Board to any liability whatsoever. All such notices shall be delivered to all Unit Owners (and holders of mortgages, if applicable) not less than ten (10) nor more than sixty (60) days in advance of the date of the meeting to which the notice relates and shall state the date, time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws. The Secretary of the Executive Board shall cause all such notices to be delivered as aforesaid. Notices sent by mail shall be deemed to have been delivered on the second day after the date of mailing, in the case of mailed notices or the date of deposit in the Unit Owner's (or if applicable, in the Mortgagee's) mailbox in the case of hand delivery. No subject may be dealt with at any Annual or Special Meeting of the Association unless the notice for such meeting stated that such subject would be discussed at such meeting.

(d) Quorum. Except as set forth below, the presence in person or by proxy of Unit Owners of twenty percent (20%) or more of the aggregate Percentage Interest at the commencement of a meeting shall constitute a quorum at all meetings of the Association. If a quorum is not present, Unit Owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time not less than forty-eight (48)



hours after the time for which the original meeting was called. If a meeting is adjourned, the quorum at such second meeting shall be deemed present throughout any meeting of the Association if persons entitled to cast twenty percent (20%) of the votes which may be cast for the election of the Executive Board are present in person or by proxy at the beginning of the meeting.

(e) Voting. Voting at all meetings of the Association shall be cast on a one (1) vote per Unit owned basis. Where the ownership of a Unit is in more than one person, the person who shall be entitled to cast the vote of such Unit shall be the Person owning such Unit who is present. If more than one person owning such Unit is present, then such vote shall be cast only in accordance with the majority in interest of the owners pursuant to Section 36.1-3.10 of the Act. There shall be deemed to be majority agreement if any one of the multiple owners casts the vote allocated to that Unit without protest being made promptly to the person presiding over the meetings by any of the other owners of the Unit. Subject to the requirements of the Act, wherever the approval or disapproval of a Unit Owner is required by the Act, the Declaration or these Bylaws, such approval or disapproval shall be made only by the person who would be entitled to cast the vote of such Unit at any meeting of the Association. Except with respect to the election of members of the Executive Board and except where a greater number is required by the Act, the Declaration or these Bylaws, the Owners of more than fifty (50) percent (50%) of the aggregate Vote in person or by proxy at one time at a duly convened meeting at which a quorum is present is required to adopt decisions at any meeting of the Association. Any specified percentage of the Unit Owners means the Unit Owners holding such votes in the aggregate. In all elections for Executive Board members, each Unit Owner shall be entitled to cast for each vacancy to be filled at such election the number of vote(s) allocated to the Unit or Units owned by such Unit Owner as provided in the Declaration. Those candidates for election receiving the greatest number of votes cast in such elections shall be elected and, if the Executive Board members are being elected to unequal terms pursuant to Section 2.2(b)(2) hereof, the candidates receiving the highest number of votes shall be elected to the longest terms. Except as set forth in Section 2.2.(b)(2) above, if the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Association to cast the vote or votes to which such Unit or Units are entitled. No vote allocated to a Unit owned by the Association may be cast. There shall be no cumulative or class voting or splitting of votes.

(f) Proxies. A vote may be cast in person or by proxy. If a Unit is owned by more than one person, the owners of the Unit may vote through a duly executed proxy; provided, however, there shall be no splitting of their vote. Such proxy may be granted by any Unit Owner only in favor of another Unit Owner, the holder of a mortgage on a Unit or the Declarant. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only by actual receipt by the person presiding over the meeting of written notice of revocation from the grantor of the proxy. No proxy shall be valid for a period in excess of one (1) year after the execution thereof. A proxy is void if it is not dated or purports to be revocable without notice.

(g) Actions of Association without a Meeting. Any action required or permitted to be taken by a vote of the Association may be taken without a meeting by the written consent, stating the action so taken, of at least that number of Unit Owners whose votes would have otherwise been sufficient to take the action if a meeting had been held at which all Unit Owners were present.

(h) Conduct of meetings. The President (or in his absence, one of the Vice-Presidents) shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a Minute Book all resolutions adopted at the meeting as well as a record of all transactions occurring at the meeting. The President may appoint a person to serve as parliamentarian at any meeting of the Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration, these Bylaws or the Act. All votes shall be tallied by tellers appointed by the President.

### ARTICLE 3

#### EXECUTIVE BOARD

Section 3.1. Composition. The affairs of the Association shall be governed by the Executive Board. The Executive Board shall consist of five natural individuals, all of whom shall be Unit Owners or designees of the Declarant.

Section 3.2. Election and Term of Office.

(a) At the Annual Meeting of the Association, subject

HIDDEN VALLEY CONDOMINIUM ASSOCIATION, INC.  
AMENDMENT TO THE BY LAWS

Pursuant to Hidden Valley Condominium Association, Inc.,  
By Laws Section 8.1, Section 3.2 of the By Laws entitled  
"Election and Term of Office" is hereby amended to read as  
follows:

Section 3.2. Election and Term of Office.

(a) At the Annual Meeting of the Association, subject to Section 14.1 of the Declaration, the election of members of the Executive Board shall be held. The term of office of any Executive Board member to be elected (As set forth in Sections 2.2(b)(2) and Section 3.5 hereof) shall be fixed at one (1) year. The members of the Executive Board shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal or resignation. An Executive Board member may serve an unlimited number of terms and may succeed himself.

(b) A unit owner, who is in good standing with regard to payment of any association assessment and with regard to compliance with all provisions of the declaration, By Laws, and Rules, qualified to be a member of the Executive Board may be nominated for election only as follows:

(1) Any unit owner may submit to the Secretary at least thirty (30) days before the meeting at which the election is to be held a nominating petition signed by unit owners owning at least five (5) units in the aggregate, together with the statement that the person nominated is willing to serve on the Executive Board and a biographical sketch of the nominee. The Secretary shall mail or hand deliver the submitted items to every unit owner together with the notice of such meeting; and

(2) Nominations may be submitted from the floor at a meeting at which the election is held for each vacancy on the Executive Board for which no more than one person has been nominated by petition.

We the undersigned, being members of the Association in good standing, hereby vote and agree to the amendment of Section 3.2 of the By Laws referenced above.

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to Section 14.1 of the Declaration, the election of members of the Executive Board shall be held. The term of office of any Executive Board member to be elected (as set forth in Sections 2.2(b)(2) and Section 3.5 hereof) shall be fixed at one (1) year. The members of the Executive Board shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal or resignation. An Executive Board member may serve an unlimited number of terms and may succeed himself.

(b) Persons qualified to be members of the Executive Board may be nominated for election only as follows:

(1) Any Unit Owner may submit to the Secretary at least thirty (30) days before the meeting at which the election is to be held a nominating petition signed by Unit Owners owning at least five (5) Units in the aggregate, together with the statement that the Person nominated is willing to serve on the Executive Board and a biographical sketch of the nominee. The Secretary shall mail or hand deliver the submitted items to every Unit Owner together with the notice of such meeting; and

(2) Nominations may be submitted from the floor at a meeting at which the election is held for each vacancy on the Executive Board for which no more than one person has been nominated by petition.

Section 3.3 Meetings. Meetings of the Executive Board shall be conducted in accordance with the following:

(a) Time and Location. The Executive Board shall hold an annual meeting within ten (10) days following the Annual Meeting of the Association for the purpose of electing officers, as more fully set forth in Article 4 hereof, and for any other purpose which may be required or permitted by law, the Declaration or these Bylaws to be done by a vote of the Executive Board. The Executive Board shall hold meetings at the call of the President or upon request to the President of the Executive Board by at least a majority of the members of the Executive Board; provided, however, that:

(1) In any event, the Executive Board shall meet at least three (3) times each fiscal year (in addition to the annual meeting of the Executive Board), unless all members of the Executive Board shall waive such requirements as to a particular meeting or meetings;

(2) The first such Executive Board meeting shall

be held promptly after the date on which the Declaration is recorded;

(3) There shall be a meeting of the Executive Board during the second full calendar week of the last month of each fiscal year for the purpose of adopting the budget of the Association for the next following fiscal year of the Association; and

(4) The President shall call any Executive Board meeting requested by a majority of the members of the Executive Board for a date occurring not less than five (5), nor more than twenty (20) days, after receipt of such request.

The President shall designate the time and location of Executive Board meetings. No business shall be transacted at Executive Board meetings other than as specified in the notice thereof.

(b) Notice. Not less than forty-eight (48) hours prior to the time of any Executive Board meeting, a written notice stating the date, time and place of such meeting shall be delivered, either by hand or by mail or telegram, to each Executive Board member at the address given to the Executive Board by such Executive Board member for such purpose. Any Executive Board member may waive notice of a meeting or consent to any action of the Executive Board without a meeting. An Executive Board member's attendance at a meeting shall constitute his waiver of notice of such meeting.

(c) Quorum of the Executive Board. At all meetings of the Executive Board a majority of the members shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute a decision of the Executive Board. If at any meeting of the Executive Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Executive Board may participate in and be counted for quorum purposes at any meetings by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

(d) Voting. Each Executive Board member shall be entitled to cast one (1) vote. A vote of the majority of the

members of the Executive Board present at any meeting at which a quorum is present shall bind the Executive Board for all purposes unless otherwise provided in the Declaration or these Bylaws.

(e) Organization. Executive Board meetings may be held under such reasonable rules consistent with these Bylaws as the Executive Board may determine. The Executive Board is hereby entitled to promulgate such rules. Except for the meeting to approve the budget of the Association referred to in this Section 3.2(e), Unit Owners who are not Executive Board members shall have no right to attend Executive Board meetings but the Executive Board may, in its sole discretion, elect to allow such Unit Owners to attend a particular meeting or meetings. If the Executive Board does elect to allow Unit Owners who are not Executive Board members to attend a particular meeting or meetings, the Secretary of the Executive Board shall give prior notice, in the manner provided in Section 2.2(c) hereof, to all Unit Owners of each meeting at which Unit Owners are entitled or invited to be present; provided, however, that the failure to give such notice shall neither invalidate any actions taken by the Executive Board at such meeting nor impose any liability on the Executive Board or its officers and/or members for the failure to give such notice. All Unit Owners shall have the right to attend and be heard, but not the right to vote, at the Executive Board meeting at which the fiscal year budget of the Association shall be presented to the Executive Board for adoption. The Secretary of the Executive Board shall give Unit Owners notice of such meeting, accompanied by a copy of the proposed budget, in the manner provided in Section 2.2(c) hereof.

(f) Conduct of Meetings. The President shall preside over all meetings of the Executive Board, and the Secretary shall keep a Minute Book of the Executive Board meetings, recording therein all resolutions adopted by the Executive Board and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meeting of the Executive Board if and to the extent such Rules are not in conflict with the Declaration, these Bylaws or the Act.

(g) Action without a Meeting. Any action by the Executive Board required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Executive Board shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Executive Board.

Section 3.4. Resignation and Removal. Except with respect to members designated by Declarant, at any regular or special meeting of the Association duly called, any one or more of the members of the Executive Board may be removed with or without cause by Unit Owners entitled to cast a majority of all votes in the Association and a successor may then and there be elected to fill the vacancy thus created. Any Unit Owner proposing removal of a Board Member shall give written notice thereof to the Secretary. Any member whose removal has been proposed by a Unit Owner shall be given at least ten (10) days notice by the Secretary of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to his Unit. The Declarant shall have the right to remove and replace any and all members appointed by the Declarant at any time and from time to time until the required resignation date specified in Section 14.1(d) of the Declaration.

Section 3.5 Vacancies. Any vacancy or vacancies on the Executive Board, whether caused by resignation, removal, death, adjudication of incompetency, or an increase in size of the Executive Board, shall be filled by the Executive Board with an interim appointee who shall serve until the next Annual Meeting of the Association at which time such vacancy may be filled by the vote of more than fifty percent (50%) of the votes of the Unit Owners; provided, however, that the Declarant shall have the right to fill any vacancy created by the resignation, death, or adjudication of incompetency of a member who had been appointed by the Declarant and had not been elected by the Unit Owners. If the vacancy results from removal by the Association, the election of a new member or members may be held at the same meeting where such removal takes place and notice of an election for removal shall be considered notice of an election to fill each vacancy so caused. The vote of more than fifty percent (50%) of the Unit Owners present at such meeting in person or by proxy shall cause the postponement of the election to a later date, but if such vacancy is not filled within sixty (60) days after it occurs, the Executive Board shall promptly thereafter elect a replacement.

Section 3.6. Compensation. No member of the Executive Board shall receive compensation for performing his duties as a member of the Executive Board unless such compensation is expressly authorized or approved by a vote of more than fifty percent (50%) of the votes of all Unit Owners at any Annual or Special Meeting of the Association.

Section 3.7. Validity of Contracts with Interested



Executive Board Members. No contract or other transaction between the Association and one or more of its Executive Board members or between the Association and any corporation, firm or association in which one or more of the Executive Board members are directors or officers, or are financially interested, shall be void or voidable because such Executive Board member or members are present at any meeting of the Executive Board which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

(a) The fact that an Executive Board member is also such a director or officer or has such financial interest is disclosed or known to the Executive Board and is noted in the minutes thereof, and the Executive Board authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Executive Board Member of Members; or

(b) the contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved or ratified.

Section 3.8. Inclusion of Interested Executive Board Members in a Quorum. Any Executive Board Member holding such director or officer position or having such financial interest in another corporation, firm or association may be counted in determining the presence of a quorum at a meeting of the Executive Board or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 3.7 hereof.

Section 3.9. Powers of the Executive Board.

(a) Enumeration. The Executive Board shall have all of the powers and duties granted by the Act and the laws governing unincorporated associations or both.

(b) Limitation. Nothing in this Section or elsewhere in these Bylaws shall be considered to grant to the Executive Board or to the officers of the Association any powers or duties which, by law, are possessed by Unit Owners. Unless otherwise provided herein or in the Declaration, the Executive Board shall comply with the instructions of more than fifty percent (50%) of the Unit Owners present in person or by proxy, as expressed in the resolution duly adopted at any annual or special meeting of the Unit Owners.

(c) Delegation of Powers; Managing Agent. The Execu-

tive Board may employ for the Condominium a managing agent at a compensation established by the Executive Board. The managing agent shall perform such duties and services as the Executive Board shall authorize, including, but not limited to, all of the duties listed in the Act, the Declaration and these Bylaws; provided, however, where a managing agent does not have the power to act under the Act, the Declaration or these Bylaws, the managing agent may act as an advisor or in an advisory capacity to the Executive Board. The Executive Board may delegate to the managing agent all of the powers granted to the Executive Board by the Act, the Declaration and these Bylaws other than the following powers: (i) to adopt an annual budget and amendment thereto or to assess Common Expenses; (ii) to adopt, repeal or amend rules and regulations; (iii) to designate signatories on Association bank accounts; (iv) to borrow money on behalf of the Association; (v) to acquire mortgages on Units; and (vi) to assign Common Elements as Limited Common Elements. Any contract with the managing agent must provide that it may be terminated with cause on no more than thirty days written notice and without cause on no more than ninety days written notice. The term of any such contract may not exceed one year. Notwithstanding anything to the contrary contained herein, so long as any Unit remains initially unsold by the Declarant, and notwithstanding any amendment to these Bylaws, the Declarant shall have the right, in its sole discretion, to approve or disapprove any contract with a managing agent entered into by the Association or Executive Board.

#### ARTICLE 4

##### OFFICERS

Section 4.1. Election. At the first meeting of the Executive Board and at every Annual Meeting of the Executive Board thereafter, the Executive Board members, if a quorum is present, shall elect Executive Board officers of the Association for the following year, such officers to serve for a one (1) year term and until their respective successors are elected. The officer to be elected are: President, Secretary, Treasurer and such other officers as the Executive Board shall determine. Each officer may serve an unlimited number of terms so long as such member or officer continues to be re-elected to the Executive Board. Any member may hold two offices simultaneously, except that the President shall not hold any other office.

Section 4.2. Duties. The duties of the officers shall be as follows:

(a) President. The President shall be the chief executive officer of the Association and the chairperson of the Executive Board. The President shall be responsible for implementing the decisions of the Executive Board and in that capacity shall direct, supervise, coordinate and have general control over the affairs of the Association and the Executive Board, subject to the limitations of the laws of the State of Rhode Island, the Condominium Documents and the actions of the Executive Board. The President shall have the power to sign checks and other documents on behalf of the Association and the Executive Board, or both, with or without the signatures of any other officers as may be determined by the Executive Board. The President shall preside at all meetings of either body at which he is in attendance and shall be a member of all committees. If the President is absent from such meetings, the senior officer of the Association present at such meeting, shall preside, and in the absence of any officer, the body holding the meeting shall elect a person to preside. If the Executive Board so provides, the President also shall have any or all of the powers and duties ordinarily attributable to the chief executive officer of a corporation domiciled in Rhode Island.

(b) Secretary. Unless otherwise determined by the Executive Board, the Secretary shall keep or cause to be kept all records (or copies thereof if the original documents are not available to the Association) of the Association and the Executive Board and shall have the authority to affix the seal of the Association to any documents requiring such seal. The Secretary shall give or cause to be given all notices as required by law, the Declaration or these Bylaws, shall take and keep or cause to be taken and kept minutes of all meetings of the Association, the Executive Board and all committees, and shall take and keep or cause to be taken and kept at the Association's office a record of the names and addresses of all Unit Owners as well as copies of the Declaration, the Plats and Plans, these Bylaws and the Rules and Regulations, all of which shall be available at the office of the Association for inspection by Unit Owners or prospective Unit Owners during normal business hours and for distribution to them at such reasonable charges (if any) as may be set from time to time by the Executive Board. The Secretary shall keep or cause to be kept the register of holders of mortgages. The Secretary shall also perform all duties and have such other powers as are ordinarily attributable to the Secretary of a corporation domiciled in Rhode Island.

(c) Treasurer. Unless otherwise determined by the

Executive Board, the Treasurer shall have the charge and custody of, and be responsible for, all funds and securities of the Association, shall deposit or cause to be deposited all such funds in such depositories as the Executive Board may direct, shall keep or cause to be kept correct and complete accounts and records of all financial transaction of the Association and the Executive Board and shall submit or cause to be submitted to the Executive Board and the Association such reports thereof as the Act, the Declaration, the Executive Board, or these Bylaws may from time to time require. Such records shall include, without limitation, chronological listings of all receipts and expenditures on account of the Common Elements, Limited Common Elements and each Unit, the amount of each assessment for Common Expenses and expenses assessable to individual Units, if any, and the amount paid and the amounts due on such assessments. Such records shall specify and itemize the maintenance, repair and replacement expenses relating to the Common Elements and the Limited Common Elements and any other expenses incurred by the Association. The foregoing financial records shall be kept at the Association's office and shall be available there for inspection by the Unit Owners or prospective Unit Owners during normal business hours. The Treasurer shall, upon request, provide any person who shall have entered into a written agreement to purchase a Unit with a written statement of the information required to be provided by the Association pursuant to Sections 36.1-3.16(h) and 4.09(b) of the Act. The Treasurer shall also perform such duties and have such powers as are ordinarily attributable to the Treasurer of a corporation domiciled in Rhode Island.

(d) Vice Presidents and Assistant Officers. Unless otherwise determined by a resolution of the Executive Board, any Vice President and any assistant officer shall have the powers and perform the duties of his respective superior office, the President being any Vice President's superior officer, the Secretary being any Assistant Secretary's superior officer and the Treasurer being any Assistant Treasurer's superior office.

Section 4.3. Compensation. The officers of the Executive Board shall serve without compensation for their services in such capacity unless such compensation is expressly authorized or approved by a vote of more than fifty percent (50%) of the votes of all Unit Owners at any Annual or Special Meeting of the Association.

Section 4.4. Resignation and Removal. Any officer may resign at any time by written notice to the Executive

Board, such resignation to become effective at the next Executive Board meeting. Any officer who ceases to be a member of the Executive Board for any reason also shall be deemed to have resigned or been removed, ipso facto, from any Executive Board office he may have held. Any officer may be removed from his office at any time by a majority vote of the Executive Board whenever in the judgment of the Executive Board members the interests of the Association will be best served thereby, or by the vote of the Association with or without cause, in the same manner as set forth for the removal of the Executive Board members in Section 3.4 hereof.

Section 4.5. Vacancies. Vacancies caused by resignation or removal of officers or the creation of new offices may be filled by a majority vote of the Executive Board members, if the vacancy resulted from action of the Executive Board. If, however, the vacancy resulted from action by the Association, such vacancy shall be filled in the same manner as set forth in Section 3.5 hereof for filling Executive Board vacancies.

## ARTICLE 5

### COMMON EXPENSES; BUDGETS

Section 5.1. Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by the Executive Board; provided, however, that the first fiscal year shall begin upon the recordation of the Declaration.

Section 5.2. Preparation and Approval of Budget.

(a) Adoption. On or before the first day of November of each year (or sixty (60) days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall adopt an annual budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Executive Board to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Act, the Declaration, these Bylaws or a resolution of the Association and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to the Unit Owners of all related services. Such budget shall also include such reasonable amounts as the Executive Board con-

siders necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. The Association shall charge each Unit Owner its Percentage Interest share of such budget as a component of its share of Common Expenses each month.

(b) Available for Inspection. On or before the next succeeding fifth day of November (or fifty-five (55) days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall make the budget available for inspection at the Association office and shall sent to each Unit Owner a copy of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses. Such budget shall constitute the basis for determining each Unit Owner's assessments for Common expenses of the Association and shall automatically take effect at the beginning of the fiscal year for which it is adopted, subject to Section 5.8 below.

(c) Revisions. (Intentionally omitted.)

(d) Reasonable Efforts. The Executive Board shall make reasonable efforts to meet the deadlines set forth above, but compliance with such deadlines shall not be a condition precedent to the effectiveness of any budget.

Section 5.3. Assessment and Payment of Common Expenses.

(a) Common Expenses. The Executive Board shall calculate the monthly assessments for Common Expenses against each Unit by (i) dividing the total amount of the estimated funds required for the operation of the Property set forth in the budget adopted by the Executive Board for the fiscal year in question, after deducting any income expected to be received from sources other than Common Expense assessments by the number of Units in the Condominium and (ii) dividing the result by the number of calendar months in such fiscal year. Such assessments, payable in monthly installments, shall be due and payable on the first day of each calendar month and shall be a lien against each Unit Owner's Unit as provided in the Act and the Declaration. Within ninety (90) days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Unit Owner and to each record holder of a first mortgage on a Unit who has registered an address with the Secretary an itemized accounting of the Common Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves. Any net shortage with

regard to Common Expenses, after application of such reserves as the Executive Board may determine, shall be assessed promptly against the Unit Owners in equal shares and shall be payable as a Special Assessment, in such manner as the Executive Board may determine.

(b) Reserves. The Executive Board shall build up and maintain reasonable reserves for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against such reserves. If the reserves are deemed to be inadequate for any reason, including non-payment of any Unit Owner's assessments, the Executive Board may at any time levy further assessments for Common Expenses which shall be assessed against the Unit Owners in equal shares and shall be payable as a Special Assessment, in such manner as the Executive Board may determine.

Section 5.4. Further Assessments. The Executive Board shall serve notice on all Unit Owners of any further assessments pursuant to Sections 5.3(a), 5.3(b) or 5.3(c) or otherwise as permitted or required by the Act, the Declaration and these Bylaws by a statement in writing giving the amount and reasons therefor, and such further assessments, unless otherwise specified in the notice, shall become effective with the next Monthly Assessment which is due more than ten (10) days after the delivery of such notice of further assessments. All Unit Owners so assessed shall be obligated to pay the amount of such Monthly Assessments. Such assessments shall be a lien as of the effective date as set forth in the preceding Sections 5.3(a) and 5.3(b).

Section 5.5. Initial Budget. At or prior to the time assessments of Common expenses commences, the Executive Board shall adopt the budget, as described in this Article, for the period commencing on the date the Executive Board determines that assessments shall begin and ending on the last day of the fiscal year during which such commencement date occurs. Assessment shall be levied and become a lien against the Unit Owners during such period as is provided in Section 5.3 above.

Section 5.6. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Executive Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his allocable share of the common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Owner shall

continue to pay each Monthly Assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

Section 5.7. Accounts; Audits. All sums collected by the Executive Board with respect to assessments against the Unit Owners or from any other source may be commingled into a single fund. All books and records of the Association shall be kept in accordance with good and accepted accounting practices and the same shall be audited at least once each year by an independent accountant retained by the Executive Board. \*

Section 5.8. Rejection of Budget; Limitations on Expenditures and Borrowing. Anything herein to the contrary notwithstanding, the Association, by a vote of more than fifty percent (50%) of all votes in the Association, may reject any budget or capital expenditure approved by the executive Board, within thirty (30) days after approval by the Executive Board.

Section 5.9. Statement of Common Expenses. The Executive Board shall promptly provide any Unit Owner, contract purchaser or proposed mortgagee so requesting the same in writing with a written statement of all unpaid assessments for Common Expenses due from such Unit Owner. The Executive Board may impose a reasonable charge for the preparation of such statement to cover the cost of its preparation, to the extent permitted by the Act.

## ARTICLE 6

### REPAIR OR RECONSTRUCTION

Section 6.1. Restoration of Property Out of Common Expense Fund. Damage to or destruction of the Building shall be promptly repaired and restored by the Association in accordance with the provision of Article 11 of the Declaration and Section 36.1-3.13(h) of the Act. The Executive Board shall be responsible for accomplishing the full repair or reconstruction which shall be paid out of the Common Expense fund. The disbursements of funds for such repair or reconstruction shall, at the option of the Executive Board, be made only as the work progresses upon approval of a qualified architect who shall have furnished a description satisfactory to the Executive Board of the costs involved and the services and materials to be furnished by the contractors, subcontractors and materialmen. Unit Owners may apply the proceeds from their individual property insurance policies, if any, to the share of such Common expense as may be assessed to them. The Executive Board



HIDDEN VALLEY CONDOMINIUM ASSOCIATION, INC.  
AMENDMENT TO THE BY LAWS

Pursuant to Hidden Valley Condominium Association, Inc., By Laws Section 8.1, Section 5.7 of the By Laws entitled "Accounts; Audits" is hereby amended to read as follows:

Section 5.7. Accounts; Audits

All sums collected by the Executive Board with respect to assessments against the unit owners or from any other source may be commingled into a single fund. All books and records of the association shall be kept in accordance with good and accepted accounting practices and the same shall be the subject of a financial review at least once each year by an independent certified public accountant retained by the Executive Board.

We the undersigned, being members of the Association in good standing, hereby vote and agree to the amendment of Section 5.7 of the By Laws referenced above.

Unit No.

Unit Owner's Name

31  
 71  
 120  
 124  
 94  
 16  
 80  
 83  
 57  
 76  
 64  
 15  
 21  
 56

Charles A. Adams  
 Lisa Bellini  
 Robert R. Borden  
 [Signature]  
 Robert D. [Signature]  
 Michael J. Valtella  
 [Signature]  
 Margaret Geoffrey  
 [Signature]  
 Paul H. Minner  
 [Signature]  
 Elizabeth B. Kalman  
 [Signature]

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shall be responsible for restoring the Property only to substantially the same condition as it was immediately prior to the damage, and each Unit Owner shall personally assume the additional expense of any improvements to his Unit which he desires to restore it beyond such condition. If any physical changes are made to any restored Unit or the Common Elements, or any combination of them, which renders inaccurate the Plats and Plans which are then of record, the Executive Board shall record amended Plats and Plans showing such changes.

## ARTICLE 7

### SEPARATE REAL ESTATE TAXES

Section 7.1. Assessments Against Individual Units. In the event that, commencing with the taxable period during which occurs the first conveyance of a Unit to a person other than the Declarant real estate taxes are not separately assessed against each Unit Owner, but rather are assessed against the Property as a whole, then each Unit Owner (including the Declarant as to the Units then owned by it and all portions of the Condominium as to which the Declarant has reserved Development Rights) shall pay his proportionate share thereof in accordance with his respective Percentage Interest in the Common Elements.

## ARTICLE 8

### AMENDMENTS

Section 8.1. General Requirements; Consent of Declarant or Holders of Mortgages; Curative Amendments to Bylaws. Except as otherwise provided herein or in the Declaration or the Act, these Bylaws may be amended by the vote of the Unit Owners entitled to cast a majority of the votes in the Association, cast in person or by proxy at a meeting duly held in accordance with the provisions of these Bylaws; provided, however that if such amendment shall make any change which would have a material effect upon any rights, privileges, powers and options of the Declarant, such amendment shall require the joinder of the Declarant; and further provided that no amendment seeking (i) to abandon, partition, subdivide, encumber, sell or transfer any portion of the Common Elements or (ii) to abandon to terminate the condominium form of ownership of the Property except as otherwise provided in the Declaration shall be effective without the prior written approval of all Mortgagees. Additionally, if any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to

correct or supplement any provision of these Bylaws that is defective, missing or inconsistent with any other provision hereof, or with the Act or the Declaration, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to condominium projects, then at any time and from time to time the Executive Board, acting through the President or any Vice President, may effect an appropriate corrective amendment without the approval of the Unit Owners or the holders of any liens on all or any party of the Property. Each amendment of these Bylaws shall be effective when duly recorded.

Section 8.2. Amendments to the Declaration. The Declaration may be amended pursuant to the provisions of the Act and the Declaration. The President or any Vice President is empowered to prepare and execute any amendments to the Declaration on behalf of the Association and the Secretary or any Assistant Secretary is empowered to attest, seal with the Association's corporate seal and record any such amendments on behalf of the Association.

## ARTICLE 9

### GENERAL PROVISIONS

Section 9.1. Severability. The provisions of these Bylaws shall be deemed independent and severable, and the invalidity, partial invalidity or unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision or portion thereof unless the deletion of such invalid or unenforceable provision shall destroy the uniform plan for development and operation of the condominium project which the Declaration (including the Plats and Plans) and these Bylaws are intended to create.

Section 9.2. Conflicts. The Act and the Declaration shall control in the event of any conflict between the provisions thereof and the provision of these Bylaws. The Act, the Declaration and these Bylaws shall control in the case of any conflict between the provisions thereof and the provisions of the Rules and Regulations.

Section 9.3. Notices. All notices or other communications required or permitted under the Bylaws shall be in writing and shall be deemed to have been given when personally delivered or on the second business day after the day on which mailed by certified mail, return receipt requested, postage

prepaid (or otherwise as the Act may permit); a) if to a Unit Owner at the single address which the Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Unit Owner, or b) if to the Association, the Executive Board or to the managing agent, at the principal office of the Association and to the managing agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one Person, each such Person who so designates a single address in writing the Secretary shall be entitled to receive all notices hereunder.

Section 9.4. Headings. The headings preceding the various Sections of these Bylaws and the Table of Contents are intended solely for the convenience of readers of the Bylaws and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.

Section 9.5. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders, and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.



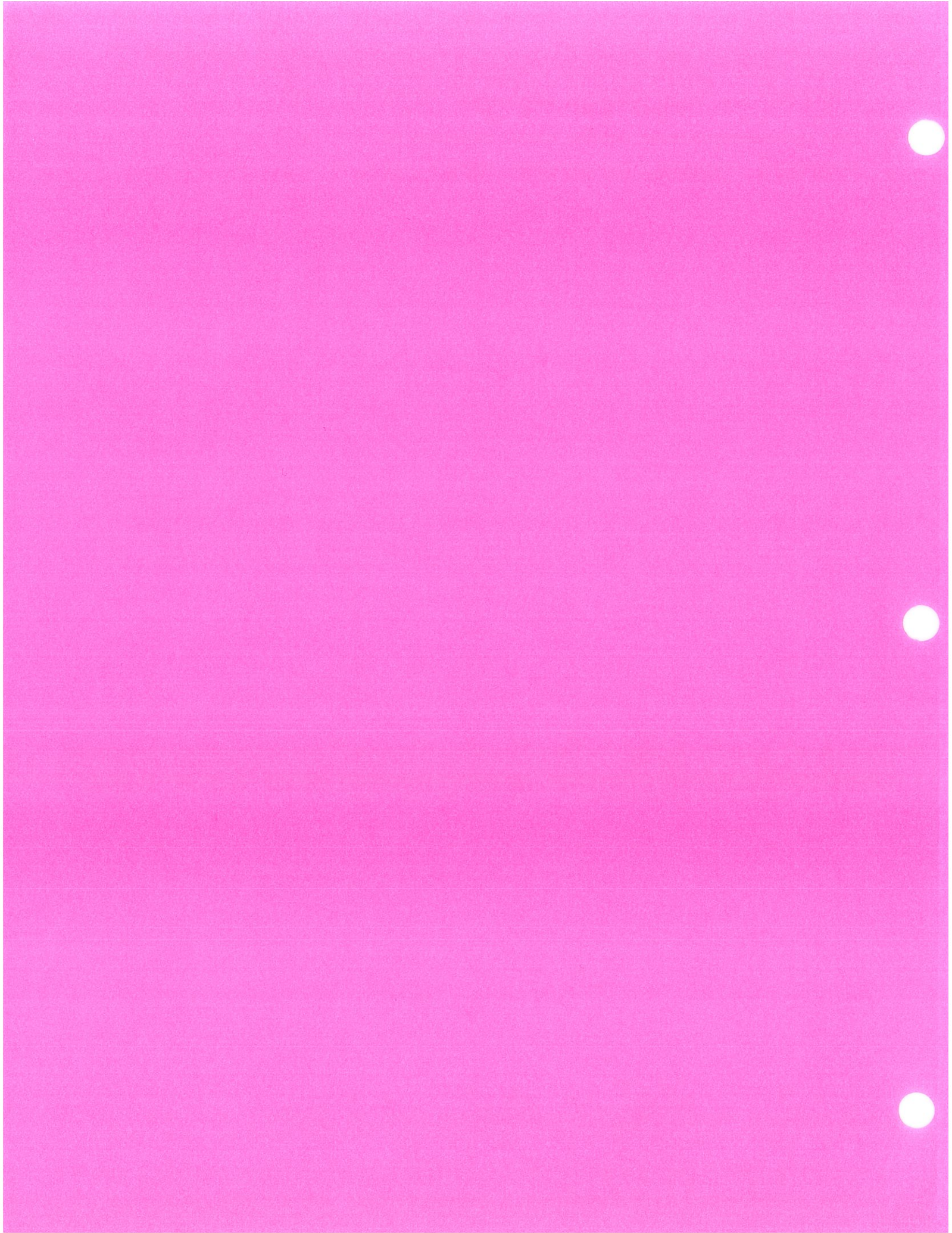














PUBLIC OFFERING STATEMENT  
FOR  
HIDDEN VALLEY CONDOMINIUM  
PHASE I

Public Offering Statement # \_\_\_\_\_  
Delivered to: \_\_\_\_\_

Date of delivery: \_\_\_\_\_  
Delivered by: \_\_\_\_\_



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PUBLIC OFFERING STATEMENT FOR  
HIDDEN VALLEY CONDOMINIUM

(Pursuant to Chapter 34-36.1 of the Rhode Island Condominium Act)

NAME OF CONDOMINIUM: Hidden Valley Condominium

PRINCIPAL ADDRESS OF CONDOMINIUM: Quaker Lane  
West Warwick, Rhode Island

NAME AND PRINCIPAL ADDRESS OF  
DECLARANT: Downing/Hidden Valley, Inc.  
200 Dyer Street  
Providence, Rhode Island 02903

EFFECTIVE DATE OF PUBLIC OFFERING  
STATEMENT: December 12, 1986

IMPORTANT NOTICE

The following statements are made in compliance with the requirements of Sections 34-36.1-4.02 through 4.04 of the Rhode Island Condominium Act of 1982 (the "Act").

Within ten (10) days after receipt of this Public Offering Statement, before conveyance, the Purchaser may cancel any agreement he or she has executed for the purchase of a Unit in Hidden Valley Condominium (the "Condominium") from the Declarant. If the Purchaser elects to cancel the agreement for the purchase of a Unit pursuant to the immediately preceding sentence, he or she may do so by hand delivering notice of cancellation to the Declarant (in which case a receipt should be obtained) or by mailing the notice by postage prepaid United States mail (in which case return receipt requested is advised). This cancellation of the purchase and sale agreement is without penalty, and all payments made by the purchaser before this cancellation will be refunded promptly by the Declarant.

If the Declarant fails to provide a Public Offering Statement (and all amendments thereto) to a Purchaser before conveying a Unit, that Purchaser may recover from the Declarant, in addition to any other relief, damages as provided in Section 36.1-4.08 of the Act, consisting of an amount equal to ten percent (10%) of the sale price of the Unit.

If a Purchaser receives the Public Offering Statement more than ten (10) days before signing the purchase and sale agreement, he or she cannot cancel the agreement pursuant to the foregoing provisions.

PUBLIC OFFERING STATEMENT  
HIDDEN VALLEY CONDOMINIUM  
WEST WARWICK, RHODE ISLAND

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## INTRODUCTION

This Public Offering Statement is divided into two parts. The first part, entitled "Narrative," summarizes the significant features of the Condominium as required by the Act and presents additional information which may be of interest to prospective purchasers. The second part contains the following exhibits (the "Exhibits"), which are a part of this Public Offering Statement: Exhibit 1 is the current version of the Declaration of Condominium which the Declarant intends to record (the "Declaration"); Exhibit 2 is a copy of the Bylaws of the Hidden Valley Condominium Association (the "Bylaws") which will govern the operation of the Condominium Association; Exhibit 3 is the proposed form of purchase and sale agreement for individual units including all exhibits attached thereto (the "Agreement"); Exhibit 4 contains title information; Exhibit 5 contains the projected budget (the "Budget") for the first year of operation of the Condominium; and Exhibit 6 explains the types of insurance policies to be obtained by the Condominium Association.

The Narrative is not intended to provide a complete or detailed discussion of the Condominium, and the Purchaser should review carefully all parts of this Public Offering Statement, including the Exhibits. The Declarant's salespersons and other representatives are prohibited from orally changing any of the terms and conditions of this Public Offering Statement or of the documents that are part of this Public Offering Statement and may not attempt to interpret their legal effect.

Any term that is capitalized in the Narrative and is not specifically defined in the Narrative will have the meanings which are given to it in the Act, the Declaration, the Bylaws of the Condominium or the Agreement, as applicable.

### PART I

#### NARRATIVE

##### The Condominium Form of Ownership

Over the last several years, the word "condominium" has become familiar to everyone. The purpose of this section is to help you understand the concept of condominium ownership. When you own a condominium, you hold title to your



dwelling (the "Unit"), which is part of a larger building or complex of buildings (the "Building" or "Buildings"). You also own, in common with the other owners in the same condominium complex, a percentage interest in the common areas of the property in which your Unit is located. These common areas are referred to as the "Common Elements" and generally include all portions of the property which are not part of a Unit. The Common Elements may include the land on which the Building or Buildings containing Units are located, parking areas, landscaped or open areas and building components such as foundations, roofs, exteriors, optional features which are not a part of the Unit and common utility systems. Some portions of the Common Elements are designated as "Limited Common Elements." The Limited Common Elements are for the exclusive use of the Unit Owner to whose Unit the Limited Common Element is assigned by the Declaration, the Plats and Plans or the Condominium Association. Maintenance and repair of the Limited Common Elements in some instances may be the obligation of the Unit Owner. In addition to owning his or her Unit, each individual Unit Owner owns a specified undivided interest in the Common Elements. This is referred to as the "Percentage Interest". The ownership of this Percentage Interest gives each Unit Owner the right, subject to the terms of the Act, the Declaration and the Bylaws and the Plats and Plans, to use and participate in the control of the Common Elements (through membership in the Condominium Association). Ownership of a Unit and a Percentage Interest in the Common Elements obligates each Unit Owner to pay his share of the expenses of operating and maintaining the Common Elements (the "Common Expenses"). Annual budgets are established by the Executive Board of the Condominium Association. Each Unit Owner will contribute equally to the Common Expenses. Each Unit Owner's share will be determined by dividing the annual budget by the number of Units in the Condominium. The Executive Board is elected by the Unit Owners. What makes a condominium ownership unique is that you are the exclusive owner of your Unit and you share ownership of the Common Elements with other persons who own Units which are part of the Condominium.

#### The Declarant

The Declarant is Downing/Hidden Valley, Inc., a Rhode Island corporation. The Declarant's principal address is 200 Dyer Street, Providence, Rhode Island 02903.

#### General Description of the Condominium

The Condominium consists of Units in Buildings located

on approximately 21 acres of land with frontage on Quaker Lane in West Warwick, Rhode Island.

The Condominium is to be developed in phases. Phase I will consist of Buildings 1 and 2, with ten Units in each Building, the entrance, sales office and roads and utilities necessary to service Phase I. A subsequent phase which must be built will consist of two Buildings, with ten units in each Building, the roads and utilities necessary to service this phase. Forty Units must be built by the Declarant.

The Declarant intends, but is not obligated, to build additional buildings after forty Units are completed. The maximum number of Units that the Declarant may build is 120 (which includes the 40 Units in the first phases). The construction of 120 Units would result in a density of approximately 5.7 Units per acre.

Construction of Phase I, 20 Units, was started in September, 1986 and is expected to be completed in March, 1987. Construction of the next phase is expected to be completed by May, 1987.

The mix of Unit types at the Condominium is as follows:

Phase I

Two (2) Buildings, each containing six (6) single level Units and four (4) two level townhouse Units.

20 Units (Must be Built)

Two (2) Buildings, each containing six (6) single level Units and four (4) two level townhouse Units.

The Buildings are of new construction and are frame structures with concrete foundations which have no basements. Exterior walls will have wood facades. Roofs will be all wood truss construction with asphalt roof shingles. Presently, all buildings in the Condominium are planned to be alike; however, the Declarant reserves the right to construct other building types in future phases. Since each building will be wired for cable TV, roof antennas may be installed only with the approval of the Declarant or the Association, as the case may be. Electricity for all Units will be individually metered, and all Units will be heated by gas fired forced hot air and will be centrally air conditioned. All Units will be connected to public water and sewer. Hot water will be provided by electric hot water heaters.

tive Board from time to time with respect to the use of all or any portion of the Property.

(v) "Special Assessment" means a Unit Owner's share of any assessment made by the Executive Board in addition to the Monthly Assessment.

(w) (Intentionally omitted)

(x) "Special Declarant Rights" means those rights which the Declarant has reserved to itself as set forth in Article 17, Article 15 and elsewhere in this Declaration.

(y) "Unit" means a physical portion of the Condominium designated for separate ownership or occupancy, the boundaries of which are described in Article 3. References to Unit or Units herein includes any and all Units which the Declarant has reserved the right to create.

Section 2.3. Provisions of the Act. The provisions of the Act shall apply to and govern the operation and governance of the Condominium, except to the extent that contrary provisions, not prohibited by the Act, are contained in one or more of the Condominium Documents.

### ARTICLE 3

#### UNIT BOUNDARIES AND MAINTENANCE RESPONSIBILITIES

##### Section 3:1 Unit Boundaries.

(a) The boundary lines of each Unit are as shown on the Plats and Plans and are formed by the following planes:

(1) The Unit-side surface of the masonry portion of such exterior walls of the Building as are adjacent to such Unit;

(2) The Unit-side surface of the interior walls and partitions of the Building which separate such Unit from adjoining Units or Common Elements, the Unit to include the thickness of the finish material such as plaster or drywall;

(3) The Unit-side surface of furring around utility shafts, and other Common Elements within or passing

through such Unit, the Unit to include the thickness of the finish material such as plaster or drywall;

(4) The Unit-side surface of ceilings and furring under and around (i) wood members and (ii) utility lines, ducts and cables, the Unit to include the thickness of the finish material such as plaster or drywall;

(5) The Unit-side surface of the structural wood floor of such Unit, the Unit to include the thickness of the finish material such as carpet, ceramic or resilient tile or hardwood;

(6) The Unit-side surface of the sash of windows which are set in the exterior walls of such Unit, the exterior surface of the panes of such windows and the Unit-side surface window sills, moldings, trim, jambs and mullions for such windows, the Unit to include the thickness of the finish material such as plaster or drywall; and

(7) The exterior surface of doors, and their sills and hardware, and the Unit side surface of the door frames in which such doors are set, the Unit to include the thickness of the finish material such as plaster or drywall.

(b) Each Unit consists of all portions of the Building within the aforesaid boundary lines, except the air space displaced by (i) structural members and bearing partitions within or passing through such Unit which are deemed to be Common Elements; (ii) other Common Elements within such Unit including, without limitation, chutes, flues, ducts, wires, conduits and piperuns which serve more than one Unit. There is included within a Unit (by way of illustration and not limitation): (1) the air space enclosed by such boundary lines, (2) all partitions which are wholly contained within such boundary lines including (but not limited to) all doors, door frames, hardware, electrical outlets and wiring, telephone outlets and conduits and other equipment and devices in such partitions serving only such Unit, (3) all fixtures located within such boundary lines and serving only such Unit, and their water and waste connections, (4) all items of kitchen equipment located within such boundary lines and serving only such Unit, and such equipments' water, waste and electrical connections, (5) heat pumps, exhaust fans and the grills, registers, ventilation ducts, and related fixtures, and screens and storm windows which serve only such Unit, whether or not any of the foregoing is located in any portion of the Common Elements, (6) lighting

(7) devices (including, by way of illustration and not limitation, lamps and bulbs which are surface mounted on, recessed in or suspended from, ceilings, walls and partitions within or around the perimeter of such Unit) serving only such Unit, whether or not such lighting devices are themselves located entirely within the boundary lines of such Unit, (7) outlets, wires, cables, conduits, circuits and related equipment transmitting electricity for lighting and power or transmitting electrical impulses and signals (including, but not limited to, impulses and signals for telephone, telegraph and television transmission, except to the extent otherwise specifically provided herein), which serve only such Unit and which are located entirely within the boundary lines of such Unit, (8) surface mounted and recessed medicine cabinets (including, by way of illustration and not limitation, all associated lighting fixtures and accessories), and (9) refrigerators, ranges, dishwashers and other appliances and the portions of their water, waste, electrical and exhaust connections located within such boundary lines and serving only such Unit.

(c) Each Unit's identifying number is shown on the Plats and Plans and on Exhibit B.

Section 3.2 Relocation of Unit Boundaries; Subdivision and Conversion of Units. Relocation of boundaries between Units will be permitted subject to compliance with the provisions therefor in Section 36.1-2.12 of the Act and subject to compliance with any conditions, restrictions or requirements imposed by the Executive Board. Subdivision of Units is prohibited. Conversion of Units to Common Elements or to uses other than residential by Unit Owners other than the Declarant is prohibited. The cost for preparation and recordation of any documents required for the relocation of boundaries between Units or conversion of Units by the Declarant shall be chargeable to the Units involved as a Special Assessment.

Section 3.3 Maintenance Responsibilities. Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the foregoing boundary descriptions, the Units and Common Elements shall be maintained and repaired by each Unit Owner and by the Association in accordance with the provisions of Section 36.1-3.07 of the Act, except as expressly set forth to the contrary herein.

ARTICLE 4

DESCRIPTION AND ALLOCATION OF LIMITED COMMON ELEMENTS

Section 4.1 Description of Limited Common Elements. Limited Common Elements shall mean those portions of the Building defined as such pursuant to Sections 36.1-2.02(2) and (4) of the Act or as identified and designated as Limited Common Elements in the Plats and Plans, or Section 4.2 hereof. Those portions of the Limited Common Elements serving only the Unit above, below or adjacent to such Limited Common Element, as the case may be, are Limited Common Elements allocated only to the Unit which they serve. Those Limited Common Elements (if any) shown and identified as such on the Plats and Plans shall be allocated to the Unit indicated.

Section 4.2 Specified Limited Common Elements. The following portions of the Building or the Property are hereby designated as Limited Common Elements:

(a) window and door sills, frames and hardware, if any, which are not part of the Unit but which are adjacent to and serve only such Unit.

(b) Permitted features such as a balcony, family room or a screened porch, if any, driveways and parking places as designated on the Plats and Plans to be for the use of specific Unit Owners.

ARTICLE 5

ALLOCATION OF PERCENTAGE INTERESTS, COMMON

EXPENSES AND VOTING RIGHTS

Section 5.1 Percentage Interests. Attached as Exhibit B hereto is a list of all Units by their identifying Number and their Percentage Interest appurtenant to each Unit, determined on the basis of the number of Units in the Condominium at any time or from time to time. Except for minor variation due to the requirement of the Act that the aggregate percentage interests equal 100, the Units shall have equal Percentage Interests. If and when Units are added to the Condominium, Percentage Interests will be reallocated using the same formula set forth above.

the Declarant. The terms of office of the initial Executive Board Members will be staggered; thereafter the term of office will be one year.

Article 14 also sets forth the procedure to be followed in order to resolve any inconsistency among the various Condominium Documents and in order to amend the Condominium Documents, and grants to the Executive Board and any aggrieved Unit Owner the power to abate or enjoin any violations of the Act or the Condominium Documents by Unit Owners, tenants of Unit Owners or the Association.

Article 15 of the Declaration permits the Association to employ a professional, experienced managing agent to oversee the daily operation of the condominium or any part thereof. In addition, so long as a Unit remains initially unsold by the Declarant, the Declarant has the right to approve or disapprove any management contract entered into by the Association.

Article 16 deals with the liability of Unit Owners to pay all Common Expense assessments allocated to their Units and provides for the procedures to be followed to affix assessments and collect assessments in the event that the Unit Owner fails to pay them. Section 16.9 requires each Unit Purchaser, upon the initial transfer of title from the Declarant to the Purchaser, to pay to the Association an amount equal to two months estimated Common Expense liability for the Unit being purchased in order to establish a working capital fund for the Association.

Article 17 allows the Declarant to reserve certain rights with respect to the development of the Property and describes what those rights are.

Article 18 provides that the Declarant may assign the rights which it has reserved to others.

#### Bylaws

The operation and administration of the Condominium Association are governed by the Bylaws.

Article 2 of the Bylaws provides that all Unit Owners in the Condominium are members of the Association. Article 2 also sets forth the time, purpose and procedure for annual and special meetings of the Association. The Association is required to conduct meetings at least annually, and at the annual meeting the Treasurer of the Association is required to present

an annual financial report for the preceding fiscal year and the projected budget for the current fiscal year.

Article 3 provides for an Executive Board of five natural persons. It also describes the time, purpose and procedures for meetings of the Executive Board, and sets forth procedures to be followed in the event that Executive Board members resign or positions on the Executive Board become vacant. Article 3 also sets forth requirements governing the validity of contracts with interested Executive Board Members, and permits the Executive Board to enter into a management contract for the professional management of the Condominium or any part thereof.

Article 4 contains provisions governing the election of officers of the Association by the Executive Board and enumerates the duties of those officers. Officers are elected annually by the Executive Board.

Article 5 describes the procedure for establishing budgets. It also sets forth the obligation of Unit Owners to pay monthly assessments for Common Expenses. Under Section 5.8, the Association, by a majority vote, may reject any budget or capital expenditure approved by the Board.

Article 6 sets forth the procedure for restoration and repair to the Buildings or other parts of the Condominium if damaged or destroyed.

Article 7 describes how individual units will be assessed for real estate tax purposes.

Article 8 sets forth the procedure for amending the Bylaws. Article 9 contains general provisions applicable to the By-laws.

#### Rules and Regulations

The Bylaws provide that the Executive Board may promulgate rules and regulations governing the details of the use and operation of the Condominium. As of the effective date of this Public Offering Statement, these rules and regulations are set forth on Exhibit E to the Declaration.

#### Purchase and Sale Agreement

The form of the Purchase and Sale Agreement (the "Agreement") to be executed by all Purchasers is contained in



Exhibit 3 of this Public Offering Statement. It sets forth the rights and obligations of the Purchaser and the Declarant with respect to the Unit. The Purchaser purchases the Unit, the Percentage Interest in the Common Elements appurtenant to the Unit and the personal property, if any, described in the Schedule which is a part of the Agreement.

Item 3 of the Schedule sets forth the sales price and any allowances or credits given to the Unit Purchaser. It also indicates the amount of money to be paid upon execution of the Agreement and at the closing date. Under paragraphs 3 and 20 of the Agreement, the deposit will be held in an escrow account in accordance with the provisions of Section 36.1-4.03(13) of the Condominium Act. The escrow account will be maintained at Eastland Savings Bank, Woonsocket, Rhode Island or at one of its branch offices in Rhode Island. In the event the Unit Purchaser cancels the Agreement pursuant to the provisions set forth on pages one and two of this Public Offering Statement, the Purchaser will be entitled to a return of the deposit paid. The Purchaser is not entitled to earn any interest on the deposit.

Paragraph 5 of the Agreement describes the various exceptions to the title that will be conveyed to the Purchaser.

The closing will be scheduled in accordance with the provisions of paragraph 6 of this Agreement. At the closing certain costs will be apportioned between the Declarant and the Purchaser; paragraph 8 of the Agreement describes the costs for which the Declarant is responsible and the costs for which the Purchaser is responsible.

Paragraph 9 of the Agreement sets forth the events of default and the remedies of both parties if a default by either party occurs. Generally, upon a default by the Purchaser, the Declarant's sole remedy is to retain the Deposit Money. In the event of a default by the Declarant, the Purchaser's sole remedy is to have the Deposit Money returned.

The Declarant gives certain warranties with respect to the Condominium. These warranties are more particularly described in paragraph 11 of the Agreement and in the portion of this narrative entitled "Warranties of the Declarant."

Paragraph 13 of the Agreement sets forth the rights of the parties in the event that all or a portion of the Property is destroyed, damaged or condemned prior to the closing.

Under Paragraph 14 of the Agreement, the Purchaser acknowledges that prior to the conveyance of the first Unit in the Condominium, the Declarant may amend the Declaration and the Bylaws.

Paragraph 15 of the Agreement prohibits the Purchaser from assigning his interest in the Agreement without the prior written consent of the Declarant.

Paragraph 17 of the Agreement limits the representations and warranties of the Declarant to those contained in or incorporated into the Agreement. It also limits changes made by sales persons or other parties.

The Declarant retains the right, in its sole discretion, at any time and from time to time, to increase or to lower the selling price for the Units in the Condominium; provided, however, that no change in price will affect Agreements previously executed.

#### Contracts

The Declarant may also enter into employment contracts with personnel to maintain the Common Elements and/or the Limited Common Elements for the Unit Owners. A summary of any employment contracts entered into by the Declarant will be provided to all Purchasers after such agreements are signed.

#### Projected Budget and Financial Matters

The Condominium Association will be established by the Declarant either contemporaneously with or shortly after the recording of the Declaration. A projected budget for the first year of operation of the Condominium Association after the anticipated date of the first conveyance of the Unit to a Purchaser has been prepared by the Declarant. A copy of the budget is included in this Public Offering Statement as Exhibit 5. Because the Association has not yet been formed, no balance sheet for the Association is available.

Since the first conveyance will not occur immediately, the budget is subject to change. Nevertheless, the budget has been prepared based upon what the Declarant believes to be the best current estimates of future costs based on information currently available, such as the current and past operation and maintenance cost of the property or similar properties. In preparing the budget, the Declarant has assumed that all Units would be occupied during the entire one year period which the

budget covers. The budget establishes a reserve for capital expenditures that are anticipated in the future.

Initially, the Condominium shall consist only of the real estate and 40 Units; however, it is the intention, but not the obligation of the Declarant, to build a total of 120 Units in the Condominium.

The budgets have been prepared by the staff of the Declarant based upon what the Declarant believes to be the best current estimates of future costs based on information currently available, such as the current and post operation and maintenance of similar properties. The budgets have been projected on the basis of a fiscal year beginning January 1, 1987 and ending December 31, 1987. In the event the Condominium Association enters into contracts or service agreements, contractually scheduled increases in such contracts or service agreements, if any, may affect the projections. All amounts are rounded off to the nearest dollar. There are no amounts included in the budgets for future capital expenditures or reserves except as set forth therein.

Assumptions relating to occupancy are set forth in each budget. The budgets are based upon the assumption that the rate of inflation will be nominal.

Each purchaser of a Unit in the Condominium will pay a nonrefundable payment equal to two months of the Declarant's initially estimated monthly assessment for Common Expenses. These amounts will be paid directly to the Condominium Association to provide it with initial working capital and such amounts will not be refundable to the Unit Owners at any time under any circumstances.

There are no services not reflected in the budget that the Declarant currently provides or expenses that it currently pays and expects may become at any subsequent time a Common Expense of the Association.

At the closing for each Unit purchased, the Purchaser will be required to pay additional settlement costs, as described in the Agreement.

#### Title Matters

Upon recording of the Declaration, the Condominium will be subject to the terms of the Declaration, as recorded, the matters shown on the Plats and Plans, as recorded, the

Bylaws and any rules and regulations issued, as each of these may be amended from time to time. In addition the Condominium is subject to the following:

(a) Statutory easements granted by the Act, including (i) the easement provided by Section 34-36.1-2.14 of the Act, which provides that any Unit or Common Element is subject to a valid easement to the extent that any other Unit or Common Element encroaches upon it; (ii) the provisions of Section 34-36.1-2.15 of the Act which provides that the Declarant may maintain sales offices, management offices and models in the Condominium (such right being set forth in Section 6.1(a) of the Declaration; and (iii) the easement provided for in Section 34-36.1-2.16 of the Condominium Act, which allows the Declarant an easement through the Common Elements, and if necessary, through portions of the Limited Common Elements, as reasonably may be necessary to facilitate the completion of the Condominium or to exercise any Development Right or Special Declarant right reserved by the Declarant in Article 16 of the Declaration and elsewhere in the Condominium Documents.

(b) Unrecorded easements, discrepancies, conflicts in boundary lines, shortages of area and encroachments which an accurate and complete as-built survey of the Condominium, would disclose.

(c) Easements and restrictions described in Section 6.1 of the Declaration including the following:

(1) Easements in favor of the Declarant, the Association and appropriate utility and service companies, cable television companies and governmental agencies for utilities, drainage and service lines;

(2) An easement in favor of the Declarant to maintain and correct drainage of surface water;

(3) An easement in favor of the Declarant for the purposes of construction, reconstruction, maintenance, repair, renovation, replacement or correction of the Units or Common Elements;

(4) An easement in favor of the Unit Owners, their invitees, employees, tenants and servants, the Association and the agents and employees of the Association for access through each portion of the Common Elements, subject to the requirements and charges imposed by the Executive Board;

(5) An easement in favor of the Association, its agents, employees and independent contractors for the purpose of inspection, upkeep, maintenance, repair and replacement of the Common Elements;

(6) An easement in favor of the benefitted Units (a) for installation, repair, maintenance, use, removal and replacement of utilities located on the Common Elements, or of overhead lighting fixtures, electrical receptacles and light fixtures located in a portion of the ceiling, wall or floor adjacent to the Unit; and (b) for driving and removing nails, screws, bolts and the like into the Unit-side surface of walls, ceilings and floors which are part of the Common Elements;

(7) An easement in favor of each Unit for structural support by adjacent Units, of the Common Elements and the Limited Common Elements;

(8) An easement in favor of the Association, its agents, employees, and independent contractors for inspection of the Units and Limited Common Elements, for inspection, maintenance, repair and replacement of the Common Elements or the Limited Common Elements and for the correction of emergency conditions;

(9) An easement in favor of the Unit Owner benefitted and the Association, its agents, employees and independent contractors for the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, electrical, telephone, telegraph and other communication systems and all other utility lines which are part of the Common Elements and pass through a portion of one or more Units;

(10) An easement in favor of the Unit owner benefitted for the purpose of affixing and removing carpeting, parquet flooring and other floor coverings and otherwise decorating, cleaning and maintaining such surface of the floors, walls and ceilings.

(d) A first mortgage in the principal amount of \$7,650,000. granted by Declarant to The Lomas & Nettleton Company. The lien and encumbrance of this mortgage, at Declarant's option, either will be terminated entirely as to the Condominium or released on a Unit-by-Unit basis as each Unit is conveyed. The lien of the mortgage also will be subordinated to the Condominium at the time of the conveyance of the first Unit.

(e) Recorded mortgages, easements, restrictions and agreements referred to Section 1.2 of the Declaration and as set forth on Exhibit 4 hereto.

#### Warranties of the Declarant

The only warranties provided by the Declarant are those expressly provided in Sections 34-36.1-4.13 and 34-36.1-4.14 of the Act. In summary, the Declarant warrants to each Purchaser of a Unit that the Declarant will correct any "Warranted Defects" appearing in his Unit within two years from the date the Unit is conveyed to that purchaser and Declarant warrants to the Condominium Association that the Declarant will correct any "Warranted Defects" appearing in the Common Elements within a two year period commencing upon the later of the time on which the work on or improvements to the particular Common Element are completed or the date the first Unit in that Phase of the Condominium was conveyed to a bona fide Purchaser. The term "Warranted Defects" means defects in materials used or installed by the Declarant and defects caused by unsound and unworkmanlike construction.

The procedure for making warranty claims and limitations with respect to such claims are set forth in paragraph 11 of the Agreement. No claim arising out of any of the warranties set forth in paragraph 11 of the Agreement may be brought unless, prior to the expiration of the appropriate two year warranty period, the Purchaser has sent written notice by certified mail, return receipt requested, to the Declarant specifying the alleged breaches of these warranties.

The Declarant will make available to each Unit Purchaser any warranty on any item of equipment or appliance that has been purchased new by the Declarant if such warranty has been provided to the Declarant by the manufacturer thereof.

#### Litigation Involving the Condominium or the Condominium Association

As of the effective date of this Public Offering Statement, there are no judgments against the Condominium Association, nor is the Condominium Association a party to any pending litigation. The Declarant has no actual knowledge of any pending litigation involving the Condominium.

#### Restrictions on Transferability and Use of the Units

The Declaration provides that the Declarant will have

a right of first refusal to purchase whenever a Unit Owner wishes to sell his or her Unit. The Unit Owner must give written notice of the proposed sale, certified mail, return receipt requested, (including the terms and conditions of sale and an application, identical in form to that form completed by the Unit Owner when purchasing the Unit, completed by the prospective purchaser) to the Declarant at least 45 days prior to the proposed closing date. The Declarant must approve the sale to the proposed purchaser or notify the Unit Owner of its intention to purchase the Unit, on the same terms and conditions, within 20 business days after receipt of the Unit Owner's notification of intention to sell. The Declarant, upon request, will provide evidence, in recordable form, of the Unit Owner's compliance with the requirements set forth in the Declaration and of its approval of the sale.

In the event a Unit Owner wishes to lease his or her Unit, the same requirements as to time of notice and contents thereof and right of first refusal set forth above and in the Declaration will apply.

The Act provides that no part of the Common Elements may be sold unless in conjunction with the sale of a Unit; provided, however, that the Act does permit the common elements or portions thereof to be sold by the Association upon the required vote of the members.

In addition to the restrictions set forth above regarding sale and lease of Units, the Declaration imposes the following restrictions on use:

(a) Unit Owners may not obstruct the Common Elements in any way, nor may any Unit Owner store anything in or on the Common Elements without the prior written consent of the Executive Board;

(b) The Common Elements may be used only for the benefit and enjoyment of the Unit Owners and the occupants of all Units. Unit Owners are prohibited from placing any garbage, trash or rubbish anywhere in the Property other than in their own Units and in or on such parts of the Common Elements as are designated for that purpose by the Executive Board;

(c) No Unit may be used, occupied or kept in a manner which in any way increases the fire insurance premiums on the Property without the prior written consent of the Executive Board;

(d) No Unit Owner (other than the Declarant) may erect any sign on or in his or her Unit or any Limited Common Element which is visible from outside the Unit or from the Common Elements without the prior written consent of the Executive Board (with the exception of a small non-illuminated name sign on the door of the Unit);

(e) Household animal pets may be kept by Unit Owners only with the prior consent of and in the sole discretion of the Condominium Association in accordance with any rules and regulations relating to household pets promulgated by the Executive Board and with local leash laws and animal health laws; and

(f) Unit Owners are responsible for maintaining their individual Units in good order and repair at their own expense.

#### Condominium Insurance

Article 11 of the Declaration sets forth the provisions concerning the types and amounts of insurance coverage to be provided by the Condominium Association. The Property will be insured by a policy of fire and property damage insurance in an amount equal to the full insurable replacement cost of the Property. The premium for this insurance will be paid by the Condominium Association. Each Unit Owner will pay his share as part of his assessment for Common Expenses. This policy will insure all physical improvements within each Unit that are in existence on the date of Closing. This policy will not insure physical improvements within the perimeter of each Unit or appliances added by the Unit Owner subsequent to the date of Closing. Personal property of the Unit Owner is not insured. It is the individual responsibility of the Unit Owners to obtain property insurance to insure their personal property and subsequent improvements and liability insurance to cover claims arising out of the use or ownership of their individual Units. Condominium Unit Owner Insurance is available in Rhode Island and should be obtained by each Unit Owner to protect himself against fire or other damage to his Unit and liability claims within his Unit.

The Condominium Association will also carry a liability insurance policy on behalf of the Condominium Association and all Unit Owners to insure them against liability arising out of the ownership or use of the Common Elements. This policy will not insure Unit Owners against liability arising from an accident or injury occurring within their Unit or from



their own negligence. Information about the types and amount of insurance to be obtained by the Condominium Association is contained in Exhibit 6.

Insurance proceeds under the fire and property damage insurance policy will be paid to the Condominium Association or an insurance trustee, if there is an insurance trust agreement in effect.

#### Financing for Phase 1 and Subsequent Phases

The Declarant has received financing from the Lomas & Nettleton Company (the "Lender") to finance the construction of the initial phases, the roads and utilities located therein, and the Lender is committed to advance funds to the Declarant for the construction of 120 Units, the road construction, utility installation and site work and recreational amenities. The closing of the loan from the Lender was held on October 30, 1986.

#### Financing to be Arranged By Declarant

As of the date of this Offering Statement, the Declarant does not intend to offer financing to prospective purchasers. The Declarant reserves the right to offer financing to prospective purchasers in the future upon such terms and conditions as the Declarant determines. The terms and conditions of such financing, if offered, may be subject to change by the Declarant without prior notice. If the Declarant does offer financing, the current terms and conditions of such financing will be set forth in an amendment or addendum to this Offering Statement. Any financing which the Declarant may offer will be available only to Purchasers acquiring their Unit subsequent to the announcement of Declarant-offered financing. Such financing will not be available for existing Unit Owners.

#### Zoning and Land Use

The Zoning Board of Review of the Town of West Warwick granted on June 25, 1986 the application filed on behalf of the Declarant to permit the construction of 120 condominium units on the Property in accordance with the original site plan dated April 28, 1986.

Subsequent thereto, this site plan was submitted to the Rhode Island Department of Environmental Management ("DEM"). The Wetlands Division of DEM requested that three buildings foundations in the original site plan be relocated on

the Property in order to satisfy concerns of the Wetlands Division. Therefore, the site plan was modified to take such relocation into account. The revised site plan was submitted to the West Warwick Zoning Board of Review and was approved on November 26, 1986. Therefore, the proposed development of the Property, based on the revised site plan, for 120 two bedroom residential condominium units is in full compliance with the Zoning Ordinance of the Town of West Warwick.

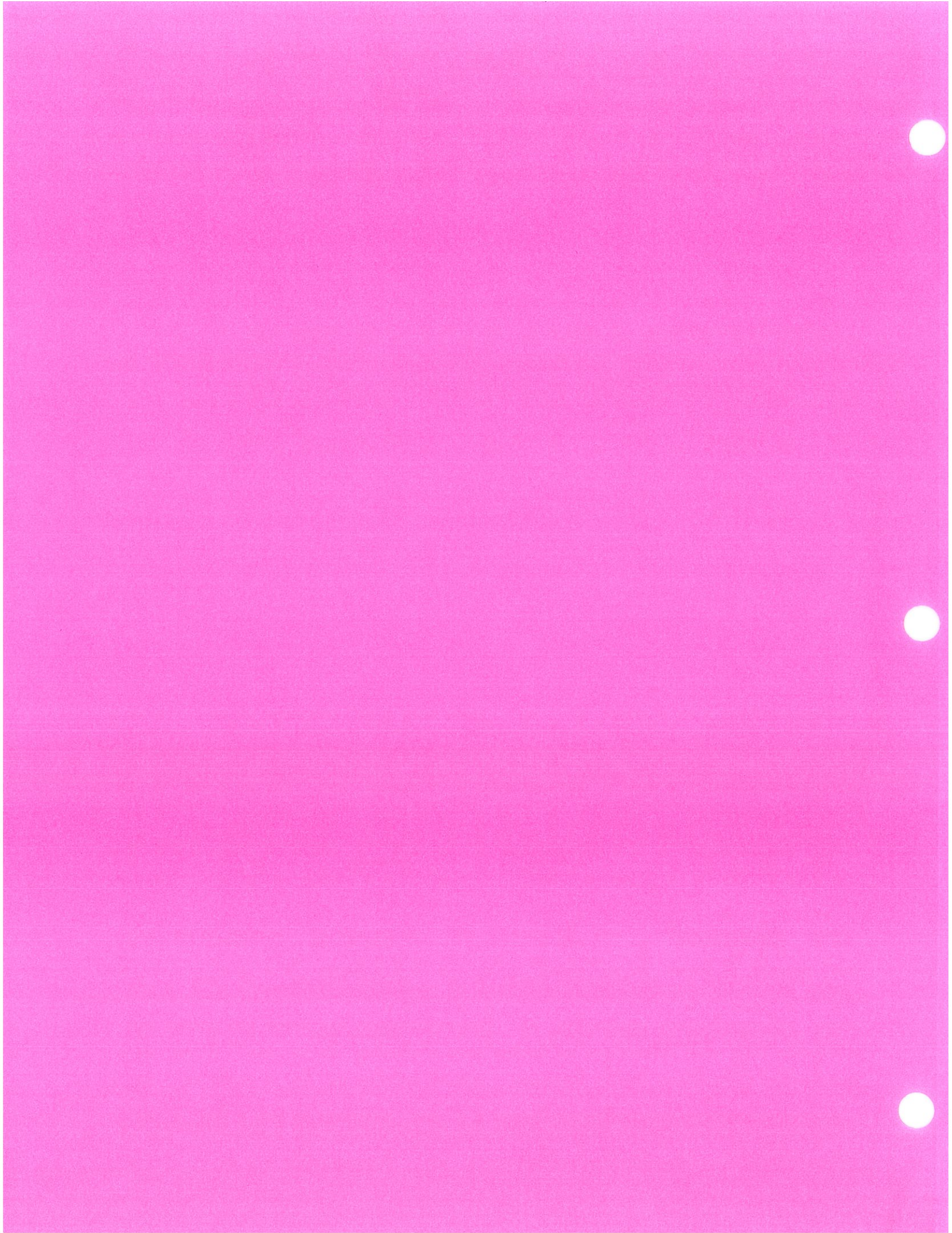
#### Amendments

This Public Offering Statement is subject to change without notice in order to reflect any material changes in the information set forth herein or otherwise required by the Act.

NO PERSON HAS BEEN AUTHORIZED BY THE DECLARANT TO MAKE ANY STATEMENT, REPRESENTATION OR WARRANTY NOT SPECIFICALLY CONTAINED HEREIN, AND NOTHING IN THIS PUBLIC OFFERING STATEMENT MAY BE CHANGED OR MODIFIED ORALLY. ANY INFORMATION OR DATA REGARDING THE CONDOMINIUM WHICH IS NOT INCLUDED IN THIS PUBLIC OFFERING STATEMENT SHOULD NOT AND MUST NOT BE RELIED UPON.









DECLARATION OF CONDOMINIUM

OF

HIDDEN VALLEY CONDOMINIUM

Pursuant to provisions of the  
Rhode Island Condominium Act of 1982  
R.I.G.L. 34-36.1 et seq.

DECLARATION OF CONDOMINIUM  
OF  
HIDDEN VALLEY CONDOMINIUM

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DECLARATION OF CONDOMINIUM  
HIDDEN VALLEY CONDOMINIUM  
WEST WARWICK

THIS DECLARATION is made this            day of  
1987, by DOWNING/HIDDEN VALLEY, INC., a Rhode Island corpora-  
tion (the "Declarant"), as the owner in fee simple of the Real  
Estate hereinafter described.

ARTICLE 1

SUBMISSION

Section 1.1 Declarant: Property; Name. Declarant,  
the owner in fee simple of the Real Estate described on Exhi-  
bit A attached hereto (the "Real Estate"), located in the Town  
of West Warwick, State of Rhode Island, hereby submits the Real  
Estate, together with and subject to all easements, rights and  
appurtenances thereto belonging and the Buildings and improve-  
ments erected or to be erected thereon (collectively, the  
"Property") to the provisions of the Rhode Island Condominium  
Act of 1982, R.I.G.L. §§ 34-36.1 - 1.01 et seq. (the "Act"),  
and hereby creates with respect to the Property a phased  
condominium to be known as Hidden Valley Condominium (the  
"Condominium"); The Condominium hereby created will consist of  
Phase I which contains 20 Units. Additional phases will be  
added to the Condominium. Additional phases which must be  
built by the Declarant will contain 20 Units. The Declarant  
reserves the right to create an additional 80 Units in West  
Warwick. The maximum number of Units in the Condominium,  
therefore, will be 120 Units.

Section 1.2 Easements and Licenses. Included among  
the easements, rights and appurtenances referred to in Section  
1.1 above are the following easements and licenses:

(a) SUBJECT TO riparian rights and water rights of  
others arising from any streams or man-made ponds crossing the  
Property.

(b) SUBJECT TO drainage rights of others in the beds  
of any streams or bodies of water located on the Property.

(c) SUBJECT TO rights reserved by the Declarant to  
grant easements to the Association, appropriate utility and

service companies, cable television and governmental agencies for utilities, drainage and service lines.

## ARTICLE 2

### DEFINITIONS

Section 2.1 Terms Defined in the Act. Capitalized terms are defined herein or in the Plats and Plans; otherwise they shall have the meanings specified or used in the Act.

Section 2.2 Terms Specifically Defined in this Declaration. In addition to the terms hereinabove defined, the following terms shall have the following meanings in this Declaration, the Bylaws, and Plats and Plans:

(a) (Intentionally omitted)

(b) "Association" means the Unit Owner's Association of the Condominium, which is known as Hidden Valley Condominium Association.

(c) "Building" means any residential, service or recreational structure, tennis court, club house, or other improvement now or hereafter constructed on the Property.

(d) "Bylaws" means the document having that name and providing for the governance of the Association, pursuant to Section 36.1-3.06 of the Act, as such document may be amended from time to time.

(e) "Condominium" means the Condominium described in Section 1.1 above as the same may be changed at any time or from time to time by Amendment to this Declaration.

(f) "Condominium Documents" includes the Declaration, Plats and Plans, Bylaws and Rules and Regulations.

(g) "Declarant" means the Declarant described in Section 1.1 above.

(h) "Declaration" means this document, as the same may be amended from time to time.

(i) "Development Rights" means those rights which the Declarant has reserved to itself as set forth in Article 17 and elsewhere in this Declaration.

(j) "Executive Board" means the Executive Board of the Association.

(k) "General Common Expense" means Common Expenses including the minimum maintenance fee for the tennis courts, if any, or other improvements now or hereafter constructed on the Property.

(l) "Insurance Trust Agreement" means that certain agreement (if any) between the Association and the Insurance Trustee providing for the management and disbursement of insurance proceeds in accordance with Section 11.1 hereof.

(m) "Insurance Trustee" means that certain entity responsible for the management and disbursement of insurance proceeds pursuant to the Insurance Trust Agreement (if any).

(n) "Limited Common Elements" (or in the singular, a "Limited Common Element") means those parts of the Property either described in the Act as being limited common elements or described herein or in the Plats and Plans as being limited common elements.

(o) "Monthly Assessment" means the Unit Owner's share of the anticipated General Common Expenses charged each month to said Unit Owner.

(p) "Mortgagee" means the holder of any recorded first mortgage encumbering one or more of the Units.

(q) "Percentage Interest" means the undivided interest in the Common Elements appurtenant to a Unit, as set forth on Exhibit B attached hereto, as the same may be amended from time to time.

(r) "Property" means the Property described in Section 1.1 above.

(s) "Plats and Plans" means the Plats and Plans recorded herewith and described on Exhibit C attached hereto as such may be amended from time to time.

(t) "Record" means to record in the Records of Land Evidence of the Town of West Warwick, Rhode Island.

(u) "Rules and Regulations" means such rules and regulations as are promulgated by the Declarant or the Execu-

All single level Units contain two bedrooms, living room, dining area, kitchen, mechanical/storage room, fireplace, washer and dryer hookups, exterior sundeck, and two bathrooms.

All two level Units contain two bedrooms, living room, dining area, kitchen, mechanical/storage room, fireplace, washer and dryer hookups, exterior sundeck, and one and one half bathrooms.

All Units in the Condominium will be restricted to residential use.

If the Declarant completes construction of 120 Units, as is its intention, the Buildings and Limited Common Elements construction after the initial phases are completed will be of an architectural style, quality of construction and size (except for variation in optional features, if any) which will be compatible with the existing Buildings. The Buildings constructed after the initial phases are expected to be located as shown on the Plat; however, the Declarant cannot guarantee the exact location of Buildings in future phases. The proportion of Limited Common Elements to Units constructed after the first two phases will be substantially similar to the proportion established by the first 40 Units, subject however, to the same variation noted above due to optional features, if any. All assurances made in this paragraph are made by the Declarant and can be relied upon only if the Declarant exercises the development rights reserved.

As Units are added to the Condominium, the Percentage Interest appurtenant to each Unit will be reduced. The construction of 120 units would change the Percentage Interest to the extent set forth on Exhibit B to the Declaration.

All Units constructed in future phases will be subject to the same restrictions in the Declaration affecting use, occupancy, selling or leasing of the Units.

#### Summary of Principal Condominium Documents

The Condominium will be established and its operation will be governed by the Declaration (when recorded) and the Bylaws (when adopted). A copy of each of these documents is contained in the Exhibits. In addition, there may be certain contracts which affect portions of the Condominium. The following is a summary of the documents presently contemplated:

## Declaration of Condominium

The Condominium is created by the Declarant recording the Declaration in the Records of Land Evidence of the Town of West Warwick, Rhode Island.

Article 1 provides for the submission of the Property as a Condominium under the Act. It also lists the easements and restrictions which affect the Condominium.

Article 2 contains the definition of certain terms used in the Condominium Documents. Article 2 also incorporates the provisions of the Act and states that the Act's provisions apply to the operation and government of the Condominium except (where permitted by the Act) to the extent that contrary provisions are found in the Condominium Documents.

*TAKE NOTE* → Articles 3 and 4 of the Declaration describe the boundaries of the Units and the Limited Common Elements. Unit boundaries generally run along the Unit-side surface of the wooden floor constituting the floor and ceiling, and the dry wall or plaster which forms the walls; the Unit includes the thickness of the drywall or plaster. The Unit Owner is responsible for the dry wall and plaster and for all coverings on the floor including hardwood floors, if any. The Unit boundaries run along the outside surface of doors, windows and window panes and their sills and hardware. The significance of the Unit boundaries is that all portions of the Unit contained within these lines are owned by the Unit Owner, and the Unit Owner has the sole responsibility for the case, maintenance and replacement of these areas, subject however, to the insurance provisions in Article 11 of the Declaration.

Certain portions of the Buildings which contain Units are designated as Limited Common Elements in the Declaration and the Plats and Plans. Parking areas assigned to Unit Owners are Limited Common Elements. In addition, Limited Common Elements also include portions of the Building which serve less than all of the Units in a Building. The maintenance of these Limited Common Elements is undertaken by the Association, and the expense is included in the General Common Expense, except as noted below; and except when maintenance or repair is necessitated by the negligence, neglect or abuse of the Unit Owner, then the cost of such maintenance is allocated to the Unit served by the Limited Common Elements. The Association will maintain all front yards and the 20 feet on each side and behind the Buildings. Optional features, including without limitation, a porch or a balcony, shall be Limited Common Elements

of the Unit to which it is appurtenant. The Unit Owner shall be responsible for the maintenance or repair of such Limited Common Element. Any such Limited Common Element must be painted or repaired at the time the Association paints or repairs the Unit to which it is appurtenant if the Association, in its sole discretion, determines such painting or repair to be necessary. The Unit Owner may undertake such painting or repair or may contract with the Association for the work to be done. If the Unit Owner does not comply with the above procedure, the Association shall have the right to perform the work and to assess the cost of such work to the Unit Owner. The Owner of a Unit served by a Limited Common Element is responsible for cleanliness of the Limited Common Element.

All portions of the Buildings which are not contained within a Unit and which are not designated as Limited Common Elements are deemed to be Common Elements. Common Elements will be maintained by the Condominium Association on behalf of all Unit Owners, and the cost of such maintenance is shared equally by all Units.

Article 5 of the Declaration establishes the Percentage Interest of the Units in the Common Elements, the Common Expense liability and the voting rights of Unit Owners. The Percentage Interest is based on the number of Units in the Condominium. All Units will have approximately the same Percentage Interest. If Units are added to the Condominium, Percentage Interests will be reallocated using the same formula set forth above. The Percentage Interest allocated to each Unit will determine that Unit's appurtenant ownership interest in the Common Elements. Each Unit Owner shall have one vote in the Association for each Unit owned. Common Expense liability will be shared equally by Unit Owners and will be determined by dividing the annual budget by the total number of Units then in existence.

Article 6 lists the various easements to which the Condominium or certain portions of the Condominium are or may be subject. It also reserves the right of the Declarant to maintain models, signs and management offices on the Property.

Article 9 of the Declaration imposes various restrictions on the use of the Units and various other portions of the Condominium. The Units in the Condominium are restricted to residential uses only. Unit Owners are barred from conducting any activity which unreasonably interferes with the quiet enjoyment of adjacent Units, and there are restrictions on whether pets may be kept in the Condominium (for more informa-

tion regarding restrictions, see the portion of this Narrative entitled "Restrictions on Transferability and Use of the Units").

Article 10 sets forth the rights of lenders who provide mortgage financing to purchasers of Units in the Condominium. There are no restrictions on the type of mortgage financing; however, mortgagees must register with the Association in order to receive notices. Under Section 10.3 mortgagees are entitled to receive certain notices, and under Section 10.6 the approval of mortgagees is required for certain acts.

Article 11 of the Declaration outlines the type and amounts of insurance which the Association is required to obtain and the various provisions governing such insurance (for more information regarding insurance see the portion of this Narrative entitled "Condominium Insurance").

Article 12 of the Declaration provides for a limitation on the liability of the members, officers and employees of the Executive Board and provides for the indemnification of members of the Executive Board against all expenses and liabilities which they may incur in the performance of their duties, except in circumstances involving negligence or bad faith. Other Sections in Article 12 provide for the defense of claims against the Association and a disclaimer of bailee liability of the Association, the members of the Executive Board or any Unit Owner for personal property stored on the Common Elements.

Article 13 of the Declaration provides that all present and future owners, lessees, occupants and mortgagees of Units in the Condominium are subject to the Condominium Documents and provides for a procedure to be followed in the event of condemnation of all or part of the Common Elements.

Article 14 of the Declaration describes the makeup of the Executive Board of the Association. The Executive Board will consist of five members elected by Unit Owners at the annual meeting of the Association. Initially, the Declarant will appoint the members of the Executive Board. This Article also provides for the transition from the Declarant-appointed Executive Board to an Executive Board controlled by the Unit Owners. No later than 60 days after the conveyance of 25 percent of the Units which may be created, i.e., 120, to Owners other than the Declarant, the Owners other than the Declarant shall elect two Unit Owners, other than the Declarant, who shall replace two members of the Executive Board appointed by



Section 5.2 Common Expenses. The liability of each Unit for the Common Expenses of the Condominium shall be equal. Each Unit's share shall be determined by dividing the amount of the annual budget by the number of Units in the Condominium.

Section 5.3 Allocation of Unit Owner's Voting Rights. Each Unit Owner is entitled to one vote, per Unit owned, in the Association.

## ARTICLE 6

### EASEMENTS; TITLE MATTERS

Section 6.1 Additional Easements. As a supplement to the easements provided for by Section 36.1-2.16 of the Act, the following easements are hereby created:

(a) The Declarant shall have the right to maintain sales offices, management offices and models throughout the Property. The Declarant reserves the right to place models, management offices and sales offices on any portion of the Common Elements or in any Unit in such number, of such size and in such locations as the Declarant deems appropriate. The Declarant may from time to time relocate models, management offices and sales offices to different Units or to different locations within the Common Elements. Upon the relocation of a model, management office or sales office, the Declarant may remove all personal property and fixtures therefrom. Any fixtures not so removed shall be deemed to be part of the Unit or, if located on the Common Elements, shall be deemed to be part of Common Elements, and any personal property not so removed shall be deemed to be the property of the Purchaser of such Unit, if specifically provided for in the Purchase and Sale Agreement, or of the Association as appropriate.

(b) The Units and Common Elements shall be, and hereby are, made subject to easements in favor of the Declarant, the Association, appropriate utility and service companies, cable television companies and governmental agencies or authorities for drainage and such utility and service lines and equipment as may be necessary or desirable to serve any portion of the Property. The easements created in this Section 6(b) shall include, without limitation, rights of the Declarant, the Association, or the providing utility or service company, or governmental agency or authority to install, lay, maintain,

repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, drainage ditches and pump stations, telephone wires and equipment, television equipment and facilities (cable or otherwise), electrical wires, conduits and equipment and ducts and vents over, under, through, along and on the Units and Common elements. Notwithstanding the foregoing provisions of this Section 6(b), any such easement through a Unit shall be located either in substantially the same location as such facilities or similar facilities existed at the time of first conveyance of the Unit by the Declarant or so as not to materially interfere with the use or occupancy of the Unit by its occupants. With respect to any utility lines or equipment serving only the Condominium and located upon the Common Elements, the Executive Board shall have the right and power to dedicate or convey title to the same to any private or public utility company, and, in addition, the Executive Board shall have the right and power to convey easements over the Common Elements for the installation, maintenance, repair and replacement of utility poles, lines, wires and other equipment to any private or public utility company.

(c) Declarant reserves, for as long as it is entitled to exercise any Development Rights, an easement on, over and under those portions of the Common Elements, whether located within Phase I or any other phase, not located within a Building for the purpose of maintaining and/or correcting drainage of surface water in order to maintain reasonable standards of health, safety and appearance. The easement created by this Section 6(c) expressly includes the right to cut any trees, bushes, or shrubbery, to grade and soil, or to take any other action reasonably determined to be necessary. The Declarant or the Association, as the case may be, shall restore the affected property as closely to its original condition as is practicable.

(d) Declarant reserves, for as long as it is entitled to exercise any Development Rights, an easement to go upon any and all of the Property for the purposes of construction, reconstruction, maintenance, repair, renovation, replacement or correction of the Units or Common Elements (including, without limitation, the Limited Common Elements).

(e) The Common Elements (other than the Limited Common Elements) shall be and hereby are made subject to an easement in favor of the Unit Owners and their invitees, employees, tenants and servants, the Association and the agents and em-

ployees of the Association for access, egress and ingress over, through and across each portion thereof, pursuant to such requirements and subject to such charges as the Executive Board may from time to time prescribe; provided that nothing contained herein shall create any access easement in favor of Unit Owners with respect to such portions of the Common Elements which are not needed in order to gain access to one or more Units and as to which the Executive Board may from time to time determine it to be necessary or desirable to limit or control access by Unit Owners or the occupants of Units, or both (including, by way of illustration and not limitation) machinery and equipment rooms and any management agent's office.

(f) The Common Elements (including, but not limited to the Limited Common Elements) shall be and hereby are made subject to an easement in favor of the Association and the agents, employees and independent contractors thereof for the purpose of the inspection, upkeep, maintenance, repair and replacement of the Common Elements (including, but not limited to, the Limited Common Elements).

(g) The Common Elements (including, but not limited to, the Limited Common Elements) shall be and hereby are made subject to the following easements in favor of the Units benefited:

(1) For the installation, repair, maintenance, use, removal, and/or replacement of pipes, ducts, heating and air conditioning systems, electrical, telephone and other communication wiring and cables and all other utility lines and conduits which are a part of or exclusively serve a single Unit and which pass across or through a portion of the Common Elements;

(2) For the installation, repair, maintenance, use, removal and/or replacement of overhead lighting fixtures, electrical receptacles and the like which are located in a portion of the ceiling, wall or floor adjacent to a Unit which is a part of the Common Elements; provided that the installation, repair, maintenance, use, removal or replacement of such fixtures, receptacles, and the like does not unreasonably interfere with the common use of any part of the Common Elements or impair or structurally weaken the building;

(3) For driving and removing nails, screws, bolts and the like into the Unit-side surface of walls, ceilings and floors which are part of the Common Elements; provided

that such action will not unreasonably interfere with the common use of any part of the Common Elements or impair or structurally weaken the Building; and

(4) For the maintenance of the encroachment of any lighting devices, outlets, medicine cabinets, exhaust fans, ventilation ducts, registers, grills and similar fixtures which serve only one Unit but which encroach into any part of any Common Element or Limited Common Element on the date this Declaration is recorded.

(h) To the extent necessary, each Unit shall have an easement for structural support over every other Unit in the Building, the Common Elements and the Limited Common Elements, and each Unit and the Common Elements shall be subject to an easement for structural support in favor of every other Unit in the Building, the Common Elements and the Limited Common Elements.

(i) The Units and the Limited Common Elements are hereby made subject to the following easements:

(1) In favor of the Association and its agents, employees and independent contractors, (i) for inspection of the Units and Limited Common Elements in order to verify the performance by Unit Owners of all items of maintenance and repair for which they are responsible, (ii) for inspection, maintenance, repair and replacement of the Common Elements or the Limited Common Elements situated in or accessible from such Units or Limited Common Elements or both, (iii) for correction of emergency conditions in one or more Units or Limited Common Elements, or both, or casualties to the Common Elements, the Limited Common Elements and/or the Units, and (iv) for any of the purposes set forth in Section 6(j) or Section 6(k) hereof, it being understood and agreed that the Association and its agents, employees and independent contractors shall take reasonable steps to minimize any interference with a Unit Owner's use of his Unit resulting from the Association's exercise of any rights it may have pursuant to this Section (i)(1) and the following Section (i)(2), or both;

(2) In favor of the Unit Owner benefited thereby and the Association and its agents, employees and independent contractors, for the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, electrical, telephone, telegraph or other communication systems and all other utility lines and conduits which are part of the Common Elements and which pass across or through a portion of one or more Units.

(j) Whenever in this Declaration and the Plats and Plans a boundary line of a Unit is described as being the Unit-side surface of the structural wood floor, it is intended thereby, and it is hereby declared, that the owner of such Unit shall have an easement for the purpose of affixing and removing carpeting, parquet flooring and other floor coverings, and otherwise decorating, cleaning and maintaining such surface, all at the cost and expense of the Owner of such Unit; it being understood and agreed that the Association, acting by its Executive Board on behalf of all Unit Owners, shall, at all times while this Declaration is in effect, retain the right and duty to maintain, repair and/or replace the structural wood floors of which said surfaces are a part, notwithstanding the fact that such maintenance, cleaning, repair or replacement may temporarily adversely affect the Unit Owner's aforesaid easement and right to use the said Unit-side surface of such structural wood floor.

(k) Wherever in this Declaration and the Plats and Plans a boundary line of a Unit is described as being the Unit-side surface of a designated portion of the Property, it is intended thereby, and it is hereby declared, that the Owner of such Unit shall have an easement for the purpose of decorating such surfaces and affixing thereto and removing therefrom paint, wallpaper, other decorative material, pictures, mirrors, wall systems and decorative articles, and (with respect to all such portions of the Property) cleaning and maintaining such surfaces, all at the cost and expense of the Owner of such Unit; except in the event of maintenance, repair or replacement occasioned by a loss insured against by the policy or policies of insurance maintained by the Association pursuant to Article 11. It is understood and agreed that the Association, acting by its Executive Board on behalf of all Unit Owners, shall, at all times while this Declaration is in effect, retain the right and duty to maintain, repair and/or replace the portions of the Property of which said surfaces are a part, notwithstanding the fact that such maintenance, cleaning, repair or replacement may temporarily adversely affect the Unit Owner's aforesaid easement and right to use the Unit-side surface of such portion of the Property.

(l) The Declarant reserves an easement on, over and in the Property for the purpose of erecting, installing, constructing, maintaining, repairing and replacing one or more signs at the following locations on the Property: (i) at or near the entrance to the Property and (ii) on the outside wall or walls of or adjacent to the Building which contains the

sales office of the Declarant and/or the postal office center for the Condominium. Such signs shall contain the words "Hidden Valley Condominium, a Downing development" or words and phrases substantially similar thereto. The design, size and materials used in any such sign shall be within the sole discretion of the Declarant. Notwithstanding anything to the contrary contained herein, said easement shall continue in full force and effect beyond the termination of this Declaration.

(m) All easements, rights and restrictions described and mentioned in this Declaration are easements appurtenant, running with the land and the Property, including (by way of illustration but not limitation) the Units and the Common Elements, and (except as expressly may be otherwise provided in the instrument creating the same) shall continue in full force and effect until the termination of this Declaration, as it may be amended from time to time.

Section 6.2 Reservation of Easement Rights. The Declarant reserves the right to grant to any third party at any time any license or easement in, on, over or through the Property, in addition to and not in limitation of those set forth above, which license or easement is determined by the Declarant, in its reasonable judgment, to be necessary or appropriate for the development or improvement of the Property. Any such license or easement granted hereunder or under Section 6.1(1) hereof may be recorded by the Declarant at its sole cost and expense. The Association, at the request of the Declarant, shall execute and deliver in recordable form any instrument or document necessary or appropriate to confirm the grant of such license or easement.

Section 6.3 Title Matters. In addition to those easements described in Section 6.1 above and those matters described in Section 1.2 above, title to the Property is subject to any additional restrictions and title exceptions set forth on Exhibit E attached hereto.

## ARTICLE 7

### OPTION TO WITHDRAW REAL ESTATE

(Intentionally omitted)

ARTICLE 8

OPTION TO ADD REAL ESTATE

(Intentionally omitted)

ARTICLE 9

RESTRICTIONS ON USE: SALE AND LEASE OF UNITS

Section 9.1 Residential Use. The following restrictions shall apply to the use of the Condominium:

(a) The Units in the Condominium (with the exception of any Units during the time period when they are being used by the Declarant as a sample, model or sales office) are restricted to residential use and may not be used for any other purposes by the Unit Owner or any future Unit Owner. No present or future Unit Owner shall permit his Unit to be used or occupied for any purpose other than as a single family residence.

(b) No Unit Owner may obstruct the Common Elements in any way. No Unit Owner may store anything in or on the Common Elements without the prior written consent of the Executive Board.

(c) No Unit Owner may carry on any practice, or permit any practice to be carried on, which unreasonably interferes with the quiet enjoyment of the occupants of any other Unit. The Property is to be maintained in a clean and sanitary condition, and no Unit Owner may place any garbage, trash or rubbish anywhere in the Property other than his own Unit and in or on such parts of the Common Elements as may be designated for such purpose by the Executive Board.

(d) No Unit shall be used, occupied or kept in a manner which in any way increases the fire insurance premiums for the Property without the prior written consent of the Executive Board.

(e) Except for a single small non-illuminated name sign on the door to his Unit, no Unit Owner (other than the Declarant in connection with its marketing and sale of the Units) may erect any sign on or in his Unit or any Limited Common Element which is visible from outside his Unit or from

the Common Elements, without in each instance having obtained the prior written permission of the Executive Board. This provision is not intended to prevent the Executive Board from maintaining on the Common Elements a register of Unit occupants, or Owners, or both.

(f) The Executive Board shall in its sole discretion determine whether to permit any Unit Owner to keep in his Unit or on the Property any household animal pets, in accordance with Rules and Regulations from time to time adopted or approved by the Executive Board.

(g) The Executive Board may from time to time promulgate reasonable Rules and Regulations, not in conflict with the provisions of this Declaration concerning the use and enjoyment of the Property. Copies of the then current Rules and Regulations and any amendments thereto shall be furnished to all Unit Owners by the Association promptly after the adoption of such Rules and Regulations and any amendments thereto.

(h) The owner of a Unit shall be responsible for maintaining such Unit in good order and repair, at the expense of such owner, including (but not limited to) cleaning and replacing glass panes in any window serving such Unit.

(i) The owner of a Unit shall be responsible for the cleanliness of any Limited Common Element serving such Unit, at the expense of such Unit Owner.

Section 9.2 Sale and Lease of Units; Right of First Refusal.

(a) A Unit Owner (other than the Declarant) may sell or lease his Unit for residential purposes at any time and from time to time provided that:

(1) The Unit Owner shall send to the Declarant written notice of the proposed sale or lease, certified mail, return receipt requested, (including the terms and conditions of the sale or the lease and an application, identical in form to that form completed by the Unit Owner when purchasing the Unit, completed by the proposed purchaser or tenant), at least 45 days prior to the proposed closing date or the proposed commencement of the term of the lease, as the case may be.

(2) The Declarant shall either approve the sale to the proposed purchaser or approve the lease to the proposed



tenant, as the case may be; or notify the Unit Owner of its intention to purchase (or to lease) the Unit, on the same terms and conditions, within 20 business days of receipt of the Unit Owner's notice of intent to sell or lease. The Declarant, upon request, will provide evidence, in recordable form, of the Unit Owner's compliance with the requirements set forth above and of its approval of the sale or lease.

(3) Each approved tenant and lease shall be subject to and be bound by all of the covenants, restrictions and conditions set forth in the Condominium Documents.

(4) This Section 9.2 shall not be deemed or construed to impair a Mortgagee's right to foreclose, accept a deed in lieu of foreclosure or sell or lease a Unit so acquired by the Mortgagee.

## ARTICLE 10

### RIGHTS OF MORTGAGEES

Section 10.1 Subject to Declaration. Whether or not they expressly so state, any mortgage which constitutes a lien against a Unit and an obligation secured thereby shall provide generally that the mortgage and the rights and obligations of the parties thereto shall be subject to the terms and conditions of the Act, the Declaration, the Plats and Plans and any Rules and Regulations, and, specifically, but without limitation, that the obligation secured by such mortgage shall be prepayable, without premium or penalty, upon the happening of a termination of the condominium form of ownership of the Property, and that the Mortgagee shall have no rights to:

(a) Participate in the adjustment of losses with insurers or in the decision as to whether or not or how to repair or restore damage to or destruction of the Property, except as provided in Section 11.1(a) hereof; or

(b) Receive or apply the proceeds of insurance to the reduction of the mortgage debt or otherwise, except in the event and to the extent either of a distribution of such proceeds pursuant to Section 36.1 - 3.13(h) of the Act or of insurance proceeds in excess of the cost of repair or restoration being received by the owner of the Unit encumbered by such mortgage; or

(c) Accelerate the mortgage debt or to be entitled to exercise any other remedies by virtue of waste or alleged waste or other conditions occurring anywhere in the Property other than within the Unit encumbered by such mortgage.

Section 10.2 Register. Upon receipt of such copy of a mortgage encumbering a Unit, the Secretary of the Association shall instruct the insurer of the Property to add the name of such Mortgagee to the mortgagee loss payable provision of the hazard insurance policy covering the Property and to provide such Mortgagee with a certificate of insurance showing that such Mortgagee's name has been so added. The Secretary shall maintain a register of mortgages, showing the name and address of the holder thereof and the amounts secured thereby.

Section 10.3 Notice of Unit Owner Default. The Executive Board shall:

(a) Give prompt notice to a Mortgagee of any default in the Unit mortgagor's obligations under the Condominium Documents which is not cured within thirty (30) days after the occurrence of such default;

(b) Promptly after the Association has received written notice of any pending acquisition of any portion of the Property by means of eminent domain, give to each Mortgagee written notice of any such proceedings; and

(c) Agree in writing to notify the appropriate Mortgagee whenever (1) damage to a Unit covered by the mortgage held by such Mortgagee exceeds \$5,000 and (2) damage to Common Elements, Limited Common Elements or related facilities exceeds \$10,000.

Section 10.4 Liability for Use and Charges. Any Mortgagee who obtains title to a Unit pursuant to the remedies provided in a mortgage for foreclosure of such mortgage shall not be liable for such Unit Owner's unpaid assessments or charges which accrue prior to the acquisition of title to such Unit by the Mortgagee, except to the extent otherwise provided for in the Act and except to the extent that such Mortgagee is liable as a Unit Owner for the payment of such unpaid assessment or charge that is assessed against the Mortgagee as a result of all Unit Owners being reassessed for the aggregate amount of such deficiency.

Section 10.5 Condemnation Rights. No provision of this Declaration shall give a Unit Owner, or any other party,

priority over any rights of the Mortgagee of a Unit pursuant to its mortgage in the case of a distribution to such Unit Owner of insurance proceeds or condemnation awards for loss to or taking of one or more Units and/or Common Elements.

Section 10.6 Approval of Mortgagees. The prior written approval of all Mortgagees or of the Mortgagee of the Unit, as the case may be, must be obtained for the following:

(a) The abandonment of the Condominium status of the Property, except for abandonment permitted by the Act in case of substantial loss to the Units and Common Elements;

(b) The partition or subdivision of any Unit or of the Common Elements;

(c) A change in the schedule of Percentage Interests set forth in Exhibit B allocated to each Unit other than any amendment made pursuant to Section 14.3 hereof or pursuant to Declarant's exercise of Development Rights and as provided in Sections 36.1-2.05, 2.10 and 2.17 of the Act.

(d) The abandonment, encumbrance, sale or transfer of the Common Elements.

Such approval shall not be required with respect to amendments pursuant to Section 3.2 or Article 7 hereof.

Section 10.7 Books and Records. Any Mortgagee shall have the right (exercisable by written notice to the Executive Board) to examine the books and records of the Association and to require that it be provided with a copy of each annual report of the Association and other financial data of the Association reasonably requested by such Mortgagee.

The Declarant intends that the provisions of this Article comply with the requirements of the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association with respect to condominium mortgage loans and, except as otherwise required by the provisions of the Act, all questions with respect thereto shall be resolved consistent with that intention.

CONDO'S

ATTN.

DAVID GILES  
FROM: PAT  
MENNA

ARTICLE 11

INSURANCE

Section 11.1 Types and Amounts. The Association shall obtain the following types and amounts of insurance:

(a) Standard "all risk of loss" insurance commonly used and, subject to the availability of coverage, for the additional perils of flood, sewer back-up, earthquake and collapse and such other forms of property insurance as the Executive Board may determine provides equal or greater protection for the Unit Owners and their Mortgagees, if any, in each case complying with the applicable requirements of Section 11.2 hereof. The Association shall insure all Buildings on the Property, including, without limitation, all such portions of the interior of such Buildings as are for insurance purposes normally deemed to constitute part of the Buildings and customarily covered by insurance, such as central heating and air conditioning and other service machinery, interior walls, floors and ceilings, all finished wall surfaces and fixtures, improvements and alterations comprising a part of the Buildings and refrigerators, air conditioners, cooking ranges, dishwashers and clothes washers and dryers. The insurance maintained by the Association shall cover the Property including the Units and all improvements and appliances contained within the Unit as of the date of the Closing of the Unit from the Declarant (or the value thereof) but excluding any improvements or appliances subsequently added by a Unit Owner and all other personal property of the Unit Owner. The amount of any such hazard insurance obtained pursuant to this paragraph shall be equal to the full insurable replacement value of the insured property, without deduction for depreciation, (i.e. 100% of current "replacement cost" exclusive of land, foundations, excavation and other items normally excluded from coverage). Such hazard insurance policy may, at the option of the Association, contain a "deductible" provision in an amount to be determined by the Executive Board. The proceeds of such policy shall be payable to the Insurance Trustee, if any, otherwise to the Association. Such hazard insurance policy shall include a separate "loss payable endorsement" in favor of the Mortgagees, if any, modified to make the loss payable provisions in favor of the Mortgagees subject and subordinate to the loss payable provisions in favor of the Association if there is no Insurance Trustee, or if there is an Insurance Trustee, to the Insurance Trustee under the Insurance Trust Agreement. If the Executive Board fails within sixty (60) days after the date of an insured

loss to initiate a claim for damages recoverable under the policy or policies obtained pursuant to this sub-paragraph, any Mortgagee may initiate such a claim in behalf of the Association.

(b) Comprehensive Liability Insurance policies, complying with the requirements of Section 11.2 hereof, insuring the Unit Owners, in their capacity as Unit Owners and Association members and any managing agent retained by the Association, against any liability to the public or to other Unit Owners, their tenants or invitees, relating in any way to the ownership and/or use of the Common Elements and any part thereof. Such insurance policy shall contain a "severability of interest endorsement" or equivalent coverage which precludes the insurer from denying the claim of a Unit Owner because of the negligent acts of the Association or another Unit Owner. Limits of liability shall be at least One Million Dollars (\$1,000,000.) covering all claims for personal injury and/or property damage arising out of a single occurrence. Such insurance shall include protection against water damage liability, liability for non-owned and hired automobiles, liability for property of others, and such other risks as are customarily covered in similar projects. The scope and amount of coverage of all liability insurance policies shall be reviewed at least once each year by the Executive Board and may be changed in its discretion provided that such policies shall continue to comply with the requirements of this Section and Section 11.2 hereof.

(c) A fidelity bond or insurance coverage against dishonest acts on the part of such persons (including, by way of illustration and not limitation, Association members, officers, directors, trustees, agents, employees and volunteers) responsible for handling funds belonging to or administered by the Association. Such fidelity bond or insurance shall name the Association as the named insured and shall be written in an amount sufficient to provide protection which is in no event less than one and one-half (1 1/2) times the Association's estimated annual operating expenses including reserves. Notwithstanding the foregoing, in the event that the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation reduces the required amount of the fidelity bond or insurance which the Association must maintain to less than the amount set forth in preceding sentence, the Association may decrease the amount of the fidelity bond or insurance to the minimum amount required by such entities. In connection with such coverage, an appropriate endorsement to such policy or bond in order to cover any persons who serve without com-

pensation shall be added if the policy would not otherwise cover volunteers.

(d) Such worker's compensation insurance as applicable laws may require.

(e) Insurance to satisfy the indemnification obligation of the Association and all Unit Owners set out in Section 12.2 hereof, if and to the extent available.

Section 11.2 Required Provisions. Insurance obtained by the Association shall be in accordance with the following provisions:

(a) All policies shall be written with a company licensed to do business in the State of Rhode Island and, for the hazard insurance policy described in Section 11.1(a) hereof, such company must hold a rating of Class VI or better by Best's Insurance Reports (or a rating of Class V, provided it has a general policy holder's rating of at least "A"), or by an equivalent rating bureau should Best's Insurance Reports cease to be issued.

(b) Exclusive authority to adjust losses under policies hereafter in force on the Property shall be vested in the Executive Board or its authorized representative.

(c) Each Unit Owner may obtain additional insurance at his own expense; provided, however, that: (1) such policies shall not be invalidated by the waivers of subrogation required to be contained in policies required by this Declaration; and (2) no Unit Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the Association may realize under any insurance policy which the Association may have in force on the Property at any particular time.

(d) Any Unit Owner who obtains individual insurance policies covering any portion of the Property other than personal property belonging to such Owner shall be required to file a copy of such individual policy or policies with the Association within 30 days after purchase of such insurance.

(e) With respect to the insurance policies issued to the Association and covering all or any part of the Property, the Association shall endeavor to cause such policies to provide that:

(1) the enforceability of such policies is not affected by any waiver of subrogation as to any and all claims against the Association, any managing agent, the Unit Owners and their respective tenants, employees, agents, customers and guests, such subrogation being hereby waived;

(2) such policies cannot be cancelled, invalidated or suspended by means of the conduct of any one or more Unit Owners; all defenses based upon co-insurance or acts of the insured being waived by the insurer, and in no event can cancellation, material modification, invalidation or suspension for any reason be effected without at least sixty (60) days' prior written notice to each Unit Owner and all holders of mortgages whose names and addresses are on file with the insurer;

(3) such policies cannot be cancelled, invalidated or suspended on account of the conduct of any officer or employee of the Association or any managing agent employed by the Association without a prior demand in writing that the Association or such managing agent, as the case may be, cure the defect and without providing a reasonable period of time thereafter in which to cure same;

(4) any "no other insurance" clause in such policies shall not prohibit Unit Owners from obtaining insurance on their individual Unit provided such insurance policy conforms with the requirements of this Article 11; and

(5) such policies shall contain a standard mortgagee clause in favor of each Mortgagee who is registered with the Association.

(f) The Executive Board shall review annually the adequacy of the insurance coverage and report the results of such review at each annual meeting.

(g) The name of the insured under each policy required pursuant to this Article 11 shall be stated in form and substance similar to the following:

Hidden Valley Condominium Association, for the use and benefit of the individual owners, or their authorized representatives, of the Condominium Units contained in Hidden Valley Condominium.

(h) Coverage may not be prejudiced by: (1) any act or negligence of one or more Owners of Units when such act or

neglect is not within the control of the Association; or (2) any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control.

(i) All policies of property insurance shall provide that, despite any provisions giving the insurer the right to elect to restore damage in lieu of a cash settlement, such options shall not be exercisable (1) without the prior written approval of the Executive Board (or any Insurance Trustee), or (2) when in conflict with the provisions of any Insurance Trust Agreement to which the Association may be a party or with any requirement of law.

(j) Insurance coverage obtained and maintained pursuant to the requirements of this Article 11 shall provide the primary insurance in the event there is other insurance in the name of a Unit Owner covering the same loss.

Section 11.3 Repair of Damage or Destruction to Condominium. The repair or replacement of any damaged or destroyed portion of the Condominium shall be done in accordance with and governed by Section 36.1-3.13 of the Act.

## ARTICLE 12

### LIMITATION OF LIABILITY

Section 12.1 Limited Liability of the Executive Board. The Executive Board, and its members in their capacity as members, officers and employees:

(a) Shall not be liable for the failure of any service to be obtained by the Executive Board and paid for by the Association, or for injury or damage to persons or property caused by the elements or by another Unit Owner or person on the Property, or resulting from electricity, gas, water, rain, dust or sand which may leak or flow from the outside or from any part of the Building, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or the Executive Board;

(b) Shall not be liable to the Unit Owners as a result of the performance of the Executive Board members' duties for any mistake of judgment, negligence or otherwise, except



for the Executive Board members' own willful misconduct or gross negligence;

(c) Shall have no personal liability in contract to a Unit Owner or any other person or entity under any agreement, check, contract, deed, lease, mortgage, instrument or transaction entered into by them on behalf of the Executive Board or the Association in the performance of the Executive Board members' duties;

(d) Shall not be liable to a Unit Owner, or such Unit Owner's tenants, employees, agents, customers or guests, for loss or damage caused by theft of or damage to personal property left by such Unit Owner or his tenants, employees, agents, customers or guests in a Unit, or in or on the Common Elements or Limited Common Elements, except for the Executive Board members' own willful misconduct or gross negligence;

(e) Shall have no personal liability in tort to a Unit Owner or any other person or entity, direct or imputed, by virtue of acts performed by or form them, except for the Executive Board members' own willful misconduct or gross negligence in the performance of their duties; and

(f) Shall have no personal liability arising out of the use, misuse or condition of the Building, or which might in any other way be assessed against or imputed to the Executive Board members as a result of or by virtue of their performance of their duties, except for the Executive Board's members' own willful misconduct or gross negligence.

Section 12.2 Indemnification. Each member of the Executive Board in his capacity as an Executive Board member, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being or having been a member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not he is an Executive Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Executive Board member and/or officer is adjudged guilty of willful misconduct or gross negligence in the performance of his duties or any other standard imposed by the Act; provided that, in the event of a settlement, this indemnification shall apply only if and when the Executive Board (with the affected member abstaining if he is then an Executive Board member) approves such settlement and reimbursement as being in

the best interests of the Association. The indemnification by the Unit Owners set forth in this Section 12.2 shall be paid by the Association on behalf of the Unit Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Executive Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit Owners or otherwise.

Section 12.3 Joint and Several Liability of Unit Owners and Lessees. Each Unit Owner shall be jointly and severally liable with any tenants of the Unit owned by such Unit Owner for all liabilities arising out of the ownership, occupancy, use, misuse or condition of such Unit or any portion of the Common Elements or Limited Common Elements.

Section 12.4. Defense of Claims. Complaints brought against the Association, the Executive Board or the officers, employees or agents thereof in their respective capacities as such, or the Condominium as a whole, shall be directed to the Executive Board of the Association, which shall promptly give written notice thereof to the Unit Owners and the holders of any mortgages and such complaints shall be defended by the Association. The Unit Owners and the holders of mortgages shall have no right to participate other than through the Association in such defense. Complaints of a nature specified in Section 12.3 hereof against one or more but less than all Unit Owners of Units shall be defended by such Unit Owners who are defendants themselves, and such Unit Owners shall promptly give written notice of the institution of any such suit to the Association and to the holders of any mortgages encumbering such Units.

Section 12.5 Storage; Disclaimer of Bailee Liability. Neither the Executive Board, the Association nor any Unit Owner or the Declarant shall be considered a bailee of any personal property stored on the Common Elements (including property located in storage area on the Common Elements, including the Limited Common Elements), whether or not exclusive possession of the particular area is given to a Unit Owner for storage purposes, and shall not be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence, except to the extent covered by insurance in excess of any applicable deductible.

ARTICLE 13

UNITS SUBJECT TO CONDOMINIUM DOCUMENTS; EMINENT DOMAIN

Section 13.1 Applicability of Condominium Documents. Each present and future owner, tenant, occupant and Mortgagee of a Unit shall be subject to and shall comply with the provisions of the Act, and with the covenants, conditions and restrictions as set forth in the Condominium Documents and the deed to such Unit; provided that nothing contained herein shall impose upon any tenant or Mortgagee of a Unit any obligation which the Act or one or more of such documents, or both, make applicable only to Unit Owners (including, without limitation, the obligation to pay assessments for Common expenses). The acceptance of a deed or mortgage to any Unit, or the entering into of a lease or the entering into occupancy of any Unit, shall constitute an agreement that the provisions of the Act and the covenants, conditions and restrictions set forth in the Condominium Documents and the deed to such Unit are accepted and ratified by such grantee, Mortgagee or tenant. All of such provisions shall be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

Section 13.2 Eminent Domain. Whenever all or part of the Common Elements shall be taken, injured or destroyed by eminent domain, each Unit Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto, but in any proceedings for the determination of damages, such damage shall be determined for such taking, injury or destruction as a whole and not for each Unit Owner's interest therein.

ARTICLE 14

EXECUTIVE BOARD OF THE ASSOCIATION

Section 14.1 Members. (a) The Executive Board shall consist of five members. The members of the initial Executive Board shall be appointed, removed and replaced from time to time by the Declarant without the necessity of obtaining resignations. The Declarant appointed members of the Executive Board shall be replaced with Unit Owners in accordance with the provisions of paragraphs (b), (c) and (d) of this Section 14.1.

(b) Until the 60th day after the conveyance of twenty-five percent (25%) of the Units which may be created, i.e., 120, to Unit Owners other than the Declarant, the Declarant shall have the right to appoint and remove any and all officers and members of the Executive Board.

(c) Not later than 60 days after conveyance of twenty-five percent (25%) of Units which may be created, i.e., 120, to Unit Owners other than the Declarant, two of the five members of the Executive Board shall be elected by Unit Owners other than the Declarant.

(d) Not later than the earlier of (1) ten years after the date of recording this Declaration; (2) 60 days after conveyance of eighty percent (80%) of the Units which may be created, i.e., 120, to Unit Owners other than the Declarant; (3) two years after the Declarant has ceased to offer Units for sale in the ordinary course of business or (4) two years after any Development Right to add new Units was last exercised, members of the Executive Board appointed by the Declarant shall resign, and the Unit Owners (including the Declarant to the extent of Units owned by the Declarant) shall elect new members of the Executive Board.

(e) The Executive Board shall possess all of the duties and powers granted to the Executive Board by the Act.

Section 14.2. Disputes. In the event of any dispute or disagreement between any Unit Owners relating to the Property, or any questions of interpretation or application of the provisions of the Condominium Documents, the determination thereof by the Executive Board shall be final and binding on each and all such Unit Owners. The Executive Board shall have the authority to seek a declaratory judgment or other appropriate judicial relief in order to assist it in carrying out its responsibilities under this Section 14.2. All costs of obtaining such a judgment shall be borne by the disputants, or in the absence of disputants, by the Association as a Common Expense.

Section 14.3 Amendments to the Condominium Documents. The Condominium Documents shall be amended in accordance with the Act and the Condominium Documents. Notwithstanding any other provisions of this Declaration to the contrary, if any amendment is necessary in the judgment of the Declarant or the Executive Board to cure any ambiguity or to correct or supplement any provision of the Condominium Documents that is defective, missing or inconsistent with any other

provisions hereof, or if such amendment is determined by the Declarant, in its sole discretion, to be necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to condominium projects, then at any time and from time to time the Declarant or the Executive Board, as the case may be, may effect an appropriate corrective amendment without the approval of the Unit Owners or the holders of any liens on all or any part of the Property. Each amendment of the type described in this Section 14.3 shall be effective upon the recording of an appropriate instrument setting forth the amendment and its due adoption, which instrument has been executed and acknowledged by one or more officers of the Declarant or the Executive Board.

Section 14.4 Abating and Enjoining Violations by Unit Owners. The violation of any Rules and Regulations adopted by the Executive Board, the breach of any provision contained in the Bylaws or the breach of any provision of this Declaration or the Condominium Act by any Unit Owner or any tenant of such Unit Owner, shall give the Executive Board the right, in addition to any other rights to which it might be entitled, to enjoin, abate or remedy by appropriate legal proceedings, either by law or in equity, the continuance of any such breach.

## ARTICLE 15

### MANAGEMENT

The Association shall have the right to employ a professional experienced managing agent who shall oversee the daily operation of the Condominium or any part thereof, in accordance with the provisions of the Act and the Condominium Documents. So long as any Unit remains initially unsold by the Declarant, and notwithstanding any amendment to this Declaration made by the Executive Board elected by the Unit Owners pursuant to Section 34-36.1-3.03(f) of the Act, the Declarant shall have the right, in its sole discretion, to approve or disapprove any management contact entered into by the Association.

## ARTICLE 16

### ASSESSMENTS; LIABILITY OF UNIT OWNERS

Section 16.1 Power to Assess. The Association, acting through the Executive Board in accordance with the Bylaws,

shall have the power to fix and determine, from time to time, the sums necessary and adequate to provide for the Common Expenses, including, but not limited to, such amounts as are necessary for uncollectable assessments, budget deficits, such reserves as are hereinafter described and such additional reserves as the Executive Board shall deem necessary or prudent, and such other expenses as are specifically provided for in the Act, this Declaration or the Bylaws. The Association shall establish an adequate reserve fund for maintenance, repair and replacement of those Common Elements which are anticipated to require replacement, repair or maintenance on a periodic basis. The reserve fund shall be funded by monthly payments as a part of the Common Expenses.

Section 16.2 Special Assessments. If the cash requirement estimated at the beginning of any fiscal year shall prove to be insufficient to cover the actual Common Expenses for such fiscal year for any reason (including, by way of illustration and not limitation, any Unit Owner's non-payment of his assessment or municipal assessments not yet assessed), the Executive Board shall have the power, at any time (and from time to time) it deems necessary and proper, to levy one or more Special Assessments against each Unit Owner. Special Assessments shall be due and payable in the manner and on the date set forth in the notice thereof.

Section 16.3 Payment of Assessments. Each Owner shall pay all assessments levied by the Association. Such assessments shall be due and payable on a monthly basis as designated by the Executive Board. Assessments that are unpaid for over ten (10) days after the due date shall bear interest at the rate of twenty-one percent (21%) per annum from the due date until paid. In the sole discretion of the Executive Board, a late charge of Twenty-Five Dollars (\$25.) per assessment not paid when due may be assessed against the delinquent Unit Owner.

Section 16.4 Failure to Fix New Assessments. If the Executive Board shall fail to fix new Monthly Assessments for Common Expenses for the subsequent fiscal year before the exploration of any fiscal year, the Unit Owners shall continue to pay the same sums they were paying for such Monthly Assessments during the fiscal year just ended, and such sum shall be deemed to be the new Monthly Assessments for the succeeding fiscal year. If the Executive Board shall change the Monthly Assessment at a later date, the difference between the new Monthly Assessment, if greater, and the previous year's Monthly Assessment up to the effective date of the new Monthly Assessment

shall be treated as if it were a Special Assessment under Section 16.2 hereof; thereafter each Unit Owner shall pay the new Monthly Assessment. In the event the new Monthly Assessment is less than the previous year's Monthly Assessment, in the sole discretion of the Executive Board, the excess either shall be refunded to the Unit Owners in equal shares, credited against future Monthly Assessments or retained by the Association for reserves.

Section 16.5 No Exemption by Waiver. No Unit Owner may exempt himself from liability for the Common Expenses by waiver of the enjoyment of the right to use any of the Common Elements or by the abandonment of his Unit or otherwise.

Section 16.6 Personal Liability of Unit Owner. All sums assessed by the Association as a Monthly or Special Assessment shall constitute the personal liability of the Owner of the Unit so assessed and also, until fully paid, shall constitute a lien against such Unit pursuant to Section 36.1-3.16 of the Act. The Association may take action for failure to pay any assessment or other charges pursuant to Section 36.1-3.16 of the Act. The delinquent owner shall be obligated to pay (a) all expenses of the Executive Board, including reasonable attorney's fees, incurred in the collection of the delinquent assessment by legal proceedings or otherwise and (b) any amounts paid by the Executive Board for taxes or on account of superior liens or otherwise to protect its lien, which expenses and amounts, together with accrued interest, shall be deemed to constitute part of the delinquent assessment and shall be collectible as such.

Section 16.7 Liability of Purchaser of Unit for Unpaid Assessments. Subject to the provisions of Section 36.1-4.09 of the Act, upon the voluntary sale, conveyance or any other voluntary transfer of a Unit or any interest therein, the grantee thereof shall be jointly and severally liable with the grantor thereof for all unpaid assessments for Common expenses which are a charge against the Unit as of the date of consummation of the sale, conveyance or transfer, but such joint and several liability shall be without prejudice to such grantee's right to recover from such grantor the amount of any such unpaid assessments.

Section 16.8 Subordination of Certain Charges. Any fees, charges, late charges, fines and interest that may be levied by the Association pursuant to Section 36.1-3.02(a)(10), (11) and (12) of the Act shall be subordinate to any first mortgage lien.

Section 16.9 Working Capital Fund. Upon the initial transfer of title from the Declarant to the purchaser of each Unit, the Association shall collect from such purchaser an amount equal to a minimum of two (2) months estimated Common Expense liability which monies shall be deposited into a working capital fund under the control of the Association. No Unit Owner is entitled to a refund of these monies by the Association upon the subsequent conveyance of his Unit or otherwise.

Section 16.10 Surplus. Any amounts accumulated from assessments for General Common Expenses in excess of the amount required for actual General Common Expenses and reserves for future General Common Expenses, unless otherwise directed by the Executive Board of the Association, in its sole discretion, shall be credited to each Unit Owner in equal amounts, such credit to be applied to the next Monthly Assessments of General Common Expenses due from said Unit owners under the current fiscal year's budget, and thereafter, until exhausted or retained by the Association for reserves.

## ARTICLE 17

### DEVELOPMENT RIGHTS AND SPECIAL DECLARANT RIGHTS

Section 17.1 Reservation of Rights. The Declarant reserves to itself and for the benefit of its successors and assigns pursuant to Sections 36.1-1.03(11) and 36.1-2.05(a)(8) of the Act, the right to create units, common elements or limited common elements within the Condominium, to subdivide or convert units into common elements, and any and all other Development Rights as are now allowed or in the future may be allowed by the Act. The Declarant also reserves to itself and for the benefit of its successors and assigns, pursuant to Sections 36.1-1.03(23) and 36.1-2.05(a)(8) of the Act, the right to complete all improvements shown on the Plats and the Plans, to exercise the Development Rights set forth above, to maintain management offices, signs advertising the Condominium, and models, sales offices, and to exercise the easements as set forth in Article 6 hereof, to make the Condominium part of a larger condominium, to make the Condominium subject to a master association, to appoint or remove any officer or executive board member during any period of Declarant control of the Association and any and all other Special Declarant Rights as are now allowed or in the future may be allowed by the Act. The real estate subject to Development Rights and Special Declarant's Rights is the Property. Development rights and Special Declarant Rights must be exercised within 10 years from



the date this Declaration was recorded or such earlier time as the right to do so expires pursuant to the terms hereof or the Act, as applicable, or is terminated by the Declarant. Development Rights may be exercised at different times with respect to different parcels of real estate. The number of Units added to the Condominium will depend upon sales of Units in the initial phases.

Section 17.2 Exercise of Rights. The exercise of the Development Rights and/or Special Declarant Rights reserved herein shall be in accordance with and governed by the provisions of the Act including without limitation Section 36.1-2.10.

#### ARTICLE 18

##### ASSIGNABILITY OF DECLARANT'S RIGHTS

The Declarant may assign any or all of its rights or privileges reserved or established by this Declaration or the Condominium Act in accordance with the provisions of the Act.

#### ARTICLE 19

##### AMENDMENT OF DECLARATION

Pursuant to Section 36.1-2.17 of the Act and except as provided therein for amendments which may be executed by the Declarant, the Association or certain Unit Owners, this Declaration may be amended only by vote or agreement of Unit Owners of Units to which sixty-seven percent (67%) of the votes in the Association are allocated; provided, however, that the provisions in Section 9.2(4) and in Article 10 may not be amended without the prior written approval of mortgagees of Units to which fifty-one percent (51%) of the votes in the Association are allocated.

#### ARTICLE 20

##### TERMINATION

The Condominium may be terminated only by agreement of the Unit Owners of Units to which eighty percent (80%) of the votes in the Association are allocated. Termination of the Condominium will be governed by the provisions of Section 36.1-2.18 of the Act.

ARTICLE 21

GENERAL PROVISIONS

Section 21.1 Headings. The headings used in this Declaration and the table of contents are inserted solely as a matter of convenience for the readers of this Declaration and shall not be relied upon or used in construing the effect or meaning of any of the provisions of this Declaration.

Section 21.2 Severability. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion hereof unless such deletions shall destroy the uniform plan of development and operation of the condominium project which this Declaration is intended to create.

Section 21.3 Applicable Law. This Declaration shall be governed by and construed according to the laws of the State of Rhode Island.

Section 21.4 Interpretation. The provisions of this Declaration shall be liberally construed in order to effect Declarant's desire to create a uniform plan for development and operation of the condominium project and to permit compliance with the requirements of the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association.

Section 21.5 Effective Date. This Declaration shall become effective when it and the Plats and Plans have been recorded.

Section 21.6 Notices. All notices and other communications required or permitted to be given under or in connection with this Declaration shall be in writing and shall be deemed given when delivered in person or on the second business day after the day on which mailed by certified mail, return receipt requested, addressed to the address maintained in the register of current addresses established by the Association.

Section 21.7 Exhibits. All exhibits attached to this Declaration are hereby made a part of this Declaration.

IN WITNESS WHEREOF, Declarant, by its officer duly

authorized, has caused this Declaration to be duly executed the day and year first above written.

DOWNING/HIDDEN VALLEY, INC.

By: \_\_\_\_\_  
Richard P. Baccari,  
President and Treasurer

Attest:

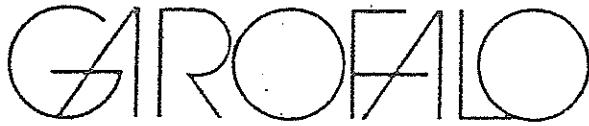
(Corporate Seal)

STATE OF RHODE ISLAND  
COUNTY OF PROVIDENCE

In Providence on the \_\_\_\_\_ day of \_\_\_\_\_, 1987, before me personally appeared the above-named Richard P. Baccari, to me known and known by me to be the President and Treasurer of Downing/Hidden Valley, Inc. and he acknowledged the execution of this Declaration of Condominium to be his free act and deed in his said capacity and the free act and deed of Downing/Hidden Valley, Inc.

\_\_\_\_\_  
Notary Public

EXHIBIT A TO  
DECLARATION OF HIDDEN VALLEY CONDOMINIUM  
LEGAL DESCRIPTION OF REAL ESTATE



Leonard A. Garofalo & Associates, Inc.  
Engineers, Surveyors, Planners  
780 Jefferson Blvd., P.O. Box 6947  
Warwick, Rhode Island 02887  
Telephone: 401-738-1000

C-2034

OCTOBER 29, 1986

DEED DESCRIPTION FOR A PORTION OF

LOT 163, A.P. 27

That certain tract or parcel of land with all buildings and improvements thereon situated westerly of Quaker Lane so called in the Town of West Warwick, County of Kent, State of Rhode Island is herein bounded and described.

Beginning at the most southwesterly corner of the herein described parcel at a drill hole in the wall;

thence proceeding north  $75^{\circ}-13'-09''$  west a distance of four hundred four and  $92/100$  (404.92') feet to a point;

thence turning an interior angle of  $180^{\circ}-55'-22''$  and proceeding north  $76^{\circ}-08'-31''$  west a distance of two hundred eight eight and  $04/100$  (288.04') feet to a drill hole at the southeasterly corner of a cemetery;

thence continuing north  $76^{\circ}-08'-31''$  west a distance of fifty seven and  $76/100$  (57.76') feet to a drill hole at the southwesterly corner of said cemetery;

thence turning an exterior angle of  $180^{\circ}-57'-31''$  and proceeding north  $75^{\circ}-11'-00''$  west a distance of two hundred ninety two and  $51/100$  (292.51') feet to a drill hole;

thence turning an interior angle of  $182^{\circ}-02'-00''$  and proceeding north  $77^{\circ}-13'-00''$  west a distance of thirty eight and  $77/100$  (38.77') feet to a point;

thence turning an interior angle of  $178^{\circ}-15'-59''$  and proceeding north  $75^{\circ}-28'-59''$  west a distance of one hundred seventy one and  $99/100$  (171.99') feet to a corner, the last 6 courses bounded southerly by land now or formerly of Park Central Associates;

thence turning an interior angle of  $90^{\circ}-48'-26''$  and proceeding north  $13^{\circ}-42'-35''$  east a distance of three hundred twenty six and  $55/100$  (326.55') feet to a point;

thence turning an interior angle of  $179^{\circ}-19'-49''$  and proceeding north  $14^{\circ}-22'-46''$  east a distance of four hundred forty nine and  $69/100$  (449.69') feet to a drill hole in the corner of a stone wall, the last 2 course bounded westerly by land now or formerly of Hilda A. Hamilton;

# GAROFALO

Page Two  
C-2034

thence turning an interior angle of  $101^{\circ}-44'-28''$  and proceeding south  $87^{\circ}-21'-42''$  east a distance of five hundred three and  $85/100$  (503.85') feet to a drill hole, the last course is bounded northerly in part by land now or formerly of Weyerhaeuser Mortgage Company and in part by E & J Realty Associates;

thence turning an interior angle of  $92^{\circ}-40'-14''$  and proceeding south  $0^{\circ}-01'-56''$  east a distance of thirty two and  $62/100$  (32.62') feet to a point;

thence turning an interior angle of  $192^{\circ}-40'-38''$  and proceeding south  $12^{\circ}-42'-34''$  east a distance of thirty and  $16/100$  (30.16') feet to a drill hole;

thence turning an interior angle of  $180^{\circ}-07'-46''$  and proceeding south  $12^{\circ}-50'-20''$  east a distance of sixty four and  $52/100$  (64.52') feet to a point;

thence turning an interior angle of  $242^{\circ}-46'-40''$  and proceeding south  $75^{\circ}-37'-00''$  east a distance of seventy seven and  $03/100$  (77.03') feet to a point;

thence turning an interior angle of  $181^{\circ}-28'-51''$  and proceeding south  $77^{\circ}-05'-51''$  east a distance of two hundred twenty four and  $24/100$  (224.24') feet to a point, the last 5 courses bounded easterly and northerly by land now or formerly of Michael A. DeCiantis;

thence turning an interior angle of  $179^{\circ}-39'-28''$  and proceeding south  $76^{\circ}-45'-19''$  east a distance of one hundred one and  $77/100$  (101.77') feet to a point, bounded northerly by land now or formerly of Robert A. Nelson, Sr.;

thence turning an interior angle of  $90^{\circ}-00'-17''$  and proceeding south  $13^{\circ}-14'-24''$  west a distance of three hundred and  $00/100$  (300.00') feet to a point;

thence turning an interior angle of  $269^{\circ}-59'-45''$  and proceeding south  $76^{\circ}-45'-21''$  east a distance of two hundred ninety three and  $00/100$  (293.00') feet to a point, the last 2 courses bounded easterly and northerly by land now or formerly of Daniel C.A. Johnson;

thence turning an interior angle of  $90^{\circ}-12'-37''$  and proceeding south  $13^{\circ}-02'-02''$  west along the westerly Highway Line of Quaker Lane a distance of four hundred seventy seven and  $96/100$  (477.96') feet to the point and place of beginning, the last herein described course forms an interior angle of  $88^{\circ}-15'-11''$  with the first herein described course.

Said parcel contains  $20.73\pm$  acres more or less.

Said parcel is subject to a cemetery of record.

For a more particular description reference is herein made to a "Survey Plan of A.P. 27 Lot 163, situated in West Warwick, R.I. by Leonard A. Garofalo & Associates, Inc. dated May 23, 1986, Job. # C-2034, Dwg. # 2463-8.

EXHIBIT B TO

DECLARATION OF HIDDEN VALLEY CONDOMINIUM

EXHIBIT B

HIDDEN VALLEY CONDOMINIUM

PERCENTAGE INTERESTS IN COMMON ELEMENTS

APPURTENANT TO UNITS

PHASE I - 20 UNITS

<u>BUILDING #</u>	<u>UNIT #</u>	<u>% INTEREST</u>
1	101	2.5
	102	2.5
	103	2.5
	104	2.5
	105	2.5
	106	2.5
	107	2.5
	108	2.5
	109	2.5
	110	2.5
2	201	2.5
	202	2.5
	203	2.5
	204	2.5
	205	2.5
	206	2.5
	207	2.5
	208	2.5
	209	2.5
	210	2.5



20 UNITS  
(MUST BE BUILT)

<u>BUILDING #</u>	<u>UNIT #</u>	<u>% INTEREST</u>
3	301	2.5
	302	2.5
	303	2.5
	304	2.5
	305	2.5
	306	2.5
	307	2.5
	308	2.5
	309	2.5
	310	2.5
4	401	2.5
	402	2.5
	403	2.5
	404	2.5
	405	2.5
	406	2.5
	407	2.5
	408	2.5
	409	2.5
	410	2.5

NOTE: The Percentage Interest allocated at any time or from time to time to any Unit shall be equal to the quotient of 100 divided by the number of Units in the Condominium. If all the units which might be built, 120, are built, each unit would have a Percentage Interest equal to 0.8333%.

EXHIBIT C TO  
DECLARANT OF HIDDEN VALLEY CONDOMINIUM  
PLATS AND PLANS  
(NOT INCLUDED IN PUBLIC OFFERING STATEMENT)

EXHIBIT C

PLATS AND PLANS

These certain Plats and Plans consisting of \_\_\_\_\_  
sheets recorded contemporaneously herewith prepaid by \_\_\_\_\_  
\_\_\_\_\_ for Downing/Hidden Valley, Inc. showing  
the Condominium.

EXHIBIT D TO  
DECLARATION OF HIDDEN VALLEY CONDOMINIUM

TITLE INFORMATION

1. Taxes, sewer use and water bills assessed as of December 31, 1985 and subsequent years, not yet due and payable.
2. Mortgage made by Downing/Hidden Valley, Inc., a Rhode Island corporation, to the Lomas & Nettleton Company dated October 30, 1986 and recorded in the Records of Land Evidence in West Warwick, Rhode Island on October 31, 1986 at 8:59 A.M.
3. Rollback tax under classified farm, forest and open space statute referred to in Book 71 at page 293 of the Records of Land Evidence in West Warwick, Rhode Island.
4. Cemetery and rights of way referred to in Deed from Daniel C.A. Johnson and Mae A. Johnson to Downing/Hidden Valley, Inc. dated September 19, 1986 and recorded in the Records of Land Evidence in West Warwick, Rhode Island on September 19, 1986 at 4:07 P.M.

EXHIBIT E TO  
DECLARANT OF HIDDEN VALLEY CONDOMINIUM  
RULES AND REGULATIONS

# Hidden Valley Condominium Association Rules and Regulations

These rules are intended to create a fair and equitable environment for all owners and residents of Hidden Valley. Because of space constraints, certain limitations and restrictions on storage and parking are necessary. Your cooperation will help us keep the complex an attractive place in which to live. Failure to comply with these rules may result in the imposition of fines; assessments for damages, repairs, or corrective actions (costs) and/or having your vehicle towed at your expense (towing costs).

Unit owners who rent or lease their units are responsible for any violations committed by your tenant. Fines and costs will be levied against the Unit owner only. It is the Unit owner's responsibility to inform tenants of these Rules and Regulations and to assure their compliance.

When a fine is imposed, it shall be in multiples of the amount specified below and will be applied as follows:

Upon notification of a violation, the violator will have 72 hours to correct the violation.

If the violation is not corrected within 72 hours, the fine will be the specified amount and an additional \$10 will be added for each additional day of noncompliance.

A lien will be placed against any Unit that does not pay a fine promptly.

The Association reserves the right to correct any violation of these Rules and Regulation after the 72-hour period, without any further notice to the Unit owner, and to bill the Unit owner for the cost of correcting the violation, in addition to the amount of the fine. In addition, a Resale Certificate will not be issued at the time of sale.

**Unless otherwise specified, a \$50 fine shall be assessed for each of the following general rules/regulations**

The walkways and entrances of the buildings shall not be obstructed or used for any purpose other than ingress or egress. Storage of any personal articles in the electrical/utility closets, located in the front of buildings is prohibited. Storage of any items in any and all locations deemed to be a violation of local fire codes or ordinances is strictly prohibited.

No clothing, or personal and household articles shall be hung or shaken from the balconies, decks, or windows or placed upon the exterior windowsills of the buildings. No clothing or other personal articles shall be allowed to stand in the common elements.

No bicycles or similar vehicles, toys, trash barrels, or other personal articles shall be allowed to stand in the common elements including the areas underneath the front steps that access the upper Units. Firewood must be stored at the property line.

No Unit owner shall make or permit any noise that will disturb or annoy the occupants of the buildings, or do or permit anything to be done therein, which will interfere with the rights, comforts, or convenience of other Unit owners or occupants.

The operation of laundry equipment, dishwashers, vacuums, and other similar appliances shall be limited to the hours between 6 a.m. and 11 p.m.

No shades, awnings, window guards, ventilators, fans, air conditioners, or any other item/article shall be permitted to protrude from, or be placed in or about the windows, common elements, balconies, decks, or private patios.

No sign, notice, or advertisement shall be inscribed or exposed at any window, door, or other part of the building.

All garbage and refuse from the Units shall be deposited with care in receptacles intended for such purposes.

Bathrooms, toilets and sinks shall not be used for any purpose other than those for which they were constructed, nor shall any sweepings, rubbish, rags, ashes, or any other article be thrown into same. Any damage resulting from misuse shall be paid for by the Unit owner in whose Unit the damage shall have been caused.

No animals of any kind shall be kept or harbored in any Unit or anywhere else in the complex, except that each Unit may keep one house cat. Feeding of any animals, domestic or wild is prohibited because it attracts other rodents and coyotes. In no event shall any dog be permitted in any portion of the buildings, or on the property.

No radio, television aerial, or satellite dishes shall be attached to, hung from, or other wise placed upon the exterior of the buildings.

The agents or employees of the Association and any contractor or worker authorized by the Association may enter any Unit at any reasonable hour of the day for any purpose permitted under the terms of the Declaration and By-Laws, or these Rules and Regulations.





All damage to the buildings or to the common elements caused by the moving or carrying of any article therein shall be paid by the Unit owner responsible for the presence of such article. **Owners shall be responsible for paying full cost for replacement or repair of the damage incurred.**

No Unit owner shall interfere in any manner with any portion of the lighting apparatus in or about the complex.

No Unit owner shall use or permit to be brought into the buildings any inflammable oils or fluids such as gasoline, kerosene, naphtha, benzene, or other explosives or articles deemed extra hazardous to life, limb, or property.

Under no circumstances shall any vehicle, motorcycle, snowmobile, lawn mower, snow blower, or any similarly powered item be stored in a Unit, or in any part of the buildings, common area, or limited common area.

No Unit owner shall do any painting, staining, decorating, or other similar activity of the entrances or exterior of the buildings, or make any alterations or construct any improvements to the exterior of the buildings, or landscaping. Any major changes must be approved by the Executive Board.

Unit owners shall be held responsible for the actions of their children, guests, and tenants, and any violations or damages caused by them. **Owners shall be responsible for paying full cost for replacement or repair of the damage incurred.**

Guns and weapons of any kind shall not be used in the complex.

No felling of trees or other growth is permitted in the common elements except as done by the Association for maintenance purposes.

19a. The tennis court is to be used for the sole purpose of playing tennis.

**Unless other wise specified, a \$100 fine shall be assessed for each of the following parking rules/regulations**  
*(Towing costs will be added to all parking fines)*

20. Each Unit has two assigned parking spaces. No Unit may have more than two vehicles parked on the complex. This included vehicles belonging to both the Unit owner and tenants (if applicable). Park only in your assigned spaces. If you have questions regarding your parking assignment, contact the Executive Board secretary.

21. No parking spaces (assigned or visitor), parking area, or roadway may be used for the storage of unregistered vehicles, trailers, snow plows, boats, recreational vehicles, storage sheds, or any other manner of structure or vehicle other than a properly registered vehicle that complies with the other provisions of these Rules and Regulation.

22. Guest parking includes cul-de-sac and spaces marked for Visitors or Guests. Such parking is strictly reserved for guests and may not be used by Unit owners or tenants to park a "third" vehicle. Any vehicle to be parked on the complex for more than three days, in a space other than the Units' assigned spaces, must be approved and registered with the Association, by contacting the Executive Board secretary.

23. At no time shall any vehicle be parked so as to obstruct access to any Unit owner's assigned parking space, or a visitor parking space.

24. Vehicles operated on the complex must be in compliance with all state and local laws, including proper vehicle registration and inspection.

25. Parking on the grass at any time is prohibited.

26. No recreational vehicles (RV's), trailers, snowmobiles, campers, mini bikes, scooters, skate boards, ATV's, boats, etc., are to be operated or stored on the property. Motor bikes (motorcycles) shall be permitted on the property when used in place of a regular automobile.

27. No commercial vehicles are allowed to be parked within the complex. Commercial vehicles are permitted in the complex to make deliveries or conduct other similar business. Overnight parking of such vehicles, however, is not permitted under any circumstances.

28. Vehicles parked on the complex must fit within the assigned parking space limitations. Vehicles not meeting these criteria are prohibited from parking in the complex.

29. To maintain a safe passageway and fire lane on Trellis Drive, "on street" parking is prohibited.

30. Cars illegally parked on the complex will be towed at the car owner's expense. (\$100 fine plus towing cost).

This includes cars parked in guest locations for more than three day that have not been approved and registered with the Association. To have vehicles that are illegally parked in your assigned spaces removed, you must first notify the West Warwick Police Department of your intent to tow, and provide them with the vehicle's registration. Then call the towing company, and have it towed at your expense.

Complaints regarding the service of the buildings and the property or regarding actions of other Unit owners, or the Association shall be submitted in writing to the Executive Board.



The Executive Board reserves the discretionary authority to interpret these Rules and Regulations, and to decide all questions arising in their administration. The Executive Board further reserves the right to amend add to, or delete from these Rules and Regulations at any time and without notice.

Please remember that Hidden Valley is a residential area. In addition to the high traffic on Trellis Drive at all times, there are children and pedestrians in the parking areas and roadways. Please exercise caution.

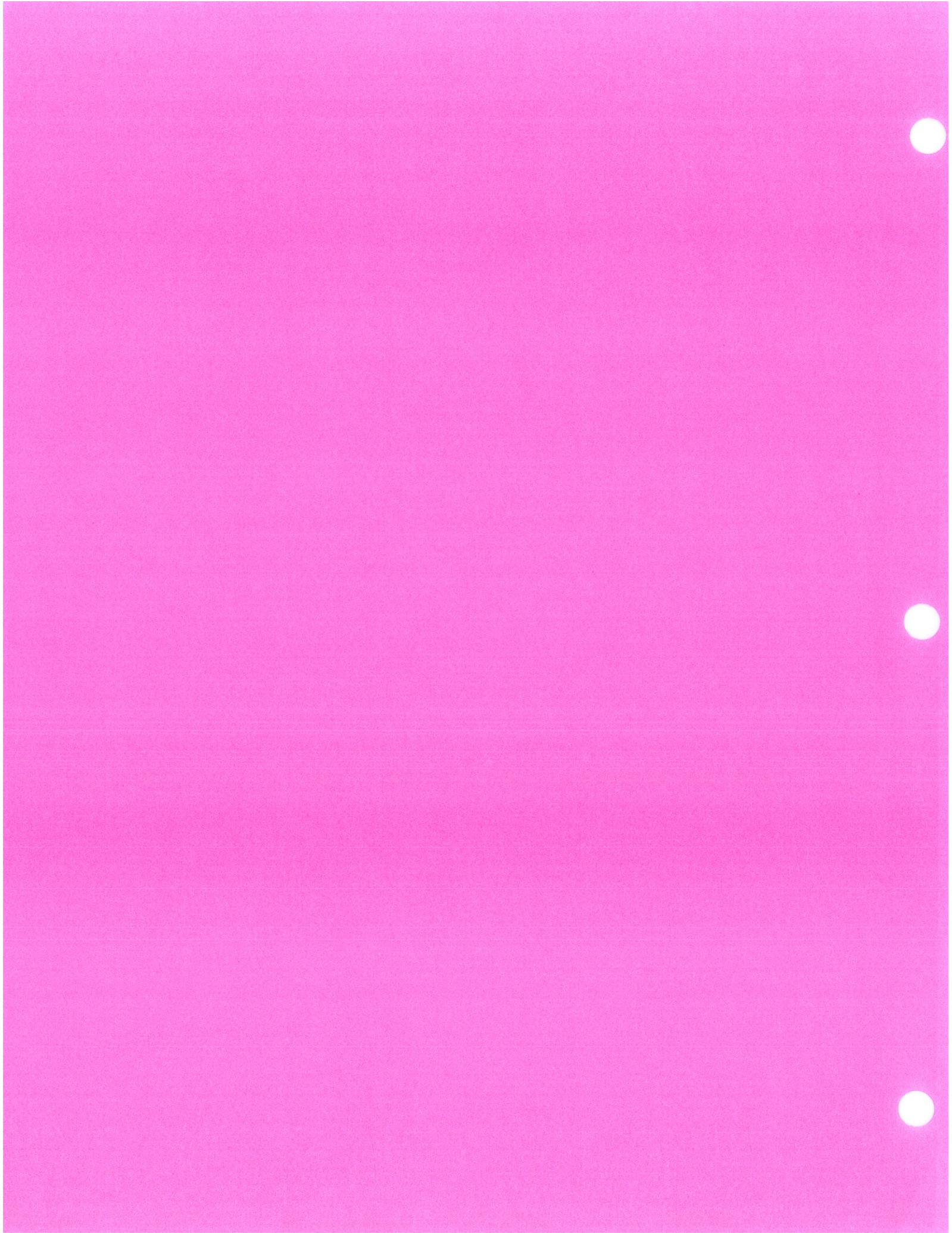
Approved March 2006  
Hidden Valley Executive Board

Rules/Regs 9.29.06











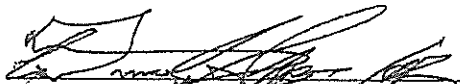
# HIDDEN VALLEY CONDOMINIUM ASSOCIATION

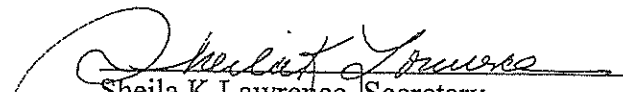
## Amendment to Declaration

Pursuant to Hidden Valley Condominium Association, Inc. Declaration, Article 19, entitled "Amendment of Declaration," the owners of units to which 67 percent of the votes in the Association are allocated, hereby amend Article 2 (k) entitled "General Common Expense," to exclude the minimum maintenance fee for the tennis court(s).

Further, Article 2 (c) entitled "Building" shall be amended to remove "tennis court" from the definition of "Building." The land the tennis court(s) occupy shall remain as part of the common elements of the Association. The common area formerly occupied by the tennis court(s) may be used for alternate purposes.

The removal of the tennis court(s), if any, shall be the responsibility of the Association.

  
Daniel Shea, Jr., President


  
Sheila K Lawrence, Secretary

State of Rhode Island

County of Kent

On the 26 day of March, 2012, before me personally appeared Daniel Shea, Jr., President of the Hidden Valley Condominium Association and Sheila K Lawrence, Secretary of the Hidden Valley Condominium Association, and they acknowledged the foregoing instrument by them executed as their free act and deed in their capacities as officers of the Hidden Valley Condominium Association.

LORIANN C. BENTO  
NOTARY PUBLIC, STATE OF RI  
MY COMMISSION EXPIRES 11.22.2014  
ID # 752437

  
Notary Public:  
My Commission expires:





500

**POORE & ROSENBAUM LLP**

A T T O R N E Y S   A T   L A W

WILLIAM A. POORE  
STEVEN ROSENBAUM\*

NICHOLAS A. LAMBROS\*  
CHRISTOPHER J. O'CONNOR

\*Also licensed in MA

Commerce Center  
30 Exchange Terrace  
Providence, Rhode Island 02901-1117  
Telephone (401) 831-2600  
Fax (401) 831-2220

September 8, 2006

Hidden Valley Condominium Association  
Trellis Drive  
West Warwick, Rhode Island 02893

ATTN: Board of Directors

*Re: Amendments to Declarations and Bylaws*

Dear Board Members:

I have conducted a title search at the West Warwick Town Hall to locate the amendments to the Declarations and Bylaws of Hidden Valley Condominium Associates.

Please find the enclosed amended Declarations and Bylaws that have been recorded. I did not make copies of all the declarations regarding the phase recordings but have I have enclosed the second and the seventh amendment of the phase recordings for your review. Due to the costs of recording the remaining phase recordings, I opted not to copy all of them since they simply describe each phase.

Should you have any questions or concerns regarding this matter, please do not hesitate to contact me. Thank you.

Very truly yours,  
**POORE & ROSENBAUM LLP**

*Nicholas A. Lambros*  
Nicholas A. Lambros, Esq.  
Email: [nlambros@poorerosenbaum.com](mailto:nlambros@poorerosenbaum.com)

NAL\mjp  
Enclosure



500

**POORE & ROSENBAUM LLP**

A T T O R N E Y S   A T   L A W

WILLIAM A. POORE  
STEVEN ROSENBAUM\*

NICHOLAS A. LAMBROS\*  
CHRISTOPHER J. O'CONNOR

\*Also licensed in MA

Commerce Center  
30 Exchange Terrace  
Providence, Rhode Island 02901-1117  
Telephone (401) 831-2600  
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September 8, 2006

Hidden Valley Condominium Association  
Trellis Drive  
West Warwick, Rhode Island 02893

ATTN: Board of Directors

*Re: Amendments to Declarations and Bylaws*

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I have conducted a title search at the West Warwick Town Hall to locate the amendments to the Declarations and Bylaws of Hidden Valley Condominium Associates.

Please find the enclosed amended Declarations and Bylaws that have been recorded. I did not make copies of all the declarations regarding the phase recordings but I have enclosed the second and the seventh amendment of the phase recordings for your review. Due to the costs of recording the remaining phase recordings, I opted not to copy all of them since they simply describe each phase.

Should you have any questions or concerns regarding this matter, please do not hesitate to contact me. Thank you.

Very truly yours,  
**POORE & ROSENBAUM LLP**

*Nicholas A. Lambros*  
Nicholas A. Lambros, Esq.  
Email: [nlambros@poorerosenbaum.com](mailto:nlambros@poorerosenbaum.com)

NAL/mjp  
Enclosure



*Hidden Valley Condominium Association*

*P.O. Box 554*

*West Warwick, R. I. 02893*

2720

AMENDMENTS OF BY-LAWS

On April 13, 1988, the Hidden Valley Condominium Association amended the By-Laws of the Hidden Valley Condominium Association as follows:

- 1. The first sentence of Section 2.1 of the By-Laws was amended as follows:

"The Association is a Rhode Island Non-business corporation, all of the members of which are the Unit Owners of the Property."

- 2. The second sentence of Section 2.2(a)(1) of the By-Laws was amended as follows:

"The Annual Meeting of the Unit Owners shall be held in June of each year on the first Monday of that month, or as soon thereafter as is practicable."

- 3. The second sentence of Section 2.2(a)(2) was amended as follows:

"The Treasurer of the Executive Board shall present at each Annual Meeting a financial report (prepared by an independent certified public accountant) of the receipts and Common Expenses for the Association's immediately preceding fiscal year, itemized receipts and expenditures, the allocation thereof to each Unit Owner, and any charges expected for the present fiscal year."

*Joe Lee Elam*  
 \_\_\_\_\_  
 Joe Lee Elam, Secretary  
 HIDDEN VALLEY CONDOMINIUM  
 ASSOCIATION

(hv\amendsto.bl) Subscribed and sworn to before me this 13<sup>th</sup> day of April, 1988.

JUN 13 1988 AT 10:41 O'CLOCK AM  
 REC'D W. WARWICK, R.I. My Commission expires 6/30/91  
 Notary Public *Anna L. Quarta*

BOOK 281 PAGE 53



1997

HIDDEN VALLEY CONDOMINIUM ASSOCIATION, INC.  
AMENDMENT TO THE BY LAWS

Pursuant to Hidden Valley Condominium Association, Inc.,  
By Laws Section 8.1, Section 3.2 of the By Laws entitled  
"Election and Term of Office" is hereby amended to read as  
follows:

Section 3.2. Election and Term of Office.

(a) At the Annual Meeting of the Association, subject to Section 14.1 of the Declaration, the election of members of the Executive Board shall be held. The term of office of any Executive Board member to be elected (As set forth in Sections 2.2(b)(2) and Section 3.5 hereof) shall be fixed at one (1) year. The members of the Executive Board shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal or resignation. An Executive Board member may serve an unlimited number of terms and may succeed himself.

(b) A unit owner, who is in good standing with regard to payment of any association assessment and with regard to compliance with all provisions of the declaration, By Laws, and Rules, qualified to be a member of the Executive Board may be nominated for election only as follows:

(1) Any unit owner may submit to the Secretary at least thirty (30) days before the meeting at which the election is to be held a nominating petition signed by unit owners owning at least five (5) units in the aggregate, together with the statement that the person nominated is willing to serve on the Executive Board and a biographical sketch of the nominee. The Secretary shall mail or hand deliver the submitted items to every unit owner together with the notice of such meeting; and

(2) Nominations may be submitted from the floor at a meeting at which the election is held for each vacancy on the Executive Board for which no more than one person has been nominated by petition.

Certified by BARBARA SOSCIA, duly elected President of the Hidden Valley Condominium Association, Inc.

*Barbara Soscia*  
BARBARA SOSCIA, PRESIDENT

STATE OF RHODE ISLAND  
COUNTY OF Providence

In West Warwick on this 20<sup>th</sup> day of August, 1992, before me personally appeared BARBARA SOSCIA, PRESIDENT for Hidden Valley Condominium Association, Inc., to me known and known by me to be the party executing the foregoing instrument for and on behalf of said Association,





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HIDDEN VALLEY CONDOMINIUM ASSOCIATION, INC. AMENDMENT TO THE  
DECLARATION

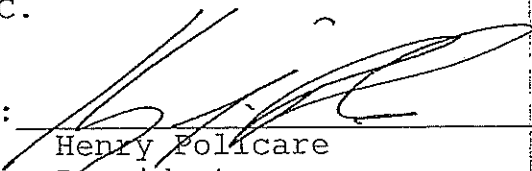
Pursuant to Hidden Valley Condominium Association, Inc., Article 3, Section 3.3 of the Declaration entitled "Maintenance Responsibilities", is hereby amended to read as follows:

Section 3.3 Maintenance Responsibilities. Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the foregoing boundary descriptions, the Units and Common Elements shall be maintained and repaired by each Unit Owner and by the Association in accordance with the provisions of Section 36.1-3.07 of the Act, except as expressly set forth to the contrary herein.

When the repair or maintenance of rear decks is required, in the discretion of the Executive Board, said repairs and maintenance are the responsibility of the Association.

IN WITNESS WHEREOF, Hidden Valley Condominium Association, Inc. by its President duly authorized, has caused this Amendment to be duly executed on this 20th day of October, 1997.

HIDDEN VALLEY CONDOMINIUM ASSOCIATION,  
INC.

By:   
Henry Policare  
President

Certified by Rose Rowey, duly elected Secretary of the

Filed For Record  
OCT 24 1997 87-  
a 8244 88  
714



Hidden Valley Condominium Association, Inc.

By: Rose Rowey  
Rose Rowey  
Secretary

STATE OF RHODE ISLAND  
COUNTY OF Kent

In West Warwick on the 20th day of  
October, 1997, before me personally appeared the above  
named Henry Policare to me known by me to be the President of the  
Hidden Valley Condominium Association, Inc. and he acknowledged  
the execution of this Amendment to be his free act and deed in  
his capacity and the free act and deed of Hidden Valley  
Condominium Association, Inc.

Nicholas A. Lambros  
Nicholas A. Lambros  
Notary Public  
My commission expires 12/1/97

STATE OF RHODE ISLAND  
COUNTY OF Kent

In West Warwick on the 20th day of  
October, 1997, before me personally appeared the above  
named Rose Rowey to me known by me to be the Secretary of the  
Hidden Valley Condominium Association, Inc. and she acknowledged  
the execution of this Amendment to be her free act and deed in  
his capacity and the free act and deed of Hidden Valley  
Condominium Association, Inc.

Nicholas A. Lambros  
Nicholas A. Lambros  
Notary Public  
My commission expires 12/1/97

After recording please return to:  
Nicholas A. Lambros, Esquire  
50 Trellis Drive

West Warwick, RI 02893

1 1997  
REC'D W. WARWICK, RI AT 8:44  
NICHOLAS A.

714 PAGE 87-88  
[Signature]



CM106\ 3AMENDMENT

HIDDEN VALLEY CONDOMINIUM ASSOCIATION, INC.  
AMENDMENT TO THE BY-LAWS

Pursuant to Hidden Valley Condominium Association, Inc.,  
By Laws Section 8.1, Section 5.7 of the By Laws entitled  
"Accounts: Audits" is hereby amended to read as follows:

Section 5.7. Accounts: Audits

All sums collected by the Executive Board with respect to assessments against the unit owners or from any other source may be commingled into a single fund. All books and records of the association shall be kept in accordance with good and accepted accounting practices and the same shall be the subject of a financial review at least once each year by an independent certified public accountant retained by the Executive Board.

Certified by BARBARA SOSCIA, duly elected President of the Hidden Valley Condominium Association, Inc.

Barbara Soscia  
BARBARA SOSCIA, PRESIDENT

STATE OF RHODE ISLAND  
COUNTY OF Rhode Island

In Westerly on this 20th day of January, 1993, before me personally appeared BARBARA SOSCIA, PRESIDENT for Hidden Valley Condominium Association, Inc., to me known and known by me to be the party executing the foregoing instrument for and on behalf of said Association, and she acknowledged said instrument, by her executed to be her free act and deed, in her said capacity and the free act and deed of said Association.

[Signature]  
LARRY W. [Signature] Notary Public  
My Commission Expires 1/25/93

Certified by Rose Rowey, duly elected Secretary of the Hidden Valley Condominium Association, Inc.

Rose Rowey  
ROSE ROWEY, SECRETARY

REC'D FOR RECORDS IN  
WEST VALLEY, RI  
JAN - 3 1993  
At 2:39 M Book 319- Page 320  
Witness

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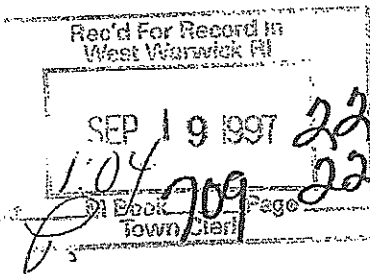
Inc. <sup>(H)</sup>  
HIDDEN VALLEY CONDOMINIUM ASSOCIATION "AMENDMENT TO DECLARATION

4150

Inc., <sup>(NL)</sup>

Pursuant to Hidden Valley Condominium Association, Article 9, Section 9.2, of the Declaration, as previously amended, entitled "Sale and Lease of Units, Right of First Refusal" is hereby deleted and repealed in its entirety.

IN WITNESS WHEREOF, Hidden Valley Condominium Association, Inc. by its officer duly authorized, has caused this Amendment to be duly executed on this 16th day of September, 1997.



HIDDEN VALLEY CONDOMINIUM ASSOCIATION, INC.

By: [Signature]  
Henry Policare  
President

Attest: [Signature]  
Secretary

STATE OF RHODE ISLAND  
COUNTY OF Providence

In Providence on the 16th day of September, 1997, before me personally appeared the above named Henry Policare to me known by me to be the President of the Hidden Valley Condominium Association, Inc. <sup>(NL)</sup> and he acknowledged the execution of this Amendment to be his free act and deed in his capacity and the free act and deed of Hidden Valley Condominium





Association Inc.

*Nicholas A. Lambros*

Nicholas A. Lambros  
Notary Public  
My commission expires 12/1/97

SEP 19 1997 1:04  
NEW'D W. WARWICK, RI AT O'CLOCK  
BOOK 709 PAGE 220-221  
*R. W. Craft*

After recording, please return to:

Nicholas A. Lambros, Esq.  
50 Trellis Drive  
West Warwick, RI 02893

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CM1061  
AMENDMENT

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HIDDEN VALLEY CONDOMINIUM ASSOCIATION, INC.  
AMENDMENT TO THE DECLARATION

Pursuant to Hidden Valley Condominium Association, Inc., Article 19, Section 9.2 of the Declaration entitled "Sale and Lease of Units, Right of First Refusal" is hereby amended to read as follows:

Section 9.2 Sale and Lease of Units: Right of First Refusal.

(a) A unit owner may sell or lease his unit for residential purposes at any time and from time to time provided that:

(1) The unit owner shall send to the Executive Board written notice of the proposed sale or lease, certified mail, return receipt requested, (including the terms and conditions of the sale or the lease and an application, identical in form to that form completed by the unit owner when purchasing the unit, completed by the proposed purchaser or tenant), at least 45 days prior to the proposed closing date or the proposed commencement of the term of the lease, as the case may be.

(2) The Executive Board shall either approve the sale to the proposed purchaser or approve the lease to the proposed tenant, as the case may be; or notify the unit owner of its intention to purchase (or to lease) the unit, on the same terms and conditions, within 20 business days of receipt of the unit owner's notice of intent to sell or lease. The Executive Board, upon request, will provide evidence, in recordable form, of the unit owner's compliance with the requirements set forth above and of its approval of the sale or lease.

(3) Each approved tenant and lease shall subject to and be bound by all of the covenants, restrictions and conditions set forth in the condominium documents.

(4) This Section 9.2 shall not be deemed or construed to impair a mortgagee's right to foreclose, accept a deed in lieu or foreclosure or sell or lease a unit so acquired by the mortgagee.

Certified by BARBARA SOSCIA, duly elected President of the Hidden Valley Condominium Association, Inc.

*Barbara Soccia*  
BARBARA SOSCIA, PRESIDENT

STATE OF RHODE ISLAND  
COUNTY OF Providence

In Providence on this 30<sup>th</sup> day of August, 1992, before me personally appeared BARBARA SOSCIA, PRESIDENT for Hidden Valley Condominium Association, Inc., to me known and known by me to be the party executing the



foregoing instrument for and on behalf of said Association, and she acknowledged said instrument, by her executed to be her free act and deed, in her said capacity and the free act and deed of said Association.

Larry A. Wankke  
Notary Public  
My Commission Expires: 6/23/93

Certified by Rose Rowey, duly elected Secretary of the Hidden Valley Condominium Association, Inc.

Rose Rowey  
ROSE ROWEY, SECRETARY

STATE OF RHODE ISLAND  
COUNTY OF Kent

In Westerly on this 20<sup>th</sup> day of August, 1992, before me personally appeared ROSE ROWEY, SECRETARY for Hidden Valley Condominium Association, Inc., to me known and known by me to be the party executing the foregoing instrument for and on behalf of said Association, and she acknowledged said instrument, by her executed to be her free act and deed, in her said capacity and the free act and deed of said Association.

Larry A. Wankke  
Notary Public  
My Commission Expires: 6/23/93

APR - 8 1993 12:56 PM  
RECORDED AT  
BOOK 506 PAGE 209-210

Francis B. Corti

After recording, please return to:

Raymond Harrison, Esquire  
630 Putnam Pike  
Greenville, RI 02828



# Hidden Valley Condominium Association Rules and Regulations

These rules are intended to create a fair and equitable environment for all owners and residents of Hidden Valley. Because of space constraints, certain limitations and restrictions on storage and parking are necessary. Your cooperation will help us keep the complex an attractive place in which to live. Failure to comply with these rules may result in the imposition of fines; assessments for damages, repairs, or corrective actions (costs) and/or having your vehicle towed at your expense (towing costs).

Unit owners who rent or lease their units are responsible for any violations committed by their tenant(s). Fines and costs will be levied against the unit owner only. It is the unit owner's responsibility to inform tenants of these Rules and Regulations and to assure their compliance.

When a fine is imposed, it shall be in multiples of the amount specified below and will be applied as follows:

1. Upon notification of a violation, the violator will have 72 hours to correct the violation.
2. If the violation is not corrected, the unit owner will be notified by certified letter and given 72 hours to make corrections. If the violation continues, owners will have seven days in which to request a hearing with the Executive Board.
3. If the owner does not request a hearing, fines will be assessed and shall become a lien against the unit.
4. A decision in a hearing will include costs in all cases and reasonable attorney fees, if a member of the Rhode Island Bar represents prevailing party. Such attorney fees and costs shall also be a lien on the unit charged.
5. The Association reserves the right to correct any violation of these Rules and Regulation after the 72-hour period, without any further notice to the Unit owner, and to bill the Unit owner for the cost of correcting the violation, in addition to the amount of the fine. In addition, a Resale Certificate will not be issued at the time of sale.

**Unless otherwise specified, a \$50 fine shall be assessed for each of the following general rules/regulations**  
*Each owner is required to complete an information form, for themselves and tenants (when applicable) provided by the HVCA Executive Board. Owners must complete this form and return to any member of the Executive Board or to the office mailbox, located in front of the gazebo building. Failure to return this document within 10 days of establishing residency will result in fines. If you were not provided with this form, contact the Board Secretary at 615.3469/sklcom@verizon.net.*

1. The walkways and entrances of the buildings shall not be obstructed or used for any purpose other than ingress or egress. Storage of any articles in the electrical/utility closets, located in the front of buildings is prohibited. Storage of any items in any and all locations deemed to be a violation of local fire codes or ordinances is strictly prohibited.
2. No clothing, or personal and household articles shall be hung or shaken from the balconies, decks, or windows or placed upon the exterior windowsills of the buildings. No clothing or other personal articles shall be allowed to stand in the common elements.
3. No bicycles or similar vehicles, toys, trash barrels, or other personal articles shall be allowed to stand in the common elements including the areas underneath the front steps that access the upper Units. Firewood must be stored at the property line.
4. No Unit owner shall make or permit any noise that will disturb or annoy the occupants of the buildings, or do or permit anything to be done therein, which will interfere with the rights, comforts, or convenience of other Unit owners or occupants.
5. The operation of laundry equipment, dishwashers, vacuums, and other similar appliances shall be limited to the hours between 6 a.m. and 11 p.m.
6. No shades, awnings, window guards, ventilators, fans, air conditioners, or any other item/article shall be permitted to protrude from, or be placed in or about the windows, common elements, balconies, decks, or private patios.
7. No sign, notice, or advertisement shall be inscribed or exposed at any window, door, or other part of the building.





8. All garbage and refuse from the Units shall be deposited with care in receptacles intended for such purposes.
9. Bathrooms, toilets and sinks shall not be used for any purpose other than those for which they were constructed, nor shall any sweepings, rubbish, rags, ashes, or any other article be thrown into same. The Unit owner in whose Unit the damage shall have been caused shall pay for any damage resulting from misuse.
10. No animals of any kind shall be kept or harbored in any Unit or anywhere else in the complex, except that each Unit may keep one house cat. Feeding of any animals, domestic or wild is prohibited because it attracts other rodents and coyotes. In no event shall any dog be permitted in any portion of the buildings, or on the property.
11. No radio, television aerial, or satellite dishes shall be attached to, hung from, or otherwise placed upon the exterior of the buildings.
12. The agents or employees of the Association and any contractor or worker authorized by the Association may enter any Unit at any reasonable hour of the day for any purpose permitted under the terms of the Declaration and By-Laws, or these Rules and Regulations.
13. All damage to the buildings or to the common elements caused by the moving or carrying of any article therein shall be paid by the Unit owner responsible for the presence of such article. **Owners shall be responsible for paying full cost for replacement or repair of the damage incurred.**
14. No Unit owner shall interfere in any manner with any portion of the lighting apparatus in or about the complex.
15. No Unit owner shall use or permit to be brought into the buildings any inflammable oils or fluids such as gasoline, kerosene, naphtha, benzene, or other explosives or articles deemed extra hazardous to life, limb, or property. Under no circumstances shall any vehicle, motorcycle, snowmobile, lawn mower, snow blower, or any similarly powered item be stored in a Unit, or in any part of the buildings, common area, or limited common area.
16. No Unit owner shall do any painting, staining, decorating, or other similar activity of the entrances or exterior of the buildings, or make any alterations or construct any improvements to the exterior of the buildings, or landscaping. The Executive Board must approve any major changes.
17. Unit owners shall be held responsible for the actions of their children, guests, and tenants, and any violations or damages caused by them. **Owners shall be responsible for paying full cost for replacement or repair of the damage incurred.**
18. Guns and weapons of any kind shall not be used in the complex.
19. No felling of trees or other growth is permitted in the common elements except as done by the Association for maintenance purposes.
20. Wood pellet stoves and other such continuing heat sources prohibited in unit fireplaces.
21. Mandated chimney inspections for wood burning fireplaces shall be conducted yearly in accordance with HVCA's insurance carrier's stipulations. Owners must have their chimneys cleaned at their own expense, if the inspection deems it necessary

**Unless otherwise specified, a \$100 fine shall be assessed for each of the following parking rules/regulations**  
*(Towing costs will be added to all parking fines)*

- I. Each Unit has two assigned parking spaces. No Unit may have more than two vehicles parked on the complex. This included vehicles belonging to both the Unit owner and tenants (if applicable). Park only in your assigned spaces. If you have questions regarding your parking assignment, contact the Executive Board secretary.
- II. No parking spaces (assigned or visitor), parking area, or roadway may be used for the storage of unregistered vehicles, trailers, snow plows, boats, recreational vehicles, storage sheds, or any other manner of structure or vehicle other than a properly registered vehicle that complies with the other provisions of these Rules and Regulation.
- III. Guest parking includes cul-de-sac and spaces marked for Visitors or Guests. Such parking is strictly reserved for guests and may not be used by Unit owners or tenants to park a "third" vehicle. Any vehicle to be parked on the complex for more than three days, in a space other than the Units' assigned spaces, must be approved and registered with the Association, by contacting the Executive Board secretary.
- IV. At no time shall any vehicle be parked so as to obstruct access to any Unit owner's assigned parking space, or a visitor parking space.
- V. Vehicles operated on the complex must be in compliance with all state and local laws, including proper vehicle registration and inspection.
- VI. Parking on the grass at any time is prohibited.



- VII. No recreational vehicles (RV's), trailers, snowmobiles, campers, mini bikes, scooters, skate boards, ATV's, boats, etc., are to be operated or stored on the property. Motor bikes (motorcycles) shall be permitted on the property when used in place of a regular automobile.
- VIII. Commercial vehicles are prohibited from parking in the complex, with the exception of deliveries or other such similar businesses. Overnight parking of such vehicles, however, is prohibited under any circumstances.
- IX. Vehicles parked on the complex must fit within the assigned parking space limitations. Vehicles not meeting these criteria are prohibited from parking in the complex.
- X. To maintain a safe passageway and fire lane on Trellis Drive, "on street" parking is prohibited.
- XI. Cars illegally parked on the complex will be towed at the car owner's expense. (\$100 fine plus towing cost). This includes cars parked in guest locations for more than three day that have not been approved and registered with the Association. To have vehicles that are illegally parked in your assigned spaces removed, you must first notify the West Warwick Police Department of your intent to tow, and provide them with the vehicle's registration. Then call the towing company, and have it towed at your expense.

Complaints regarding the service of the buildings and the property or regarding actions of other Unit owners, or the Association shall be submitted in writing to the Executive Board.

The Executive Board reserves the discretionary authority to interpret these Rules and Regulations, and to decide all questions arising in their administration. The Executive Board further reserves the right to amend add to, or delete from these Rules and Regulations at any time and without notice.

Please remember that Hidden Valley is a residential area. When driving through the complex, please exercise caution. There are children and pedestrians in the parking areas and roadways.

Hidden Valley Executive Board

Rules/Regs: 10.10.12

