9. Common Elements. The common elements consist of the entire property, including all parts of the buildings other than the apartments and including, without limitation, the following:

(a) The land

(b) All foundations, columns, girders, beams and supports

(c) All roofs, all exterior walls of the building not including the portions thereof on the apartment side of the dry-wall or paneling of such walls, and the portions between the apartment sides of walls and partitions between apartments, and the portions between room walls where walls are within apartments; and all floors and ceilings, No co-owner shall be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors, ceilings, windows, and doors bounding his apartment, nor shall such co-owner be deemed to own the utilities (without limitation) running through his apartment which are utilized for, or serve more than one apartment, except as a right in common to share the same with the other co-owners. A co-owner, however, shall be deemed to own and shall have the exclusive right to paint, repaint, tile wax, paper or otherwise refinish and decorate the inner surfaces of the walls, floors, ceilings, windows, and doors bounding his apartment, said refinishing and decorating to be the expense of the co-owner.

(d) Any halls, corridors, lobbies, sidewalks, stairs, stairways and entrances to and exits from and building, but only if in a common area and not within the boundaries or perimeter of any apartment.

(e) All yards, gardens, swimming pool areas and facilities for the swimming pool, all open parking and driveway areas which will be common elements in common, and the club house, picnic area, children's playground, tennis courts and sidewalks.

(f) All spaces devoted to the lodging or use of the manager, superintendent and other persons employed in connection with the operation of the property; and all guest rooms not attached to apartment.

(g) All compartments or installations of central services such as power, light, telephones, gas, cold and hot water, reservoirs, tanks pumps, air conditioning, incinerating, air handling equipment and all other mechanical installations and appurtenances thereto and space therefor whether located in common areas or in apartments.

(h) All tanks, pumps, motors, fans, compressors, air handling units and control equipment.

(i) All maids' rooms, locker rooms, laundry rooms, and storage spaces which are not in apartments.

(j) All sewer pipes.

(k) All office space.

(1) All terrace or patios provided, however, that each co-owner whose apartment has sole access to a terrace shall have an easement for the exclusive use thereof, and each such terrace shall be a limited common element restricted to the sole use of the co-owner whose apartment has sole access thereto.

(m) Party wall between apartments shall be limited common elements of the respective apartments upon which they abut.

Common Elements and Limited Common Elements.

<u>Part One-Common Elements.</u> The Common Elements consist of the entire property, including all parts of the buildings other than the apartments, and including, without limitation, the following:

- (a) The land
- (b) All foundations, columns, girders, beams and supports

(c) All roofs; all exterior walls of the building not including the portions thereof on the apartment side of the dry-wall or paneling of such walls; and the portions between room walls where walls are within apartments, and all floors and ceilings. No co-owner shall be deemed to own the undecorated and/or unfinished surfaces of the

perimeter walls, floors, ceilings, windows, and doors bounding his apartment, nor shall such co-owner be deemed to own the utilities (without limitation) running through his apartment which are utilized for, or serve more than one apartment, except as a right in common to share the same with the other co-owners. A co-owner, however, shall be deemed to own and shall have the exclusive right to paint, repaint, tile wax, paper or otherwise refinish and decorate the inner surfaces of the walls, floors, ceilings, windows, and doors bounding his apartment; said refinishing and decorating to be at the expense of the co-owner.

(d) Any halls, corridors, lobbies, sidewalks, stairs, stairways and entrances to and exits from any building, but only if in a common area and not within the boundaries or perimeters of any apartment.

(e) All yards, gardens, swimming pool areas and facilities for the swimming pool, all open parking and driveway areas, and the club house, picnic area, children's playground, tennis courts and sidewalks.

(f) All spaces devoted to the lodging or use of the manager, superintendent and other persons employed in connection with the operation of the property; and all guest rooms not attached to or within an apartment.

(g) All compartments or installations of central services such as power, light, telephones, gas, cold and hot water, reservoirs, tanks, pumps, air-conditioning, incinerating, air handling equipment and all other mechanical installations and appurtenances thereto and space therefore whether located in common areas or in apartments.

(h) Except those restricted or reserved to the use of a particular unit or units, all tanks, pumps, motors, fans, compressors, air handling units and control equipment, and any system for central services.

(i) All maids' rooms, locker rooms, laundry rooms, and storage spaces which are not in apartments.

(j) All sewer pipes. As more fully set forth in Section (e), Part Two hereinbelow, and for the purpose of establishing responsibility for maintenance, some portions of sewer pipes are designated as limited common elements. All portions of sewer pipes which are not designated as limited common elements are general common elements.

(k) All office and other space intended for non-residential use by the Board of Managers, or the Council of Co-owners, or agents or employees or commercial tenants of the Council of Co-Owners.

<u>Part Two – Limited Common Elements.</u> Limited Common Elements are defined as those common elements which are reserved for the use of a certain apartment or apartments to the exclusion of the other apartments, and include, without limitation, the following:

- (a) All terraces, patios, wood decks, porches, storage spaces, stoops, and carports, which serve individual apartments.
- (b) All utility pipes, i.e., plumbing inside walls of a building which serve one apartment or two adjoining apartments.
- (c) HVAC (heating, ventilating and cooling/air conditioning) condensing equipment which serves only one apartment.
- (d) Party walls between two adjoining apartments.
- (e) Fresh water and wastewater "connector" lines, to the extent that they carry fresh or wastewater to or from a single building but not as part of a "main" line. Accordingly, where ever such "connector" line

benefits only one (1) of the units within a building, it is "limited" as to that unit; wherever such "connector" line benefits each of the two (2) units within a building, it is "limited" as to those two (2) units with applicable repair and expense responsibilities shared between those two (2) particular units. To the extent that any fresh or wastewater line is designed to carry fresh or wastewater to or from two (2) or more buildings, such portion of the line is deemed to be a general common element.

- (f) Shrubbery, plantings, and any other landscaping within enclosed patio areas.
- (g) Roofs of unit patios
- (h) Fences separating individual units, and fences serving one or more units in a single building

12. <u>Sales and Leases</u>. No co-owner other than the Developer may sell or lease his apartment unit or any interest therein, except by complying with the following provisions:

Any co-owner who received a bona fide offer for the sale of his apartment together with: (i) the undivided interest in the common, elements appurtenant thereto; (ii) the interest of such co-owner in any apartments theretofore acquired by the Board of Managers, or its designee on behalf of all co-owners, or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such co owner in any other assets of the condominium, (hereinafter collectively called the "Appurtenant Interests"), or a bona fide offer for a lease of his apartment, hereinafter called an "Outsider Offer") which he intends to accept, shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser or lessee, the terms of the proposed transaction and such other information as the Board of Managers may reasonable require, and shall offer to sell such apartment, together with the appurtenant interests, or to lease such apartment, to the Board of Managers, or its designee, corporation or otherwise on behalf of the Council of co-owners on the same terms and conditions as contained in such outside offer. The giving of such notice shall constitute a warrant and representation by the co-owner who has received such offer to the Board of Managers, on behalf of the other co-owners, that such co-owner believes the outside offer to be bona fide in all respects. Within thirty (30) days after receipt of such notice, the Board of Managers may elect, by notice to such co-owner, to purchase such apartment, together with the appurtenant interests or to lease such apartment, as the case may be (or to cause the same to be purchased or leased by its designee, corporation or otherwise), on behalf of the Council of Co owners on the same terms and conditions as contained in the outside offer and as stated in the notice from the offering co-owner. In the event the Board of Managers shall elect to purchase such apartment, together with the appurtenant interests, or to lease such apartment, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close at the office of the attorneys designated by the Board of Managers in such notice forty five (45) days after the giving of notice by the Board of Managers of its election to accept such offer. At the closing, the co-owner, if such apartment together with the appurtenant interests is to be sold, shall convey the same to the Board of Managers, or to its designee, on behalf of the Council of Co-Owners, by deed in a form satisfactory to the attorneys for the Board of Managers. In the event such apartment is to be leased, the offering apartment owner shall execute and deliver to the Board of Managers, or to its designee, a lease between the offering co-owner, as landlord, and the Board of Managers, or its designee, as tenant, covering such apartment, on the terms and conditions contained in such outside offer. No merger of title shall result. In the event the Board of Managers or its designee shall fail to accept such offer within thirty (30) days as aforesaid, the offering co-owner shall be free to contract to sell such apartment, together with the appurtenant interests, or to lease such apartments, as the case may be, within sixty (60) days after the expiration of the period in which the Board of Managers or its designee might have accepted such offer, to the outside offeror, on the terms and conditions set forth in the notice from the offering co-owner to the Board of Managers of such outside offer. Any such deed to an outside offeror shall provide that the acceptance thereof by the grantee shall be on the then current form of deed in use for conveyancing condominium apartments by the Board of Managers and shall constitute an assumption of the provisions of the Master Deed, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the Master Deed and the By Laws and shall provide that it may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Managers, that the tenant shall neither sublet the demised premises or any part thereof, nor assign the lease

thereto, without the prior consent in writing of the Board of Managers and that the Board of Managers shall have power to terminate such lease and/or to bring appropriate legal proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. Except as hereinbefore set forth, the form of any such lease shall be the then current form of apartment lease, approved in writing by the Board of Managers. In the event the offering co-owner shall not, within such sixty (60) day period, but such sale or lease shall not be consummated pursuant to the terms of such contract, then should such offering co-owner thereafter elect to sell such apartment, together with the appurtenant interest, or to lease such apartment, as the case may be, to the same or another outside offeror on the same or other terms and conditions, the offering co-owner shall be required again to comply with all of the terms and provisions of this Section 12 of this Master Deed. Any purported sale or lease of an apartment in violation of this section shall be voidable at the election of the Board of Managers.

The Board of Managers may release or waive the performance of all or any one or more of the requirements of this Section 12, with respect to any one or more of the requirements of this Section 12, with respect to any one or more single transactions, but such release or waiver of any or all of the provisions of this Section 12 shall not constitute a release or waiver of the requirements of this section with respect to any other transactions whether relating to the same or other apartments.

A certificate, executed and acknowledged by the Secretary of the Condominium,, stating that the provisions of Section 12 of this Master Deed have been met by a co-owner or have been duly waived by the Board of Managers and that the rights of the Board of Managers there under have terminated, with respect to a specific transaction, shall be conclusive upon the Board of Managers and the Council of co-owners in favor of all persons who rely thereon in good faith in connection with the specific transaction named. Such certificate shall be furnished to any co-owner who has in fact complied with the provisions of Section 12 of the Master Deed pr om respect to whom the provisions of such section have been waived, upon request.

The provisions of this Section 12 shall not apply with respect to any sale or conveyance by a co-owner of his apartment, together with the appurtenant interests, to his spouse or to any of his children or to his parent or parents or to his brothers or sisters, or any one more of them or to an apartment owned by the Developer or to the acquisition or sale of an apartment, together with the appurtenant interests, by a mortgage herein authorized who shall acquire title to such apartment by foreclosure or by deed in lieu of foreclosure. However, the provisions of this section shall apply with respect to any purchase of such apartment from such mortgagee or at a foreclosure or judicial sale by one other than the mortgagee.

Any co-owner shall be free to convey or transfer his apartment by gift, or to devise his apartment by will, and it may pass by intestate succession, subject to the terms hereof.

Leases.

12.1. <u>Definition</u>. Leasing, for the purpose of this Master Deed, is defined as a regular, exclusive occupancy of a Unit/Apartment by any person(s) other than the Owner, in the absence of the Owner, and for which the Owner receives any consideration or benefit (including, but not necessarily limited to, a fee, service, gratuity or emolument). However:

a. <u>Lease-Purchase Agreements.</u> A Lease-purchase agreement, lease with option to purchase, or "land contract" will not be construed as a "Lease," provided that the dollar amount of the specified purchase provision is reasonably reflective of the fair market value of the Unit/Apartment, and not a "sham" amount utilized primarily to avoid the leasing restrictions set forth herein.

b. <u>Family-member occupancy.</u> Occupancy of a Unit/Apartment by an immediate lineal family member (parent, grandparent, adult child or adult grandchild) of the (non-occupant) Owner will not be construed as a "lease," even if the Owner receives rental payments or any other consideration or benefit.

12.2. <u>Two Year Initial Residency Requirement Before Unit/Apartment May Be Leased.</u> Unless "grandfathered" pursuant to Section 12.3, below, or unless exempted following a foreclosure pursuant to Section 12.4, below, or unless classified as a "hardship exemption" pursuant to Section 12.5, below, no Unit/Apartment may be leased until two (2) years following the date its Owner has received record title to the Unit/Apartment and has taken occupancy as a resident thereof (or, in the event title passes by virtue of inheritance or divorce decree, two (2) years following the taking of record title and residential occupancy by the decedent or by the divested party in

the event of divorce). In the event a Unit/Apartment is owned by a Trust, Corporation, Limited Liability Company, or other business entity, the Trust or business entity shall designate the resident who shall represent the Trust or business entity for the purposes of this sub-section.

12.3. <u>Grandfathering Exceptions.</u> Each and every Unit/Apartment shall first become subject to the Initial Residency Requirement, and to any other leasing conditions and restrictions not contained in the Master Deed prior to this Amendment, when its Owner of record, at the date of recording of this Amendment, ceases to be the owner of record of such Unit/Apartment. Prior to such transfer of title, all Units/Apartments are "grandfathered" and exempt from the Initial Residency Requirement as a condition of leasing rights, and are exempt from any leasing conditions and restrictions which were not stated or allowed under the Master Deed prior to this Amendment. All other leasing conditions and restrictions shall apply fully to grandfathered Units/Apartments as well as all other Units/Apartments.

12.4. <u>Exemption – Foreclosed Units/Apartments.</u> Following foreclosure of a mortgage or other encumbrance, and the taking of title by the foreclosing lienholder, any foreclosed Unit/Apartment may be freely leased for a period not to exceed six (6) months following the date of foreclosure. During the term of such permitted lease, the Initial Residency Requirement shall not apply to such Unit/Apartment; all other leasing conditions and restrictions shall fully apply.

12.5 <u>Hardship Exceptions</u>. Leasing which would otherwise be precluded by the Initial Residency Requirement period (See Section 12.2, above) shall nevertheless be permitted under certain conditions of "hardship," which are limited to the following:

a. Death of a Unit/Apartment Owner – Rental to be allowed during, and for a reasonable time following, the duration of the probate/administrative period.

b. Loss of job or temporary job transfer – Rental to be allowed while owner is seeking to re-locate or is on temporary job assignment more than fifty (50) miles from the Unit/Apartment.

c. Unit/Apartment Owner becomes ill or disabled and, as a result, is confined to a hospital or rehabilitation or nursing facility – rental is allowed for the duration of the confinement and for a reasonable period of time thereafter.

d. Unit/Apartment Owner who is a reservist in the United States armed forces is called to temporary active duty, or Unit/Apartment Owner who is active-duty personnel in the United States armed forces is temporarily deployed to a post more than fifty (50) miles from the Unit/Apartment – rental is allowed for the duration of the assignment/deployment, and for a reasonable period of time thereafter.

e. Other circumstances of significant, demonstrable hardship which would occur if a Unit/Apartment Owner were not permitted to lease his/her Unit/Apartment and which, in the reasonable discretion of the Board of Managers, justify the grant of a hardship exception from the Initial Residency Requirement.

Unit/Apartment owners seeking approval to lease under hardship conditions, in order to be relieved of the Initial Residency Requirement, must demonstrate, to the satisfaction of the Board of Managers, that an ineligibility to lease would result in undue hardship. Upon approval by the Board of Managers, such Unit/Apartment may be leased for such duration as the Board reasonably concludes is necessary to avoid the hardship (if any portion of such period would remain within the otherwise-applicable Initial Residency required period of time). No hardship exception shall be granted for an initial term exceeding one (1) year, but the term of any approved "hardship exception" lease may be renewed or extended, in the reasonable discretion of the Board of Managers, if the same or some new hardship condition continues to exist.

Applications for approval, renewal or extension of a lease as a hardship exception shall be submitted in writing to the Council or its managing agent, and shall be accompanied by such documentation as may reasonably be required by the Council. Approval shall not be unreasonably withheld, and shall be deemed granted unless explicitly denied, in writing, within thirty (30) days after submission of the proper application and supporting documentation.

12.6. <u>Conditions on Approved Leasing</u>. The leasing of each and every Unit/Apartment shall be subject to reasonable Rules and Regulations as promulgated by the Board of Managers, and such leasing shall also be subject to the following additional requirements:

a. Prior to leasing any Unit/Apartment, written notice of such intent must be provided to the Council or its managing agent, on a form specified by the Council.

b. All leases shall be in writing. A copy of the fully-executed agreement shall be delivered to the Council or its managing agent.

c. There shall be no sub-leasing of any Unit/Apartment, and no assignment of any lease, except upon written notification to the Council or its managing agent, to include a copy of the proposed sublease or assignment agreement. Following execution, a copy of the fully-executed sublease or assignment shall be delivered to the Council or its managing agent.

d. The designated initial term of any lease may not be less than six (6) months. Notwithstanding the foregoing, however, leases with initial terms less than six (6) months are allowable under the same grandfathering and hardship exceptions as outlined in Sections 12.3 and 12.5, respectively, above.

e. No transient tenants shall be accommodated in any Unit/Apartment.

f. No Unit/Apartment shall be advertised and/or utilized as a vacation or seasonal rental, whether by direct solicitation or through any rental service or any internet agency such as Vacation Rental by Owner ("VRBO"), Airbnb, or similar. This prohibition shall immediately apply to all units/apartments, and with no grandfathering or hardship exceptions. It shall apply without regard to whether the unit/apartment owner intends, or does not intend, to continue to utilize the unit/apartment as his/her principal place of residence.

g. No Unit/Apartment shall be leased except in its entirety.

h. Simultaneous but separate/distinct leases or rental agreements with two (2) or more parties, so as to create a "boarding house" or similar arrangement are not permitted.

i. At the conclusion of the initial, or any authorized renewal or extension term of a permitted lease, the Owner may freely renew or extend such lease, with written notice, and delivery of a copy of the fully executed renewal/extension document, to the Council or its managing agent.

j. Tenants and occupants under all leases and rental agreements shall be subject to the Master Deed, the By-laws, and all applicable Rules and Regulations adopted by the Council.

12.7. <u>Enforcement</u> A Unit/Apartment Owner in violation of any provision of these leasing restrictions, or of any rules, regulations, or other restrictions related to leasing, shall be entitled to written notice of such violation. Thereupon, the Owner shall be afforded ten (10) days within which to abate the violation. Thereupon, in failure of

abatement, the Council may levy a reasonable fine and, if necessary, successive reasonable fines, until the violation has been cured. In lieu of, or in addition to such fine(s), the Council may avail itself of any and all remedies set forth in the Master Deed, and any and all remedies available at law or in equity, with respect to enforcement. In the event of any reasonable need for enforcement by the Council, any fines levied, any relevant expenses, and any legal costs and reasonable attorney fees sustained by the Council shall become a charge and continuing lien against the Unit/Apartment, and a personal obligation of the Unit/Apartment Owner(s), until fully paid.

12.8. Administration of Leases by the Council

a. In order to insure that the Council is, at all times, in possession of all appropriate documentation of leases and Owner/Tenant information, and in order to create and maintain appropriate records related thereto, and in order to insure that restrictions, rules and regulations as to leasing are observed and enforced, and that violations are remedied, and in order to monitor and administer the access by tenants to community facilities, amenities, and events, the Council may implement, or at any time(s) re-implement, a lease administration program, conducted by the Board of Managers or by any qualified employee(s) or agent(s).

b. The reasonable cost of any such lease administration program may be assessed on a monthly, quarterly, semi-annual or annual basis, to all the Units/Apartments which are leased at any given time (but not to include those Units/Apartments which are "grandfathered" pursuant to Section 12.3, above, or exempted pursuant to Section 12.4, above, or qualify as hardship exceptions pursuant to Section 12.5, above). Assessment rates for any "lease administration program" are to be established by the Board of Managers within its reasonable discretion.