CAVALIER TOWNHOUSE CONDOMINIUMS

DECLARATION SUBMITTING REAL PROPERTY TO THE UNIT PROPERTY ACT

- 1. Intent of Declaration. Louis Jos. Capano, Inc., a Delaware corporation (hereinafter "Developer"), makes this Declaration with the intention of submitting certain real property located on Golf View Drive near Interstate 95 and Churchman's Road in White Clay Creek Hundred, New Castle County, Delaware to the provisions of Title 25, Chapter 22 of the Delaware Code, known as the Unit Property Act.
- 2. <u>Description of Property</u>. The property so submitted consists of land, buildings and improvements as herein more particularly described:
- (a) LAND All that certain lot, piece or parcel of land consisting of approximately 7.101 acres, located on Golf View Drive near Interstate 95 and Churchman's Road in White Clay Creek Hundred, New Castle County, Delaware being more particularly bounded and described as follows:

BEGINNING at the point of intersection of the southeasterly right of way line of John F. Kennedy Memorial Highway and the extension of the center line of Golf View Drive; thence from said point of Beginning and along the said center line of Golf View Drive and the extension thereof the four following described courses and distances: (1) South 75 degrees 16 minutes 28 seconds East, 553.30 feet to a point of curvature; (2) Northeasterly along a curve to the left having a radius of 230.00 feet, an arc distance of 113.62 feet to a point of reverse curvature; (3) Northeasterly along a curve to the right, having a radius 230.00 feet, an arc distance of 113.62 feet to the point of tangency of said curve; and (4) South 75 degrees 16 minutes 28 seconds East, 13.78 feet to a point, a corner for other lands of Cavaliers Golf View Apartments, known as Section 2; thence thereby, the three following described courses and distances; (1) South 44 degrees 43 minutes 32 seconds West, 392.60 feet to a point; (2) North 75 degrees 16 minutes 28 seconds West, 38.00 feet to a point; and (3) South 14 degrees 43 minutes 32 seconds West, 50.00 feet to a point in the northeasterly line of lands now or formerly of Cavaliers of Delaware, Inc.; thence thereby North 75 degrees 16 minutes 28 seconds West, 986.82 feet to a corner for lands now or formerly of Walter W. Morgan; thence thereby North 39 degrees 15 minutes 44 seconds West, 56.56 feet to a point on the said southeasterly right of way line of John F. Kennedy Memorial Highway; thence thereby the two following described courses and distances: (1) North 75 degrees 41 minutes 29 seconds East, 220.90 feet to a point; and (2) North 70 degrees 44 minutes 13 seconds East, 347.99 feet to a point in the said extension of the center line of Golf View Drive and the point and place of BEGINNING.

- BUILDINGS Nine rows of attached townhouses containing altogether ninety-six single family dwellings, six of which rows are substantially identical in content and arrangement (each such row consisting of six adjacent "C" type units located between two "B" type units, each of which in turn is connected with the rear walls of two attached "A" type units, forming a composite structure 200 feet in length by 42 feet in maximum width, excluding patios, balconies, entrance pad, overhangs and wall extensions), and three of which rows are unique in content and arrangement (one such row consisting of four "A" type units quadratically connected to each other and attached to one end of four adjacent "C" type units, forming a composite structure 124 feet in length by 42 feet in maximum width; another such row consisting of four adjacent "C" type units located between two "B" type units, each of which is in turn each connected with the rear walls of two attached "A" type units, forming a composite structure 159 feet 4 inches in length by 42 feet in maximum width; the other such row consisting of two adjacent "B" type units located between and each connected with the rear walls of two separate sets of two attached "A" type units, forming a composite structure 80 feet in length by 42 feet in maximum width; all of which foregoing dimensions exclude patios, balconies, entrance pads, overhangs and wall extensions). Each townhouse has two floors or stories, the lowest of which is approximately at ground level. Foundation walls are constructed of masonry block. The first or ground floor is four inch poured concrete covered with carpet or vinyl asbestos tile or covered with ceramic tile, or left uncovered, depending on room location. The upper floor is constructed of wood joist with wood base covered with carpet or ceramic tile. Ceilings are of wood beam faced with drywall. Interior common walls are constructed of masonry block faced with drywall or, in some locations, ceramic tile; interior partition walls are wood stud faced with drywall or, in some locations, ceramic tile. Exterior walls are wood stud framing sheathed with gyp lap and faced with brick, aluminum siding or textured plywood siding depending on location. Roofing is of asphalt seal-tab shingles over felt covered plywood sheathing on wood frame tresses. Windows are aluminum sash; doors are of wood or aluminum.
- c. IMPROVEMENTS Concrete walkways, landings, steps, lighting fixtures, plantings, parking areas, driveways, curbs, storm and sanitary sewers, water, electrical and telephone lines (ownership of utility lines may remain vested in the respective utility companies), all being located on the land and external to the Buildings.
- 3. <u>Name of Property</u>. The name by which the above described property henceforth shall be known is CAVALIER TOWNHOUSE CONDOMINIUMS.
- 4. <u>Composition of Property</u>. The property shall consist of units and common elements as shown in a Declaration Plan prepared by Van Demark & Lynch, Inc., Consulting Engineers and Surveyors, and Donald T. Nahrgang & Associates, A.I.A., dated the day of , 1973 and recorded in the Office for the Recording of Deeds, in and for New Castle County, Delaware in Microfilm No.

- 5. (a) <u>Description of Units and Common Elements</u>. The units and common elements composing the property are as herein more particularly described:
- (i) UNITS Ninety-six residential dwelling spaces organized into six substantially identical sets of twelve such spaces and into three dissimilar sets, one of ten such spaces, one of eight such spaces, and one of six such spaces, so that each set to the exclusion of all others occupies and composes a separate row of townhouses; being (1) the largest such spaces to be separated from every other immediately contiguous such space by a vertical 8 inch masonry block wall; and being (2) each entirely enclosed by and between the unfinished interior planes formed by the framing studs, beams, and joists, masonry block, and concrete slab, of the exterior walls (front, rear, and side), interior walls (structural masonry), highest level ceilings and lowest level floors, respectively, composing the structure that composes the row of townhouses of which it is a part, so that each such space which is a unit shall consist of all surfaces and contents within the dimensions shown on the Declaration Plan, or within any easement for unit encroachment as hereinafter provided, including, without being limited to, drywall, wood trim, finished flooring and floor covering, heat and air conditioning vents, electrical outlets and switches, lighting fixtures, plumbing fixtures, and appliances; and including also all windows, doors, ducts, conduits, cables, pipes, wire, utility lines and heating or air conditioning elements not contained within the dimensions of a given unit but exclusively serving it; excluding, however, any and all ducts, conduits, cables, pipes, wires, utility lines, fixtures, or equipment whether or not situated within the dimensions of any unit, which do not exclusively serve one unit; excluding also all structural beams, studs and joists contained within the dimensions of a unit, as shown on the Declaration Plan. Each unit has its own electrical and water meter, and each unit is equipped with a central heating and cooling system, hot water heater, refrigerator-freezer, range, range hood, oven, dishwasher, disposal, compactor, washer and dryer.

Three different types of units may be distinguished and defined in terms of rooms and approximate room measurements:

TYPE A -- entrance foyer with closet, living room and dining area 22 feet by 12 feet, powder room, kitchen 11 feet by 7 feet, utility room, master bedroom 14 feet by 11 feet with double closet, second bedroom 12 feet by 10 feet with closet, hall with linen closet and laundry closet, bathroom.

TYPE B -- entrance hall and corridor with powder room, closet and utility room, living room 18 feet by 12 ½ feet with fireplace, dining room 10 ½ feet by 10 feet, kitchen 10 feet by 8 feet with laundry closet, master bedroom 17 feet by 12 feet with two closets and bathroom with shower, hall with linen closet, second bedroom 10 feet by 9 feet with closet, second bathroom, third bedroom 10 feet by 8 feet with closet.

TYPE C -- entrance hall and corridor with closet, powder room and utility room, living room 20 feet by 14 feet with fireplace, dining room 12 ½ feet by 10 feet, kitchen 10 feet by 9 feet, master bedroom 17 feet by 12 feet with two closets and bathroom with shower, hall with linen closet and laundry closet, second bedroom 11 feet by 10 feet with closet, second bathroom, third bedroom 10 feet by 9 feet with closet.

- (ii) COMMON ELEMENTS -- All the land, buildings and improvements as described in paragraph 2 of this Declaration or as shown on the Declaration Plan or as actually exist on the land whether or not described and shown, except for and excluding the units described in the preceding subsection of this paragraph, as further shown on the Declaration Plan; but including any unit or interest therein standing in the Council's name for and during the period of time that it is held by the Council.
- 5. (b) Percentage of Common Elements Assigned To Units. The proportionate undivided interest in the common elements assigned to each unit is as follows, expressed in terms of percentage per unit:

Unit Numbers	Unit Type	Percentage Interest
1, 2, 11, 12, 13, 14	A	0.742
23, 24, 25, 26, 27	A	0.742
28, 29, 30, 39, 40	A	0.742
41, 44, 45, 46, 51	A	0.742
52, 61, 62, 63, 64	A	0.742
65, 66, 75, 76, 77	A	0.742
84, 85, 86, 95, 96	A	0.742
3, 10, 31, 38, 42, 43	В	1.081
67, 74, 78, 83	В	1.081
15, 2, 53, 60, 87, 94	В	1.082
4, 5, 6, 7, 8, 9	C	1.272
32, 33, 34, 35, 36, 37	\mathbf{C}	1.272
47, 48, 49, 50	C	1.272
68, 69, 70, 71, 72, 73	C	1.272
79, 80, 81, 82	C	1.272
16, 17, 18, 19, 20, 21	С	1.273
54, 55, 56, 57, 58, 59	C	1.273
88, 89, 90, 91, 92, 93	C	1.273

6. <u>Reallocation of Percentage Interest</u>. The proportionate undivided interest in the common elements assigned to each unit as set forth above may be altered by the recording of an amendment duly executed by all unit owners affected hereby.

Restrictions on Use. Each unit of the property shall be used exclusively for residential purposes as a single family dwelling. No unit shall be used for any business or other purpose, or rented for any period of less than six months during any twelve month period, or under agreement whereby the occupants receive customary hotel services; but otherwise any unit or units may be shown to prospective purchasers or tenants and sold or leased, or maintained and shown as samples in connection with the sale or lease of other units, without violating this restriction. No two bedroom units shall be occupied by more than four persons, and no three or more bedroom apartment shall be occupied by no more than six persons; but any unit may for the purpose of accommodating guests be occupied temporarily and for a short time by more than the designated number of persons, and any unit may be occupied by a unit owner and his or her family whose number is caused to exceed the foregoing limitation by the birth of an additional child or children, providing the increased occupancy shall not extend beyond eighteen (18) months after such birth.

No unit owner or occupant shall willingly commit or permit either within his unit or on or about the common elements any act, conduct, condition or material which is illegal, immoral, unsanitary, a nuisance, reason for increasing the rate of insurance applicable to the project, or so loud as to unreasonably and repeatedly disturb other unit occupants.

No common element which is contained within a building shall be used except with the consent of the owner of a unit located in that building. No common element which has been designed for the exclusive use of, or which has been specifically allocated to, any unit by the Declaration Plan or Council shall be used or entered other than with the consent of that unit's owner. Use of the common elements shall in general be subject to such reasonable rules and regulations as may from time to time be passed by the Council.

Without the prior written authorization of the Council, no common element shall be obstructed, posted, decorated, or used other than for purposes of normal ingress and egress by owners and occupants of the appurtenant units and their invitees, unless it is clearly designed and intended for some further use, such as parking or storage; and no common area shall be used for parking of any house trailer, camping trailer, boat or boat trailer, self-propelled camper, truck, taxicab, or any other special purpose vehicle, excepting only ordinary passenger automobiles, and moving vans or delivery trucks while making deliveries to or taking materials from the condominium project, unless the Council designated otherwise.

8. Names of First Members of Council. The names and addresses of the first members of the Council who shall manage the property and project until their successors are chosen and qualified at the first annual meeting called for such purpose in accordance with the Code of Regulations, are:

Louis Joseph Capano, Sr. - 4627 Weldin Road

Wilmington, Delaware 19803

Louis Joseph Capano, Jr. - Cavalier Country Club Apartments

27 Golf View Drive Newark, Delaware 19711

(a) Restrictions on Transfer of Unit. The Council shall have an assignable right of first refusal with respect to the transfer, lease or other conveyance of any unit or interest therein, except by the Developer, its nominee, successors or assigns, and except by devise, operation of the laws of intestacy, sale or gift to a unit owner's spouse, children, grandchildren, parents, brothers or sisters, or to another unit owner, grant of a first mortgage to an institutional lender, Court decree, judicial or Sheriff's sale, or transfer between a unit owner and his wholly-owned corporation; provided, however, that the shares of stock in any such corporation shall be subject to these same restrictions on transfer, so long as the corporation owns the unit. Exercise of such right shall be determined by vote of the unit owners. If ninety percent (90%) or more of the votes of all unit owners is cast in favor of acquiring the unit or interest, then the Council shall make the acquisition in its name and the cost thereof shall be assessed against all the unit owners as a common expense. Otherwise, the Council shall not make the acquisition; but it shall upon timely receipt of a written request assign its right of first refusal to any unit owner or owners first making such request. This restriction shall not apply to any unit standing in the name of the Council for and during the period of time that it is held by the Council; nor shall it apply to any unit leased and managed by the Council for a unit owner. It is expressly provided that the Developer shall have the unrestricted right to rent any unit which it has not sold, regardless of whether same is or is not being offered for sale.

- 9. (b) Acquisition and Improvement of Property. The Council shall not, except with the unanimous consent of the unit owners, purchase, lease, or otherwise pay for any land, building, or real estate interest other than by exercise of right of first refusal as provided in paragraph 9 (a) hereof, or by purchase in accordance with the original and unamended provisions of the Code of Regulations governing acquisition of units. The Council may make capital improvements and acquire personal property not required in the normal course of maintenance, replacement and repair; but no unit owner shall be assessed therefor in any one year, against his consent, an amount which exceeds fifteen percent (15%) of the average annual assessment for common expenses levied against his unit over the preceding five years. This Section of the Declaration shall not be amended except by unanimous consent.
- 9. (c) Easement Burdens and Benefits. Each unit and all common elements are subject to a temporary easement in gross for the purpose of constructing and completing the condominium project by the Developer, and are subject to a perpetual easement in gross for the purpose of inspection, maintenance, repairs and replacement, demolition and reconstruction by the Council, its employees and agents.

All unit owners, occupants and their invitees shall have a perpetual easement for the purpose of otherwise properly using, all the common elements subject to the aforesaid restrictions on use and to the provisions of the Code of Regulations and Rules of Council as the same may from time to time be in force.

All units and common elements described herein and shown in the Declaration Plan shall be subject to a perpetual easement for encroachments which now or hereafter may exist by reason of the settlement or movement, or destruction and reconstruction of any part of the project, or variations between "as-built" dimensions and the dimensions shown on the Declaration Plan or set forth in this Declaration, provided such variations do not substantially affect the use or value of any unit. Such encroachments may remain undisturbed and the easement therefore shall exist so long as the encroachment exists, but no longer.

9. (d) Insurance. The Council shall, to the extent obtainable, obtain and maintain insurance on all buildings and insurable improvements of the project and also on personal property held or acquired by the Council for the common ownership and use of the unit owners and occupants, which insurance shall provide coverage at least as broad as that afforded under a standard fire insurance policy with extended coverage and with vandalism and malicious mischief endorsements attached, and the insurer's right of subrogation against the Council, its employees, and the unit owners shall be waived. The amount of insurance shall equal at least ninety percent (90%) of the full replacement value of the real property covered, without deduction for depreciation, and ninety percent (90%) of the actual cash value of the personal property covered. At least annually the Council shall redetermine values for insurance purposes and shall, if necessary, increase or decrease the coverage accordingly. The premium for such insurance shall constitute a common expense. Any unit owner may insure further his own unit, the contents thereof, and any other insurable exposure, for his own benefit.

The original insurance policy shall be held by an institutional trustee selected by the Council and satisfactory to a majority of institutional first mortgagees. Certificates of insurance shall from time to time be provided to the various mortgagees reflecting their interests, and the policy shall provide that it may not be cancelled or substantially modified without at least ten (10) days written notice to all institutional first mortgagees of units. Insurance proceeds shall be payable to the trustee in trust for the Council, unit owners, and mortgagees as their interests may appear; such proceeds shall be distributed by the trustee in accordance with the terms and conditions of the Code of Regulations and the mortgage instruments involved, subject to the laws of the State of Delaware.

The Council shall also purchase public liability insurance covering the Council and unit owners as to common elements, with a minimum limit of \$500,000 combination bodily injury liability and property damage liability. The Council may in its discretion purchase workman's compensation insurance, machinery insurance, plate glass insurance, water damage insurance, termite insurance, and such other insurance and bonds as it may deem essential to the proper protection of the Council, unit owners and mortgagees. The premium for any such insurance shall constitute a condominium common expense.

- 9. (e) Consequences of Eminent Domain. In the event that all or any portion of the condominium project is threatened by exercise of the power of eminent domain or becomes the subject of condemnation proceedings, each unit owner whose unit, exclusive of his undivided interest in the common elements, is directly threatened shall have the right to demand and receive compensation for his unit, including his interest in the common elements. No unit owner whose interest in only the common elements is threatened shall have a similar right, but the Council alone with respect to such common elements shall demand and receive compensation, which shall be applied or divided in accordance with the Code of Regulations.
- 9. (f) <u>Liability for Negligence</u>. Except to the extent that valid and collectible insurance coverage exists with respect to the person sought to be held liable, no unit owner or occupant, and no member, agent or employee of the Council shall be liable to each other or to anyone else for any condition of the common elements which he has not actively and intentionally caused, unless such condition is the result of gross negligence or willful misconduct. This provision shall not create a right of action in anyone who would not otherwise have such right; nor shall it limit any action brought to abate a nuisance, or to enforce an easement, restriction, or the performance of a duty created by this Declaration, the Code of Restrictions, or Rule of Council.
- 9. (g) <u>Priority of Liens</u>. The lien against each unit for assessment of common expenses shall have priority over all other liens except first mortgages held by institutional lenders, and liens which are senior to such first mortgages.
- 9. (h) Applicability of Declaration, Plan, and Code. This Declaration, the Declaration Plan, and the attached Code of Regulations, as the same may be amended from time to time, shall run with the land and be binding upon all present or future unit owners, lessees, holders or any interest in a unit, their heirs, administrators, executors, successors, assigns, employees, agents, guests, or any other person or entity using the facilities of the project in any manner.

No amendment to this Declaration, or to the Declaration Plan, or to the Code of Regulations or any Rules of Conduct, shall be made which, by design or happenstance, adversely and materially affects the value or use of one or more units, without equally, insofar as practicable, affecting all others, except with the consent of those affected. Any amendment shall be presumed valid until proven otherwise in a Court of law or equity by

the person challenging the amendment. Any part of this Declaration not expressly protected from amendment may be amended upon the affirmative vote of seventy-five percent (75%) or more of the total unit owner vote entitled to be cast, except that no provision requiring a vote of more than seventy-five percent (75%) shall be amended by any lesser vote. The Code of Regulations may be amended as therein provided and in accordance with the Unit Property Act. No amendment which adversely affects the interest of an institutional first mortgage shall be binding upon such mortgagee without its written consent, unless such amendment shall first have been approved in writing by a mortgagee or by mortgagees holding mortgages on a majority of all mortgaged units. Nor shall any amendment be made to any of the above documents or plans without the consent of the Developer, so long as it holds title to more than two (2) units.

9. (i) Construction of Declaration and Code. This Declaration and the Code of Regulations shall to the extent reasonable be deemed as supplementing rather than limiting the provisions of the Unit Property Act, as enacted at the time of the filing hereof, the provisions of which Act as thus enacted are hereby incorporated and adopted by reference. Any conflicts between the Declaration and Code of Regulations shall, if not otherwise reconcilable, be resolved in favor of the Declaration. The unconstitutionality, illegality or invalidity of any portion of the Declaration or Code of Regulations shall not affect the continuing force and effect of the remaining portions thereof. No provisions in the Declaration or Code of Regulations shall be deemed invalid, waived or abrogated by reason of any failure to enforce the same, irrespective of the passage of time or number of violations.

	L	LOUIS JOS. CAPANO, INC.	
	Ву:		
		President	
	Attest:		
		Secretary	
Dated:			

STATE OF DELAWARE)
	: SS.
NEW CASTLE COUNTY)

BE IT REMEMBERED that on this day of 197, personally came before me, President of LOUIS JOS. CAPANO, INC., a corporation of the State of Delaware, party to this Indenture, known personally to me as such, and acknowledged this Indenture to be his act and deed, and the act and deed of said corporation, and that the signature affixed is that of the President thereto in his own proper handwriting, and the seal affixed is the common and corporate seal of said corporation, and that his act of sealing, executing, acknowledging and delivering said Indenture was duly authorized by a resolution of the Board of Directors of said corporation.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Notary Public

Tax Parcel Nos.:

See attached Prepared By and Return To: Scott G. Wilcox, Esquire

Scott G. Wilcox, Esquire Whiteford Taylor Preston, LLC The Renaissance Center

405 N. King Street, Suite 500 Wilmington, DE 19801

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Michael E. Kozikowski
New Castle Recorder MISC

CAVALIER TOWNHOUSE CONDOMINIUMS AMENDED CODE OF REGULATIONS- JUNE 15, 2011

Preamble

The Code of Regulations have been designed to define the responsibilities of the Council and the election of its members. This Amendment revises the articles regarding Council's right of first refusal upon the sale of any unit.

ARTICLE I

IDENTIFICATION OF PROPERTY

This Code of Regulations governs administration and management of CAVALIER TOWNHOUSE CONDOMINIUMS, located on Golf View Drive near Interstate 95 and Churchman's Road in White Clay Creek Hundred, New Castle County, Delaware, a condominium project submitted to the provisions of Title 25, Chapter 22 of the Delaware Code, known as the Unit Property Act, by Declaration dated the 29th day of August, 1973, and recorded in the office of the Recorder of Deeds, in and for New Castle County, in Deed Record F, Volume 88, Page 127. A detailed plan of the project appears in a Declaration Plan prepared by Van Demark & Lynch, Inc., consulting engineers and surveyors, and Donald T, Nahrgang & Associates, A.I.A., dated the 29th day of August, 1973, and recorded in the aforesaid Office of the Recorder of Deeds, in -Microfilm No. 2339.

ARTICLE II

MEETINGS: NOTICES THEREOF:WAIVER

1. Meetings of Unit Owners

Annual Meeting

a. An Annual Meeting of the unit owners shall take place sometime during the month of September of each year, at such generally convenient time and location as may be specified by the President of the Council in a written notice mailed or delivered to each unit owner no sooner than thirty (30) days before and no later than ten (10) days before the date of the meeting. The purpose of the meeting shall be to elect members of the Council and to transact such other business as may then come before the unit owners.

Special Meeting

b. Special meetings of the unit owners shall be promptly called by the President of the Council whenever the Council so directs; or by any member of the Council who is presented with a petition signed by unit owners representing an aggregate of twenty percent (20%) of the total unit owner vote entitled to be cast. Written notice of any such meeting shall be mailed or delivered to each unit no sooner than thirty (30) days before and 110 later than ten (10) days before the date of the meeting, except that special meetings called under circumstances designated in good faith by the Council as constituting an emergency may be held within five (5) days of mailing the notice to each unit owner as the Council shall decide. The notice shall specify a generally convenient date, time and location of the meeting, and shall state with particularity the business to be transacted. No special meeting shall be called except for the purpose of transacting a particular item or items of business. No other business shall be transacted except that specified in the notice unless seventy-five percent (75%) of all unit owners are either present or represented at the meeting.

2. Meetings of Council

- a. An Annual Meeting of both the incumbent and the newly elected Council members shall take place within three (3) weeks after the Annual Meeting of the unit owners and until that time the previous Council shall retain its powers. The first item of business at such meeting shall be the election of officers among and by the newly elected Council members. This election shall be conducted by the incumbent President. The incumbent officers shall then make a final report to the Council, and their terms shall be regarded as concluded, subject to their responsibility of assistance to the newly elected officers as hereinafter set forth'. Any new business shall thereupon be considered by the newly elected officers, at the conclusion of which the meeting shall be adjourned for a maximum of thirty (30) days, to a generally convenient time and place as determined by majority vote of the newly elected Council members. During the period of adjournment, the officers whose terms have just been concluded shall assist the newly elected officers in becoming familiar with the responsibilities, problems, procedures and techniques of their office. When the meeting is resumed following the period of adjournment, the newly elected Council members and officers shall meet alone to consider a budget for the coming year, and transacting such other business as may then come before the Council.
- b. Regular meetings of the Council shall take place at intervals of one (1) month or less. The date and time of such meetings shall be set at the Annual Meeting of Council by a majority agreement of the members. Meeting dates are subject to change by the

majority vote of the Council. The purpose of the regular meeting shall be for the transaction of such business as may come before the Council.

- c. Special meetings of the Council members shall be called whenever the President deems appropriate, or whenever he is presented with the written request of two other Council members. Written notice of any such meeting shall be mailed or delivered to each Council member no sooner than fourteen (14) days before and no later than three (3) days before the date of the meeting. The notice shall specify a generally convenient date, time and location of the meeting, and shall state with particularity the business to be transacted. No special meeting shall be called except for the purpose of transacting a particular item or items of business. No business shall be transacted except that specified in the notice unless all Council members either are present or subsequently waive the necessity for notice.
- d. Any unit owner may attend a meeting of the Council; however, if he wishes to present an issue, he must advise a Council member in writing five (5) days in advance.

3. Waiver of Notice

a. Attendance at any unit owner meeting by a unit owner or of any Council member at a Council meeting who has not been given notice of such a meeting shall constitute a waiver of the necessity for such notice.

Any unit owner or Council member may waive the necessity for notice of any meeting before or after the occurrence of such meeting. **ARTICLE III**

QUORUM; EFFECTIVE VOTE; PROXIES; ORDER OF BUSINESS

I. Quorum at Annual Meeting

- a. The presence in person or by proxy of any number of unit owners who hold in the aggregate fifty-one percent (51%) or more of the total unit owner vote entitled to be cast, shall constitute a quorum for the transaction of business by the unit owners.
- b. If any meeting of unit owners or Council members cannot be convened because a quorum has failed to attend, the meeting may be adjourned to a time not less than seven (7) days from the time for which it was originally called. If after such an adjournment a quorum is not obtained, the meeting shall proceed with those present and all decisions shall be binding on all unit owners.

2. Quorum at Council Meetings

The presence in person of a majority of Council Members shall constitute a

quorum for the transaction of business by the Council, except that for the purposes of the Annual Meeting all members must be present.

3. Vote Necessary for Resolution

Except as otherwise specifically provided in the Declaration, or elsewhere in these Regulations, the vote of a majority of the aggregate percentage of the total vote present at a unit owners' meeting shall be sufficient to adopt any duly proposed resolution of the unit owners. The voting power represented by each unit shall be cast as a unit, Votes of units standing in the name of the Council are not entitled to be cast.

The vote of a majority of Council members present and voting at a Council meeting shall be sufficient for the transaction of business by the Council.

4. Proxies

Unit owners may be represented and may vote at any meeting by proxy. Proxies must be in writing on a form prescribed by the Secretary of the Council at the time notice of the meeting is given and filed with such Secretary prior to or at the commencement of the meeting at which the proxy is to be used. No proxy shall be for greater duration than one (I) year.

5. Order of Business

The order of business at all meetings insofar as pertinent or necessary shall be as follows:

Roll Call

Proof of notice of meeting or waiver of notice

Reading of minutes of preceding meeting

Reports of officers

Reports of committees

Removal of members or officers of Council

Election of inspectors of election

Election of members of Council

Election of officers of Council

Unfinished business

New Business

6. Rules

All meetings shall be governed procedurally by Roberts Rules of Order.

ARTICLE IV

ELECTION OF COUNCIL MEMBERS; TERM AND LIABILITY

1. Nominating Committee

The Council may appoint a Nominating Committee prior to the Annual Meeting to develop a list of candidates for Council.

2. Number and Qualifications of Members

A newly elected Council member shall qualify for office by attending the Annual Meeting of the Council. Council members shall receive that compensation, if any, for their services in such capacity, as the unit owners may provide by majority vote at their Annual Meeting.

3. Term of Office

One of the five Council members elected shall serve for a term of only one year; the other four shall serve for a term of two years, but only two two-year Council members shall be elected annually, so that the two two-year terms shall be staggered rather than concurrent. The term of each elected member of the Council shall be subject to the right of the unit owners to remove him, after he has had an opportunity to be heard, with or without cause at any meeting held for that purpose, but no Council member shall be removed by less than fifty-one percent (51%) of the total unit owner vote entitled to be cast.

4. Vacancies

Except as otherwise herein provided, vacancies on the Council shall be filled by vote of the Council at a regular meeting. However, no more than two (2) members of Council shall be elected in this manner. If more vacancies occur, a special meeting of unit owners shall be held to vacancies that occurred since the last Annual Unit Owner Meeting. Any successor Council member shall serve until the next Annual Unit Owner Meeting.

5. Election Procedures

Election of the Council members shall take place each year at the Annual Meeting of the unit owners. No one shall be elected to Council against his consent. A member shall be elected to Council by a majority of the unit owner votes entitled to be cast. The voting shall be by written and secret ballot, supervised by three (3) election inspectors elected by the unit owners at the Annual Meeting or any special meeting at which a

6. Liability and Compensation of the Council Members

The members of the Council shall not be liable to the unit owners for any mistake of judgment, negligence, or other reason, except for their own individual willful misconduct or bad faith. The unit owners shall indemnify and hold harmless each of the Council members against all contractual liability to others arising out of contracts made by the Council on the unit owners' behalf unless any such contract shall have been made in bad faith or clearly contrary to the provisions of the Declaration or of these Regulations. The liability of any unit owner arising out of any contract made by the Council shall be limited to such proportion of the total liability thereunder as his interest in the common elements bears to the interests of all the unit owners in common elements. A conspicuous notation to this effect shall appear on and be made a part of any contract made by the Council for more than Two Hundred Dollars (\$200.00) unless the other party refuses to accept such terms and the Council in the exercise of its discretion deems it reasonably desirable to contract with such party despite such refusal.

7. Bond

All Council members and employees shall be bonded in an amount and to the extent necessary to provide the unit owners, occupants and mortgagees with adequate protection.

ARTICLE V

ELECTIONS AND KINDS OF OFFICERS

The Council shall elect each year at its Annual Meeting, from among its members, a President, a Secretary, and a Treasurer. The Offices of Secretary and Treasurer may be filled simultaneously by one and the same person. An officer shall be elected by majority vote.

ARTICLE VI

TERMS, DUTIES, COMPENSATION OF OFFICERS

1. Term; Removal and Vacancies

Each officer shall serve for a term of one year, subject to the Council's right to remove any member from office, after he has had an opportunity to be heard, with or

without cause at any meeting called for the purpose. Vacancies shall be filled at the next meeting of the Council or at a meeting to be held as soon as practicable after the vacancy has occurred.

2. Duties of Officers

- a. The President shall preside at all meetings of the unit owners and at all meetings of the Council. He shall have the powers and duties generally associated with the office of the President of an association of individuals, including but not limited to the power to appoint committees from time to time from among Council members and any unit owners willing to assist in the conduct of the Condominium's affairs. The President shall hire, supervise, discharge and be ultimately responsible to the unit owners for the performance of persons employed by the Council for management, maintenance, accounting or any other purposes. He shall oversee all arrangements for electricity, trash disposal, insurance, security, maintenance, repairs, reconstruction, and all other contracts relating to the common elements or to the Condominium as a whole.
- b. The Secretary shall keep or cause to be kept minutes of all meetings of the unit owners and of the Council. He shall receive and send out notices and correspondence on behalf of Council as required. He shall have charge of such books, papers, and documents as the Council my direct; and shall in general perform all the duties incident to the office of Secretary of an association of individuals. If requested in writing by an institutional lender holding a first mortgage against one or more units, he shall promptly inform the lender of any delinquency extending thirty (30) days or more in the payment of any general or special assessment on such unit or units.
- c. The Treasurer shall comply with the provisions of the Delaware Unit Property Act, and shall have custody of all cash, securities, checkbooks, and other personal property (or evidence thereof) jointly owned by the unit owners. The Treasurer shall also have custody of and shall maintain accurate books of account. Within seventy-five (75) days after the unit owners' Annual Meeting, the Treasurer-elect, assisted by the incumbent Treasurer, shall prepare a detailed estimate of the Condominium's expenses for the coming year. A copy of the estimate shall be mailed or delivered to every Council member and to every unit at or before the close of such seventy-five (75) day period. The unit owners and Council members shall have fifteen (15) days thereafter in which to demand that a special meeting be called for the purpose of discussing and approving the estimate. If no such meeting is demanded, the estimate shall be deemed acceptable and the Treasurer shall rely thereon in mailing monthly assessments against each unit owner.

The Treasurer shall within ten (10) days after being directed and authorized by the Council to make additional assessments for expenses not included or accurately forecast in the initial estimate, prepare "an explanation of same for prompt delivery by the Secretary of each unit. The unit owners shall have five (5) days after such delivery in

which to demand that a special meeting be called for the purpose of discussing and approving the additional assessment. If no such meeting is demanded, the assessment shall be deemed acceptable.

The Treasurer shall have the responsibility to inform each unit owner of the monthly and special assessments due. The Treasurer shall be responsible for collecting all assessments from the unit owners, and all other income, rents or proceeds due to the Council for the common benefit of the unit owners, He shall deposit and keep funds so collected in such account or accounts as the Council may direct. No withdrawals shall be made from said accounts except on the signature of both the Treasurer and the President; provided, however, that whenever necessary, withdrawals may be made on the signature of any three Council members.

The Treasurer is authorized and empowered to provide, at a reasonable fee which shall be used to defer the Council's expenses, management assistance to unit owners who wish to lease the units. Such assistance may include seeking a tenant, collecting rents, and administering the unit in accordance with the terms of the lease. The Treasurer shall have the right in his role and absolute discretion to refuse such assistance to any unit owner.

In the President's absence, the Treasurer shall act as President Pro Tern at any duly convened meeting.

3. Compensation of Officers; Delegation Duties

The performance of, but not the responsibility for, any officer's duties may be delegated by the Council if the officer so requests to any suitable person employed by the Council. No officer shall be paid any compensation for his services in such capacity, except as may be provided for by vote of the unit owners at their Annual Meeting.

ARTICLE VII

WORK ON COMMON ELEMENTS AND UNITS

1. Common Elements — Upkeep Procedures

- a. Repair, maintenance and replacement of the common elements shall be undertaken only by employees or agents of the Council and at the Council's discretion.
- b. Any need or suspected need for repair, maintenance or replacement of any common element from within a unit shall be promptly brought to the attention of the Council by the owner or occupant of that unit. The employees or agents of the Council shall have the unhindered right lo enter, leave, and move about in the unit as frequently

and to whatever extent necessary to accomplish the required work. They shall also have the right to inspect each unit once every year to ascertain its condition,

- c. Any deficiency within any unit shall be promptly remedied by qualified personnel.
- d. The Council may delegate to a full or part-time Condominium Engineer or Manager employed for such purpose all or any part of its duties and powers with respect to upkeep of the common elements but may not delegate its responsibilities therefore. Council may from time to time contract with any firm, person or corporation for the performance of any maintenance, replacement, repair or reconstruction.
- e. In the event that the Council fails to maintain the Condominium in accordance with its duties hereunder, any unit owner, occupant, or institutional first mortgagee shall have the right to compel the specific performance of the Council in a Court of Equity. Should the Council fail to make emergency repairs within twenty-four (24) hours of receiving notice of the need therefore, the unit owner, occupant or institutional first mortgagee may cause the same to be made and seek reimbursement from the Council in a Court of law. All doubts shall be resolved by the Court in favor of the good faith judgment and decision of the Council. A reasonable allowance for attorney's fees shall be awarded to whichever side prevails in a lawsuit based on this provision.

2. Common Elements - Maintenance Costs

- a. The costs of materials, labor, services, supplies and any other expenses incurred to repair, maintain, replace or reconstruct the common elements shall be paid by the Treasurer from assessments collected and reserves created or funds received for such purpose. Costs and expenses forecast in the Treasurer's annual estimate may be paid without further authorization of the Council. All other costs and expenses must be separately authorized. The Council shall have the power to borrow funds for maintenance, repairs or replacements if necessary to prevent waste or meet an emergency. Otherwise, the Council shall first seek the authorization of the unit owners in order to borrow; but no lender shall be required to demand more or look behind the Council's written representation, signed by a majority of Council members, that the borrowing of a given amount for a given purpose is authorized,
- b. All repairs, maintenance and replacements required in connection with any unit exclusive of common elements shall be the responsibility of that unit's owner, The Council may, but need not, undertake to arrange for repairs, maintenance and replacements which are the unit owner's responsibility if the unit owner so requests and deposits with the Council in advance an amount of money estimated by the Council as being sufficient to meet the cost of the work to be done, Any excess will be refunded, and any deficiency will be assessed, to the unit.

c. No unit owner or occupant shall make any structural installation or alteration to which the Council objects. A unit owner or occupant desiring to make a structural installation or alteration shall first so notify the Council in writing. He shall furnish the Council with such further information and drawings as may be requested. The Council shall have thirty (30) days from its receipt of the notification within which to deliver to the unit involved its written objection. The Council shall be justified in resolving all doubts regarding duress, damage to and safety of the common elements and other units and occupants against the proposed installation or alteration.

In the event that no objection is made, the installation or alteration may proceed, subject to the right of the Council at any time thereafter to conclude that an objection should have been made. If the Council so concludes, it shall cause the installation to be removed or the alteration to be changed back, and shall reimburse the unit owner for the resulting diminution in the value of the unit or for the original cost of the installation or alteration, without depreciation, whichever amount is greater; provided, however, that the unit owner shall bear all costs of, and shall receive no reimbursement for, removing or changing back any installation or alteration which materially varies from the plans submitted by the Council.

3. Reconstruction Using Insurance or Condemnation Proceeds

a. In the event of damage to or destruction of any part of a building or other common element as a result of any casualty against which the Council has obtained insurance, the Council shall arrange for the prompt repair and restoration thereof, including non-supporting partition walls, wall board, asbestos tile flooring, electrical outlets, lighting fixtures, plumbing fixtures, doors, windows, and heating and airconditioning units, but only to the extent that the same were in existence on the date of the Declaration and considered in determining the replacement value of a building for insurance purposes, or are otherwise covered by the insurance coverage provided. (Carpeting, furniture, appliances and other furnishings and decorations shall be the responsibility of the unit owners, to the extent not covered by the Council's insurance.) The insurance trustee or Council, as the case may be, shall disburse the insurance proceeds to the contractors engaged in such repair and restoration in appropriate progress payments. Proceeds not held to defray the costs of repairs and restoration shall be disbursed in accordance with the Declaration, subject however, to the provisions of first mortgages on the units involved.

The foregoing provisions are subject to the condition that no such work shall be begun or continued nor shall any disbursements be made if the Condominium or any part thereof is validly the subject of any suit in partition by reason of the damage or destruction. Such suit to be effective' must be brought within seven (7) days after the occurrence of the damage or destruction, unless the Council in writing extends this time limitation; otherwise the right to partition shall be conclusively deemed waived.

b. In the event of damage to or destruction of any building or other common element as a result of taking under the power of eminent domain, the Council shall to the extent practical and possible arrange for the prompt repair and restoration of the remainder thereof, and shall disburse proceeds received as payment to the contractors engaged in such repair and restoration in appropriate progress payments. Such proceeds as are not needed for repair and restoration shall be divided among the unit owners in the same manner as insurance and salvage proceeds would be divided after a casualty and as a result of a suit for partition; provided, however, that where the taking of a common element under power of eminent domain disproportionately and materially diminishes the value of any unit or units in comparison with any others, as determined in the sole but good faith, reasonable discretion of Council, then the proceeds shall be divided and distributed so as to equalize such disproportionate diminution.

ARTICLE VIII

COLLECTION OF COMMON EXPENSES

1. Budget and Assessments in Advance

The Council shall have the power and authority to prepare a budget for each year in advance and to make assessments each month in advance for the common expenses projected in such budget. No objection shall be made to any assessment on the basis that the expenses which such assessment is intended to meet have not yet been incurred. The budget and assessments therefore may provide for the creation of reserves to meet unforeseen contingencies or to provide for expenses which may not be incurred until an undetermined time in the future beyond the one year period during which the budget is in force.

2. Advance Deposit

The Council may require each unit owner to deposit with the Treasurer an amount to be used for common expenses, which amount shall not exceed three times the monthly current assessment against the unit. The fund so created shall be used solely for the purpose of meeting current operating deficiencies caused by the late payment or non-payment of assessments.

3. Manner of Paying Assessments

Assessments shall be paid by check, cash or money order delivered to the Treasurer on or before the date when such assessment is due.

4. Acceleration of Assessment Upon Default

In the event that the monthly and/or any special assessment and/or any portion thereof of any unit owner remains unpaid, without regard to the amount that any such owner has on deposit with the Treasurer pursuant to paragraph 2 of this Article, or in the event that the amount on deposit with the Treasurer remains deficient, for a period in excess of thirty (30) days, Council may direct immediate payment by any such unit owner of all sums past due and all assessments scheduled to become duo during the remainder of the fiscal year, as if this aggregate amount had originally been due and payable in full, Council may take any and all steps available with the law to collect the amount due.

5. Effect of Unpaid Assessment

So long as any general or special assessment is due and unpaid, the unit subject to such assessment shall not be sold or encumbered, nor shall any lease thereon be assigned, nor shall any existing lien or encumbrance be extended or increased, except with the Council's written consent, and any rents, common profits or other income rights with respect to such unit shall be deemed assigned to the Council as security. This paragraph shall be subject to such rights as may be then vested in the institutional first mortgagee of such unit, if any.

6. Suspension of Utilities and/or Repairs as Penalty

If any general or special assessment remains due and unpaid for more than fifteen (15) days, the Council shall have the right to suspend any centrally supplied utility or service for the unit as to which the assessment is due, No such suspension shall reduce the affected unit's liability for common expenses during the time of such suspension or thereafter.

7. Settlement; Expenses of Collection

Every unit owner against whom legal action is taken to collect an assessment or enforce any covenant condition, obligation or restriction shall, if judgment is rendered against him, be liable for all Court costs and for a reasonable attorney's *fee*, the same as if such costs and fee were part of the original amount due, except that no interest shall be calculated on the costs and fee.

The Council shall have the right to settle any claim against a unit owner, occupant or other person or legal entity for such amount and on such terms as the Council believes to be in the Condominium's best interest.

8. Power of Attorney to Enter Judgment

In the event that the monthly and/or any special assessments of any unit owner remains unpaid, without regard to the amount which any such unit owner has on deposit with the Treasurer pursuant to Paragraph 2 hereof, or in the event that the amount on deposit with the Treasurer pursuant to Paragraph 2 hereof remains deficient, for a period in excess of thirty (30) days, any unit owner permitting any such assessment to remain unpaid as above shall be deemed to have constituted and appointed Council and/or the authorized agent and/or representative of the Council to appear before any court of competent jurisdiction and, pursuant to the procedural requirements of any such court, enter on the records of any such court a judgment by confession against any such unit owner or owners for the amount of any assessment remaining unpaid as above together with any other amount then pursuant to Paragraph 4 hereof and/or Paragraph 7 hereof together with any applicable court costs and/or fees.

Assessment Lien Docket

Council shall direct the Treasurer to maintain an Assessment Lien Docket wherein shall be recorded the names, addresses, units owned and amount of delinquent assessments of any assessments remaining unpaid for a period in excess of thirty (30) days. Upon the entry of such a delinquency, there shall arise against the unit and/or units to which the delinquencies apply a lien in the amount of the delinquent assessment together with any sums due pursuant to Paragraph 4 and/or 7 of this Article. During such time as any lien entered pursuant to this Paragraph shall continue and remain unpaid, the units subject to such assessment shall not be sold and/or encumbered, nor shall any lease thereon be entered into and/or assigned nor shall any existing lien and/or encumbrance be extended or increased, except upon the express written consent of Council, and any rents, common profits, and/or profits, and/or other income rights with respect to such unit shall be deemed assigned to the Council as security. This Paragraph shall be subject to such rights as may be then vested in the institutional first mortgagee of such unit, if any. Upon written request submitted to Council together with the payment of the sum of One Dollar (\$1.00) as a service charge, Council shall advise any person as to the existence of a lien created against any unit and/or units pursuant to this Paragraph.

ARTICLE IX

RULES AND REGULATIONS

1. Rules of Conduct

The Council may from time to time promulgate and amend rules governing the use and operation of the Condominium facilities and common elements in general.

2. Amendments to Code of Regulations

The Council may from time to time amend the Code of Regulations.

3. Unit Owner Approval

No Rule of Council and no Amendment to the Code of Regulations, shall be recorded or become effective until a copy thereof has been made available for inspection by all unit owners for a period of at least fifteen (15) days following written notification to each unit indicating the general purpose of the rule or amendment. Any time before or after the effective date of the rule or amendment, the unit owners may cause a special meeting to be held at which the same may be rescinded by a majority of the total vote east Rescission shall automatically revive the previous status of the Rules or Code as the case may be. The unit owners shall not have the power themselves directly to promulgate or amend any rule or regulation.,

ARTICLE X

ACQUISITION OF UNITS BY COUNCIL

1. By Purchase at Unrestricted Sale

- a. The Council may, if authorized by a unit owner vote of ninety percent (90%) or more of the votes cast, acquire by purchase as a common expense any unit offered for sale under circumstances constituting an exception to the restrictions on transfer contained in the Declaration.
- b. The Council may, if authorized by unit owner vote of a majority of the votes cast, acquire by purchase as a common expense any unit offered for sale under circumstances making its acquisition necessary in order to protect the Council's lien for unpaid assessments thereon.

2. Power to Borrow On and Dispose of Units

The Council may, if authorized by the unit owners, borrow money to accomplish any of the aforesaid acquisitions. Management and disposition of any unit or units standing in the Council's name may be accomplished by the Council without prior authorization of the unit owners.

ARTICLE XI

LEASING OF UNITS

- a. As used in this Article, "lease" shall be construed to include possession or occupancy of any unit or units by a person other than the owner thereof pursuant to rental, sublease, tenancy at will, license, easement, or otherwise whether with or without remuneration to a unit owner or any other person or otherwise, "Lessee" shall be construed to include all persons occupying a unit pursuant to a lease as above.
- b. No unit shall be leased except pursuant to a written memorandum of the terms and conditions of the agreement between the unit and/or the authorized agent of the unit owners and the lessee of any unit. All such written memorandums of agreement shall include as part thereof the following:
- (1) That no term of lease, including leases from month to month, shall be for a minimum period of occupancy of less than six (6) months.
- (2) Reference to and incorporated by reference of the Condominium Declaration Plan, Code of Regulations, and Rules of Conduct and acknowledgment of reading of and receipt by the lessee of copies thereof supplied by the unit owner of the unit leased or the authorized agent thereof together with an acknowledgment by the lessee that the lease and occupancy of the lessee are expressly subject to the Condominium Declaration Plan, Code of Regulations, and Rules of Conduct and an acknowledgment that the lessee shall comply with all provisions of the Condominium Declaration Plan, Code of Regulations, and Rules of Conduct during the term of any lease and shall comply with all directives of Council in accordance with the terms thereof.
- (3) That Council shall have the right of first refusal of the lease on the terms and conditions thereof and that no lease shall become effective until Council has exercised or waived in writing its right of first refusal, which right Council shall exercise or waive within five (5) days of presentation of the lease to Council; and that Council's right of first refusal shall be assignable in the absence of an exercise thereof by Council.
- (4) That Council and the agents thereof are irrevocably appointed and constituted the attorneys in fact of the unit owner and/or the authorized agent of the unit owner for purposes of securing enforcement, by whatever means the Council shall deem proper, of the provisions of the Condominium Declaration Plan, Code of Regulation, and Rules of Conduct and obligations of the lessee both as set forth in the written memorandum as described in Paragraph 6 of this Article and otherwise and that all parties consent to Council acting in the capacity of attorney in fact.
 - (5) That no provision of the written memorandum shall relieve the unit owner

from liability for performance of any obligation imposed on the unit owner by the Condominium Declaration Plan, Code of Regulations, and Rules of Conduct or otherwise.

- (6) That no lease shall be assigned and that any attempt to assign a lease shall render the entire lease void.
- (7) That violation, nonobservance, or nonperformance of any provision of Condominium Declaration Plan, Code of Regulations, Rules of Conduct, and/or written memorandum shall constitute a breach of the terms and conditions of the unit owner/lessee agreement and default thereon by the lessee, entitling the unit owner and/or Council to immediate possession of the unit or units leased; upon such default by the lessee, the lessee shall peaceably surrender possession of the unit or units leased; in the event that the lessee shall refuse to deliver peaceable possession, the unit owner and/or Council may seek judicial remedy to acquire possession.
 - c. The unit owner and/of the authorized agent thereof shall:
- (1) Present to Council within five (5) days prior to the proposed effective date thereof, a copy of the written memorandum as described in Paragraph b of this Article signed by all parties thereto.
- (2) Present to Council together with the written memorandum an address and telephone number where the unit owner may be personally and directly contacted.
- (3) Execute a statement in a form prescribed by Council acknowledging that the unit owner and/or the authorized agent thereof are jointly and severally liable with the lessee of the unit owned by the unit owner for violation, nonobservance, and/or nonperformance of the provisions thereof, which actions may, at the option of Council, be brought against the unit owner and/or the authorized agent thereof and/or the lessee and/or any or all of the foregoing parties.

Provide Council with the name, then-current address, occupation, and age of any person proposed to occupy any unit or units as lessee together with a statement signed by the unit owner reciting that the unit owner and/or the authorized agent thereof has interviewed the person or persons proposed as lessee or lessees and that the unit owner and/or the authorized agent thereof has determined that the person or persons proposed as lessee or lessees is OT are of good character, likely to observe all provisions of the written memorandum, Condominium Declaration Plan, Code of Regulations, and Rules of Conduct, and likely to integrate well into the Condominium community. The unit owner or the authorized agent thereof shall, in addition to the above, provide Council with any additional information possessed by the unit owner or the authorized agent thereof relevant to the person or persons proposed as lessee or lessees, including, but not limited to, credit reports, agent evaluations, financial statements, and

personal data.

- d. Any /ease to and/or for the benefit of any person of any unit or units entered into on or after the effective date of the Article shall be void unless strict compliance with this Article shall be observed.
- e. Any waiver of and/or failure to seek redress for violation, nonobservance, and/or nonperformance of any provisions of the written memorandum as described in Paragraph b. of this Article, the Condominium Declaration Plan, Code of Regulations, and/or Rules of Conduct shall not operate to prevent Council from seeking subsequent enforcement thereof.
- f. The provisions of this Article shall apply to any lease, renewal of lease, and/or extension of lease the effective date of which shall be established after December 31, 1979.

EXHIBIT "A"

CERTIFICATION

I, Elisabeth Allen, President of Cavalier Townhouse Condominiums, hereby certify that the owners of units to whom seventy-five percent of the votes in the Condominium appertained, affirmatively voted in person or by proxy to approve the Amended Code of Regulations, a duly called meeting of the Unit Owners Association on June 15, 2011 and that the notice of the meeting stated that one of the purposes of the meeting was to vote on the foregoing Amendment to the Cavaliers Townhouse Condominiums Amended Code of Regulations.

CAVALIERS TOWNHOUSE CONDOMINIUMS

BE IT REMEMBERED that on this 26th day of March, 2013, personally came before me, the Subscriber, a Notary Public for the State and County aforementioned, Elisabeth Allen, the party of this instrument, known to me personally to be such, and acknowledged this instrument to be their Act and Deed.

GIVEN under my Hand and Seal of Office the day and year aforementioned.

Notary Public

State of Delaware

Country of New Costle

PARCEL NO.	ADDRESS	
0902400015C3207	3207 Golfview Drive, Newark, DE	
0902400015C3959	3909 Golfview Drive, Newark, DE	
0902400015C3206	3206 GofviewDrive, Newark, DE	
0902400015C3749	3705 Golfview Drive, Newark, DE	
0902400015C3434	3406 Golfview Drive, Newark, DE	1
0902400015C3542	3503 Golfview Drive, Newark, DE	
0902400015C4193	4109 Golfview Drive, Newark, DE	
0902400015C3956	3906 Golfview Drive, Newark, DE	
0902400015C3209	3209 Golfveiw Drive, Newark, DE	
0902400015C3431	3403 Golfview Drive, Newark, DE	
0902400015C3745	3701 Golfview Drive, Newark, DE	
0902400015C3202	3202 Golfview Drive, Newark, DE	
0902400015	0 Golfview Drive, Newark, DE	
0902400015C3750	3706 Golfview Drive, Newark, DE	
0902400015C3543	3504 Golfview Drive, Newark, DE	
0902400015C4191	4107 Golfview Drive, Newark, DE	
0902400015C3322	3310 Golfview Drive, Newark, DE	
0902400015C3954	3904 Golfview Drive, Newark, DE	
0902400015C3951	3901 Golfview Drive, Newark, DE	
0902400015C3204	3204 Golfview Drive, Newark, DE	
0902400015C3870	3807 Golfview Drive, Newark, DE	
0902400015C3429	3401 Golfview Drive, Newark, DE	
0902400015C4079	4004 Golfveiw Drive, Newark, DE	
0902400015C3430	3402 Golfview Drive, Newark, DE	
0902400015C3748	3704 Golfview Drive, Newark, DE	
0902400015C3211	3211 Golfview Drive, Newark, DE	
0902400015C3746	3702 Golfview Drive, Newark, DE	
0902400015C3962	3912 Golfview Drive, Newark, DE	
0902400015C3323	3311 Golfview Drive, Newark, DE	
0902400015C3875	3802 Golfview Drive, Newark, DE	
0902400015C4082	4007 Golfview Drive, Newark, DE	
0902400015C3324	3312 Golfview Drive, Newark, DE	
0902400015C3869	3808 Golfview Drive, Newark, DE	
0902400015C4080	4005 Golfview Drive, Newark, DE	
0902400015C3871	3806 Golfview Drive, Newark, DE	
0902400015C4187	4103 Golfview Drive, Newark, DE	
0902400015C3438	3410 Golfview Drive, Newark, DE	
0902400015C4081	4006 Golfview Drive, Newark, DE	
0902400015C3541	3502 Golfview Drive, Newark, DE	
0902400015C3208	3208 Golfview Drive, Newark, DE	
0902400015C4064	4001 Golfview Drive, Newark, DE	
0902400015C3961	3911 Golfview Drive, Newark, DE	

0902400015C3318	3306 Golfview Drive, Newark, DE
0902400015C3957	3907 Golfview Drive, Newark, DE
0902400015C3432	3404 Golfview Drive, Newark, DE
0902400015C4196	4111 Golfview Drive, Newark, DE
0902400015C3955	3905 Golfview Drive, Newark, DE
0902400015C3320	3308 Golfview Drive, Newark, DE
0902400015C3726	3708 Golfview Drive, Newark, DE
0902400015C3317	3305 Golfview Drive, Newark, DE
0902400015C3203	3203 Golfview Drive, Newark, DE
0902400015C3540	3501 Golfview Drive, Newark, DE
0902400015C4063	4010 Golfview Drive, Newark, DE
0902400015C3210	3210 Golfview Drive, Newark, DE
0902400015C3439	3411 Golfview Drive, Newark, DE
0902400015C4192	4108 Golfview Drive, Newark, DE
0902400015C4186	4102 Golfview Drive, Newark, DE
0902400015C3747	3703 Golfview Drive, Newark, DE
0902400015C3527	3506 Golfview Drive, Newark, DE
0902400015C4194	4110 Golfview Drive, Newark, DE
0902400015C4185	4101 Golfview Drive, Newark, DE
0902400015C4083	4008 Golfview Drive, Newark, DE
0902400015C3433	3405 Golfview Drive, Newark, DE
0902400015C3428	3412 Golfview Drive, Newark, DE
0902400015C3872	3805 Golfview Drive, Newark, DE
0902400015C3205	3205 Golfview Drive, Newark, DE
0902400015C4190	4106 Golfview Drive, Newark, DE
0902400015C3437	3409 Golfview Drive, Newark, DE
0902400015C3321	3309 Golfview Drive, Newark, DE
0902400015C3725	3707 Golfview Drive, Newark, DE
0902400015C3874	3803 Golfview Drive, Newark, DE
0902400015C3868	3809 Golfview Drive, Newark, DE
0902400015C3436	3408 Golfview Drive, Newark, DE
0902400015C3876	3801 Golfview Drive, Newark, DE
0902400015C3953	3903 Golfveiw Drive, Newark, DE
0902400015C3212	3212 Golfview Drive, Newark, DE
0902400015C3319	3307 Golfview Drive, Newark, DE
0902400015C3544	3505 Golfview Drive, Newark, DE
0902400015C4188	4104 Golfview Drive, Newark, DE
0902400015C3960	3910 Golfview Drive, Newark, DE
0902400015C3315	3303 Golfview Drive, Newark, DE
0902400015C3865	3812 Golfview Drive, Newark, DE
0902400015C4078	4003 Golfview Drive, Newark, DE
0902400015C3958	3908 Golfview Drive, Newark, DE
0902400015C3867	3810 Golfview Drive, Newark, DE
0902400015C3866	3811 Golfview Drive, Newark, DE
managed country to the State of	

0902400015C3314	3302 Golfview Drive, Newark, DE	
0902400015C4084	4009 Golfview Drive, Newark, DE	
0902400015C4195	4112 Golfview Drive, Newark, DE	
0902400015C3316	3304 Golfview Drive, Newark, DE	
0902400015C3873	3804 Golfview Drive, Newark, DE	
0902400015C4189	4105 Golfview Drive, Newark, DE	
0902400015C3952	3902 Golfview Drive, Newark, DE	
0902400015C4077	4002 Golfview Drive, Newark, DE	
0902400015C3201	3201 Golfview Drive, Newark, DE	5
0902400015C3435	3407 Golfview Drive, Newark, DE	

CAVALIER TOWNHOUSE CONDOMINIUMS

RULES OF CONDUCT

Preamble

The Rules of Conduct of Cavaliers Townhouses have been designed to be used by unit owners and residents to determine their individual responsibilities in the Condominium.

The Rules of Conduct are enforceable by "Notice of Violation of Rules of Conduct" as follows: First Offense – Written Warning; Second Offense -- \$25 Fine; Third and subsequent offenses will result in fines increasing in amount by \$25 up to a maximum fine of \$100. Continuing violations will be subject to legal action.

1. Vehicles

- a. According to the Declaration, "no common area shall be used for the parking of house trailer, camping trailer, boat or boat trailer, self-propelled camper, truck, taxicab, or any other special purpose vehicle, excepting only ordinary passenger automobiles and moving vans or delivery trucks while making deliveries", without written permission of Council (Declaration Plan #7).
- b. Motor vehicles permitted to park on the common elements shall be parked only within the painted lines of a designated parking area. No vehicle shall park, stop or stand along the side or in the middle of any entrance or exit driveway or fire lane; or within a designated parking area so as to impede or prevent ready access to and from any other vehicle or parking space. No motor vehicles shall be driven or parked on any lawn area. No inoperable or unlicensed vehicle shall be parked within the Condominium grounds for more than 48 hours. The Condominium council shall have the right to cause any vehicle not conforming with these regulations to be moved or towed away, as necessary, at the expense of the owner thereof, and without liability for any damage caused thereby to any person or individual.
- c. All parking regulations posed or promulgated by the Condominium Council from time to time for the safety, comfort, and convenience of the owners shall be strictly obeyed.
- d. No unit owner or resident shall cause or permit the blowing of any horn, or screeching of any tires, from any vehicle in which he, his family, tenants, employees, guests, or invitees shall be passengers or drivers, approaching or upon any of the driveways or parking areas serving the Condominium except as may be required for the safe operation of such vehicle.

- e. No vehicle shall be repaired, tuned, serviced, or otherwise mechanically serviced or attended (except for changing a flat tire or other emergency repairs) on the Condominium grounds.
- f. No unit owner or resident shall cause or permit the operation of any vehicle in which he, his family, tenants, employees, guests or invitees shall be passengers or drivers upon any area of the common elements except upon streets, parking areas, and/or entrance or exit driveways as established by the recorded Declaration Plot Plan.
- g. No more than two (2) vehicles per unit shall be allowed on the common elements without the written permission of Council. All vehicles shall be registered with the Secretary of Council and shall clearly display the parking sticker provided.

2. Grounds and Walks

- a. The Council's maintenance responsibilities for grounds and walks shall include grass cutting, snow removal, and pavement repair.
- b. No unit owner or resident shall change the use of the ground unless written approval has been received from Council upon such conditions as Council may direct. With prior written permission by Council, flower gardens are permitted. Maintenance of garden(s) is the owner's responsibility and the ground area used must be returned to its original condition prior to any sale of the unit, unless the purchaser agrees to maintenance of the garden(s). Vegetable and fruit gardens are prohibited.
- c. No unit owner or resident shall cause or permit any walks to be salted, wetted, obstructed or used other than for ingress and egress, except as may be otherwise permitted or directed by instructions of Council.
- d. Each unit owner, resident, employee and guest shall refrain from littering or damaging the common areas.
- e. No signs, lampposts, fences, birdbaths, or other improvements or adornments shall be erected or placed upon the grounds.
- f. No existing fences, enclosures, walks or curbs shall be painted, written or drawn upon, used to mount a sign, removed, marked, or otherwise defaced.
- g. Lawn chairs and tables shall be limited to patios and balconies of the unit owner or resident. Barbecues shall be limited to patios only.
- h. Game equipment, toys, wading pools, and other such items shall be removed from the grounds when not in use unless otherwise permitted in writing by the Council.

- i. No unenclosed common area shall be used for the storage of bicycles, sleds, baby carriages, baby pens, lawn furniture, ladders, tools, toys, or any other articles of whatever nature, without the consent of owners or residents of all units from which such items and articles can be seen, and without the written permission of Council.
- j. No fires shall be caused or permitted on the grounds, except for the lighting of gas or coal in an elevated, safe, enclosed grill used in the proper area.
- k. No activity shall be carried on upon the grounds which will cause unreasonable wear and tear to the grounds or damage to the landscaping. Bicycle riding on the lawns is specifically prohibited.
- 1. Children shall not be allowed to play in the parking lots or exit driveways. Children's play must be confined to other common areas under the close supervision of parents, without disturbance to other unit owners or residents or danger from motorists.
- m. No one shall be allowed to roller skate, skateboard, sled, ride big wheels, leave toys or objects on common elements (grass, sidewalks, parking lots) which could cause personal injury or damage to property or cause disturbance to other residents.

3. Pets

- a. Dogs, cats and other ambulatory pets shall be kept on a leash and under the unit owner or resident's control at all times.
- b. Pet walks in designated area(s) as prescribed by Council shall be the only location upon which pets are allowed to relieve themselves on the Grounds. It shall be the responsibility of pet owners to clean up after their pets in areas other than pet walks. Maps of "designated pet walk areas" are available from the Secretary of Council upon request.
- c. No animal, insect, fish or reptile of any kind shall be bred or raised in a unit or common element over the objection of any other unit owner or resident.
- d. Every pet owner shall prevent the noise, waste, or odors of his pet from unreasonably annoying other unit owners or residents.
- e. The Council shall have the right to require that any unit owner or resident who violates any pet rule to remove the pet from the Condominium and defray the costs of repairing damaged common elements.

4. Townhouse Exteriors

- a. Common elements include: exterior brick work, roofing, gutters and exterior painting. Common elements shall not include glass, screens, or doors.
- b. No unit owner or resident shall allow any sign to be displayed on or from his unit.
- c. No object such as a rug, laundry items, aerial, fan, air conditioner or wire shall be allowed to hang or protrude from any window, door, or any other location.
- d. There shall be no changes in the appearance, design, materials and manner of installation from the original condition of the building unless approved in writing by the Council.
- e. Dust, rubbish, and litter shall not be swept or thrown from any window, door, patio, balcony, or outdoor living area.
 - f. No laundry shall be aired from any balcony or on any other common area.
- g. All window coverings including but not limited to curtains, draperies, blinds and shades must be lined in white or off white.

5. Noise

- a. No unit owner or resident shall play or allow to be played musical instruments, radios, televisions, stereos or like devices above moderate levels at any time of the day.
- b. No unit owner or resident shall practice singing or vocal exercises if such activity disturbs any neighbor.
- c. No unit owner or resident shall use any tool or engage in any noisy activity if such activity causes unreasonable disturbance to any neighbors.
- d. No unit owner shall engage in any altercation at any time, or otherwise shout, yell, or disturb the peace if this shall unreasonably disturb any neighbor.

6. Condition of Unit

All unit owners and residents shall be responsible for the cleanliness of their respective units. The cost of exterminating any rodent or insect infestation resulting from the uncleanliness of any unit shall be charged to the owner.

7. Equipment and Installations

No unit owner or resident shall: 1) make any structural modifications or alterations to or within a unit; 2) tamper or interfere with, attempt to repair, alter, or make a connection with, any electrical or other cable, line, pipe, apparatus or equipment; or 3) install and/or operate any machinery, refrigerating or heating device, washing machine, dryer, air conditioner, electrical equipment, or illuminating device other than electric light or decorative candles other than that installed by the Developer-Builder or previously approved by Council, or previously existing, without obtaining the prior written consent of Council, which consent shall not be withheld if Council determines that the modification, alteration, connection, installation, or operation does not jeopardize or tend to jeopardize the soundness or safety of the Condominium and/or the residents thereof.

8. Explosives and Flammables

- a. No explosive or highly flammable material shall be brought into any part of the Condominium.
- b. All kerosene heaters and other portable fuel-operated heaters are prohibited in accordance with Delaware State Law (Section 7307).

9. Commercial Usage

The Condominium is intended primarily for residential usage. However, certain commercial and business uses permitted by law (excluding hotel or similar uses) may be undertaken upon the approval of the Council provided that such uses do not unreasonably increase traffic or place a burden on available parking, and provided that no nonresidential use shall be permitted which involves facilities or equipment other than ordinary office furniture and fixtures. This clause specifically prohibits occupations which require the installation of plumbing and/or electrical devices, including but not limited to, dental offices, the practice of radiology, and similar uses.

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