

## **ARTICLE XI**

### **Termination**

**1. Procedure.** The condominium may be terminated in the following manner in addition to the manner provided by the Horizontal Property Act:

(a) Destruction. In the event it is determined in the manner elsewhere provided that the buildings shall not be reconstructed because of major damage, the condominium plan of ownership will be thereby terminated in compliance to the provisions of Section 499B.8 of the Code of Iowa (1999).

(b) Agreement. The condominium may be terminated at any time by the approval in writing of all of the owners of the condominium and by holders of all liens affecting any of the units by filing an instrument to that effect, duly recorded, as provided in Section 499B.8 of the Code of Iowa (1999). It shall be the duty of every unit owner and his respective lien holder to execute and deliver such instrument and to perform all acts as in manner and form may be necessary to effect the sale of the project when at a meeting duly convened of the Association, the owners of 100% of the voting power, and all record owners of mortgages upon units in the Regime, elect to terminate and/or sell the project.

(c) Certificate. The termination of the condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by all members of the Association and their respective holders of all liens affecting their interest in the condominium, certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the office of the Linn County Recorder in Cedar Rapids, Iowa.

**2. Form of Ownership after Termination.** After termination of the condominium, the project will be held as follows;

(a) The property (land and improvements) shall be deemed to be owned in common by the owners;

(b) The undivided interest in the property owned in common which shall appertain to each unit owner shall be the fractional interest previously owned by such owner in the common area and facilities;

(c) Any liens affecting any of the condominiums shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the owner in the property.

(d) After termination, the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the owners in a percentage equal to the fractional interest owned by each owner in the common elements after first paying out of the respective shares of the owners, to the extent sufficient, all liens on the undivided interest in the property owned by each owner.