

separate Association endorsement is required if not already a part of the policy.

(e) Mortgage Clause: All policies documenting insurance for hazard and flood insurance coverages obtained by the Association must have the "standard mortgage clause" or equivalent endorsement providing that coverage of a Mortgagee under the insurance policy will not be adversely affected or diminished by an act or neglect of the Mortgagor, which is commonly accepted by private institutional mortgage investors in the area in which the Property is located, unless such coverage is prohibited by applicable law. Mortgages owned by FNMA must name as Mortgagee either FNMA or the servicer for the Mortgages held by FNMA encumbering the Condominiums. When a servicer is named as the Mortgagee, its name should be followed by the phrase "its successors and assigns." If the Mortgage is owned in whole by FHLMC the name of the servicer of the Mortgage followed by the phrase "its successors and assigns, beneficiary" should be named as Mortgagee instead of FHLMC. The Mortgage clause must be endorsed to fully protect FHLMC's interests or the interest of FHLMC and the servicer where applicable. If FHLMC must be named as Mortgagee, the endorsement should show the servicer's address in lieu of FHLMC's address. A mortgage clause in favor of Mortgagees holding Mortgages on Condominiums is not required on a policy insuring the Association Property.

#### ARTICLE 7 ENFORCEMENT OF BONDED OBLIGATIONS

In the event that the Improvements to the Nonexclusive Use Common Area have not been completed prior to the issuance of a Final Subdivision Public Report covering the Property, and the Association is obligee under a bond or other arrangement (the "Bond") to secure performance of the commitment of Declarant to complete such Improvements, the following provisions shall apply:

(a) The Board shall consider and vote on the question of action by the Association to enforce the obligations under the Bond with respect to any Improvements for which a Notice of Completion has not been filed within sixty (60) days after the completion date specified for such Improvements in the planned construction statement appended to the Bond. If the Association has given an extension in writing for the completion of any Common Property Improvement, the Board shall consider and vote on the aforesaid question if a Notice of Completion has not been filed

within thirty (30) days after the expiration of such extension.

(b) In the event that the Board determines not to initiate action to enforce the obligations under the Bond, or in the event the Board fails to consider and vote on such question as provided above, Members representing not less than five percent (5%) of the total voting power of the Association may present a signed petition to the Board or to the president or secretary of the Association demanding a meeting for the purpose of voting to override such decision or such failure to act by the Board. Such meeting shall be called according to the provisions of the Bylaws dealing with meetings of the Members, but in any event such meeting shall be held not less than thirty-five (35) days nor more than forty-five (45) days after receipt by the Board of a petition for such meeting.

(c) The only Members entitled to vote at such meeting of Members shall be the Members other than Declarant. A vote at such meeting of a majority of the voting power of such Members other than Declarant to take action to enforce the obligations under the Bond shall be deemed to be the decision of the Association and the Board shall thereafter implement this decision by initiating and pursuing appropriate action in the name of the Association.

## ARTICLE 8 REPAIR AND MAINTENANCE

Section 8.1. By Association: Subject to the terms of the Article of this Declaration entitled "Water Quality Management Plan", except to the extent that an Owner may be obligated to maintain and repair as hereinafter provided, and without limiting the generality of the statement of duties and powers contained in the Association Management Documents, the Association acting through its Board and its officers shall have the duty to accomplish the following upon the Property or other land in such manner and at such times as the Board shall prescribe:

(a) manage, operate, control, maintain, repair, restore, replace and make necessary Improvements to the Nonexclusive Use Common Area including, without limitation, the following:

(i) the exterior surfaces (including roofs) of all Condominium Buildings, to include the painting thereof, including, without limitation, the interior surface boundaries of Unit Elements and Exclusive Use