

**AMENDED AND RESTATED DECLARATION OF
COVENANTS AND RESTRICTIONS**

“WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the Town of Lloyd, County of Ulster, State of New York, which is more particularly described as:

All those certain lots, tract and parcels of land as shown and designated on a certain Map know as “Highpoint Townhouse Complex, Toc Road, Town of Lloyd, County of Ulster, State of New York, Phase 1A” dated November 20, 1972, prepared by Hayward and Pakan Associates, 54 Market Street, Poughkeepsie, N.Y., and December 11, 1972 as File #2792.

WHEREAS, Declarant is the owner of the real property described above and desires to develop thereon a residential community together with common lands and facilities for recreational purposes for the benefit of such community; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities in said community and for the maintenance of said common lands and facilities; and, to this end, desires to subject the above described real property and that referred t in Article II to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an agency to which will be delegated and assigned the powers of maintaining and administering the community facilities and common areas, administering and enforcing the covenants and restrictions and levying, collecting and disbursing the assessments and charges hereinafter created and

WHEREAS, Declarant has incorporated under the laws of the State of New York, as a not-for-profit corporation, THE SUNNYBROOK ASSOCIATION, INC., for the purpose of exercising the functions aforesaid.

NOW, THEREFORE, Declarant hereby declares that all of the real properties described above and such additions thereto as may here-after be made pursuant to Article II hereof, shall be held, sold, conveyed, transferred and occupied, subject to the following easements, restrictions, covenants, charges, assessments and liens which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having or acquiring any right, title or interest in the described real property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE 1

DEFINITIONS

1. “Association” shall mean and refer to THE SUNNYBROOK ASSOCIATION, INC., its successors and assigns.
2. “Owners” shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.
3. “Properties” shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.
4. “Common Areas” shall mean all real property and the improvements thereon owned or hereafter acquired by the Association for the common use and enjoyment of the owners, including but not limited to open areas, recreational facilities, private roads and parking areas.
5. “Party Fence” shall mean and refer to the fence situate, or intended to be situate on the boundary line between adjoining properties.
6. “Party Wall” shall mean and refer to the entire wall, all or portion of which is used for support of each adjoining property, situate, or intended to be situate on the boundary line between adjoining properties.
7. “Member” shall mean and refer to all those Owners who are members of the Association as provided in Article IV hereof.
8. “Lot” shall mean and refer to any designated plot of land shown upon the filed map referred to hereinabove, with the exceptions of the common Areas, and roads dedicated to any governmental authorities.
9. “Living Unit” shall mean and refer to any lot which a portion of a building is situated, designed and intended for use and occupancy as a residence by a single family and upon which title has passed from the Declarant.
10. “Declarant” shall mean and refer to U.S.H. Corporation of New York, its successors or assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

11. “Board of Directors” (or “Board” or “Directors”) shall mean and refer to the Board of Directors of the Association.

12. “Declaration” shall mean and refer to this within Document.

ARTICLE II

Additions to Existing Property. Additional land may become subject to this Declaration in any of the following manners:

Section 1. Additions in Accordance with a General Plan of Development. The Declarant, its successors and assigns, shall have the right to bring within the scheme of this Declaration additional property in future stages of the development without the prior approval of the Class A members of the Association, provided that such additions are in accordance with a General Plan of Development.

A. The additions authorized under this and the succeeding sub-sections shall be made by filing a record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property, which shall extend the scheme of the covenants and restrictions of this Declaration to such property.

B. Such Supplementary Declaration shall contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties as are not inconsistent with the scheme of this Declaration. In no event, however, shall such Supplementary Declaration revoke, modify, or add to the covenants established by this Declaration affecting the existing property (described hereinabove).

Section 2. Other Additions. Upon approval in writing of the Association pursuant to a majority vote of its members, the owners of any property who desire to add to the scheme of this Declaration and to subject it to the jurisdiction of the Association may file of record a Supplementary Declaration of covenants and restrictions as in sub-section 1A of this Article.

Section 3. Mergers. Upon a merger or consolidation of the Association with another association as provided in its By-Laws, its properties, rights and obligations may, by operation of law, be transferred to another surviving, or consolidated association or alternatively the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated Association may administer the covenants and restrictions established by this Declaration, together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration, except as hereinafter provided.

ARTICLE III

RIGHTS IN THE COMMON AREAS

Section 1. Members Easements of Enjoyment.

Subject to the provisions of Section 3 of this Article and the provisions of the By-Laws of the Association, every member shall have right and easement of enjoyment in and to the Common Areas and such easement shall be appurtenant to and shall pass with the title to every Living Unit.

Section 2. Title to the Common Areas.

The Declarant has conveyed to the Association all the Common Areas prior to this sale of any Living Unit located in the real property hereinabove described.

Section 3. Extent of Members' Easements.

The rights and easements created hereby shall be subject to the following:

- a. The rights of the Association, in accordance with its Certificate of Incorporation and By-Laws, to borrow money for the purpose of improving the Common Areas and in aid thereof, to mortgage said properties.
- b. The right of the Association to take such steps as are reasonably necessary to protect the Common Areas against foreclosure.
- c. The right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations; provided, however, that nothing contained in this paragraph shall be deemed to deny an Owner access to and from his Lot or Living Unit,
- d. The right of the Associations to charge reasonable admission and other fees for the use of the Common Area.
- e. The right of the Association and/or Declarant to dedicate or transfer all or any part of the common Areas to any public agency, authority or Utility company for such purposes as may be deemed necessary by the Directors in the interest of the Association, provided the same is approved by a majority vote of the members present at a regular meeting or a special meeting called for that purpose.
- f. The right of individual Owners – for themselves and their guests – to the use of parking spaces, whether located on various Living Units lots or on the Common Areas.

- g. The right of the Declarant and of the Association, to grant and reserve easements and rights-of-way through, under, over and across the various lots and the Common Areas, for parking spaces and walkways, and for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, fuel oil, electric, gas, telephones, television (cable, antenna, etc.) and other utilities.
- h. The right of further restrictions imposed herein or by the Board of Directors, and/or by the By-Laws of the Association.

Section 4. Use of the Common Area.

The Common Area shall be used strictly in accordance with the easements granted thereon. There shall be no obstruction of interference whatever with the rights and privileges or other Owners in the Common Area and nothing shall be planted, altered, constructed upon or removed from the Common Area by any Owner, except by prior written consent of the Control Committee. If an Owner shall violate this section, the Association shall have the right to restore the Common Areas to its prior condition and assess the cost thereof against the Owner who violates this section and such cost shall become a lien upon the Lot and Living Unit of such Owner, which shall become due and payable upon demand. The Association shall have the same rights and powers to collect the cost of such restoration as provided in Article V for the collection of delinquent annual assessments. If an Owner interferes with the rights and privileges of another Owner in the use of the Common Area, the Association or the Owner may commence an action to enjoin such interference and the prevailing party shall be entitled to recover such reasonable attorneys' fees as the Court may allow together with all necessary costs and disbursements incurred in connection therewith.

ARTICLE IV

MEMBERSHIP IN THE ASSOCIATION

Section 1. Membership. Every Owner of a Lot, which is subject to this Declaration, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to this Declaration.

Ownership of a Lot shall be the sole qualification for membership. Membership in the Association shall lapse and terminate when a member shall cease to be an Owner – however, any delinquent assessments will still be the personal liability of said Owner despite termination of membership.

Section 2. The Association shall have two classes of voting membership.

Class A. Class A Members shall be all Owners with the exception of Declarant and shall be entitled to one vote for each Lot owned. When more than one person (or entity) owns any Lot, their vote shall be exercised as they, among themselves, determine but in no event will split vote be honored and in no event shall more than one vote be cast with respect to any such Lot.

Class B. The Class B Member(s) shall be the Declarant and it shall be entitled to five (5) votes for each Lot owned. An authorized representative of Declarant may cast all or part of its votes. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- a. When the Declarant closes title or (conveys) the last Living Unit in the development; or
- b. December 31, 1979

From and after the happening of either of these events, whichever occurs earlier, the Class B member shall thereupon be entitled to one vote for each Lot or Living Unit it owns.

It is the intention of Declarant, in creating two classes of membership and the ratio as described above, that during the early development stages of the Association and of the General Plan of Development, that the Declarant have control over each and every transaction of the Association, and that as more lots are sold, the Declarant's roll will decrease proportionately.

However, the Declarant reserves the right, and shall be entitled to elect a majority of the Board of Directors of the Association until such time as Declarant conveys the last Living Unit in the Properties, or December 31, 1979, whichever is earlier.

Section 3. Membership Fee. As a condition for taking title, and as consideration for becoming a member in the Association, each Owner of a Living Unit (other than Declarant) including successors in title, at or prior to the taking of title, shall pay a prescribed, one-time membership fee. Said fee is initially set at \$200.00 but is subject to revision by the Board of Directors. Said fee is also separate from, and in addition to, maintenance assessments referred to herein this Declarant and in the By-Laws.

ARTICLE V

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation of Assessments. Except for the Declarant, each Owner of any Living Unit, by taking title to same, whether or not it shall be so expressed in any deed, is deemed to covenant and agree to pay to the Association:

1. general assessments or charges, and
2. special assessments; such assessments to be established and collected as hereinafter provided. The general and special assessments, together with interests, costs and reasonable attorneys' fees incurred in connection with the collection thereof, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation for delinquent assessments shall also pass to an Owners' successor in title by his acceptance of Deed or by any other means of conveyance of such lot for which such assessments are delinquent.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for any or all of the following purposes: Providing services, promoting the common benefit, recreation, health, safety, culture, education and welfare of the residents in the Common Areas and in particular for the improvement and maintenance of Common Areas and if so provided, and as determined by the Board of Directors, exteriors of Living Units, their grounds, walks, driveways, parking spaces, fences, etc. (pursuant also to Article VI herein), and services and facilities devoted to this purpose and related to the use and enjoyment of the common Areas including but not limited to the payment of taxes, insurance, utility charges, etc. on the common Areas, and repair, replacement, improvements, and supervision thereof.

Section 3. Basis of General Assessments and Changes in Rate. The amount of the general assessment paid monthly per Living Unit shall be determined and set from time to time by the Board of Directors. If the Board of Directors determines that the existing general assessment rate does not meet the demands of operation, and maintaining the Common Areas, Facilities, and exteriors of Living Units, their grounds, walks, driveways, fences, parking spaces, etc., a new general assessment rate may be set by the Board, and the owners and/or members of the Association shall, upon notice of the same, be subject to the payment of the general assessment rate.

The Board may, after consideration of future costs for exterior maintenance of each Living Unit, and the structures, buildings, roads and other improvements located upon the Common Areas, establish a reserve fund for such purposes with the monies necessary for such reserve fund to be part of the general assessment.

Section 4. Special Assessments. In addition to the general assessment outlined in Sections 2 and 3 hereof, the Board may levy a special assessment for the construction, reconstruction, repairs or replacement of a described capital improvement upon the Common Areas including the necessary fixtures and personal property related thereto, and/or for the exteriors of the living units, their grounds, walks, driveways, fences, parking spaces, etc. provided that the Board notify members of the Association by written notice of said need and shall describe to them why said construction, reconstruction, or repair is necessary and the cost of said Improvement, and the amount and due date(s) of payment of such special assessment.

Section 5. Date of Commencement of General Assessments. The general assessments provided herein are payable monthly and will commence and be payable in advance on the first day of each month.

Section 6. Default. In the event on or more of the monthly payments of the general or special assessment are not paid within 30 days from the date the same shall become due and payable, then the entire delinquent assessment shall, together with such interest thereon and cost of collection therefor as herein provided, thereupon become a continuing lien on the Property which shall bind such property in the hands of the then Owners, its successors in title and assigns. The personal obligation of the ten Owner to pay such assessment, however, shall remain his personal obligation until same is paid. The acquirer of title to a Living Unit shall be jointly and severally liable with his predecessor in title thereto for the amounts owing by the later to the Association up to the time of the transfer of title, without prejudice to the acquirer's right to recover from his predecessor in title the amount paid by him as such joint debtor. The Association shall issue to every acquirer, upon his request, a statement of such amounts due and the acquirer's liability for such pre-ownership delinquent assessments under this covenant shall be limited to the amount as set forth in said statement. Liability for the payment of said amounts due to the Association shall attach to the purchaser of the Living Unit following a mortgage foreclosure sale of any Living Unit.

If a monthly assessment (general and/or special) payment is not paid within thirty (30) days after the same has become due and payable, the assessment shall also bear interest from the date of delinquency at the ten maximum legal rate per annum, and the Association may bring action at law against the Owner personally obligated to pay the same, or to foreclosure the lien against the property; and these shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action. In the event a judgement is obtained, such judgement shall include interest on the assessment as above provided and a reasonable attorneys' fee to fixed by the courts, together with the costs of the action.

No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his lot.

Section 7. Exempt Properties. The Common Areas, public roads, and properties owned by Declarant shall be exempt from the general and special assessments and liens created and referred to herein.

ARTICLE VI

EXTERIOR MAINTENANCE

Section 1. Areas of Maintenance. In addition to the maintenance upon the Common Areas, the Association may provide exterior maintenance upon each Lot and Living Unit, its grounds, fences, lawns, walks, building exteriors, driveways and parking areas, etc. The nature and extent of such maintenance's, if any, shall at all times be determined by the Board of Directors.

Section 2. Assessment of Cost. The cost of such exterior maintenance shall be assessed against each Living Unit and shall be part of the general maintenance assessment or charge to which such Living Unit is subject under Article V hereof and, as part of such general assessment or charge, it shall be a lien and obligation of the Owner and shall become due and payable in all respects as provided in Article V hereof. The election of any Owner not to avail himself of any or all of the services and maintenance provided by the Association, shall not exempt him from the obligation to pay the assessments.

Section 3. Access at Reasonable Hours. For the purpose solely of performing the exterior maintenance determined pursuant to the Article, the Association, through its duly authorized agents or employees shall have the right, to enter upon any lot or exterior of any Living Unit at reasonable hours on any day. Declarant also retains an easement of ingress and egress over all the "Properties" for so long as it owns any part of the Properties and during the time Declarant will be construction homes.

Section 4. Willful or Negligent Acts. In the event that the need for maintenance of repair is caused through willful or negligent act or omission of the Owner, his family, or guests, or invitees, the cost of such maintenance or repairs shall be added to and become part of the assessment to which such Owner's lot is subject.

Section 5. Breakage of Water or Sewer System. In the event that there is breakage or leakage in the water system or sewer and sewage system upon a Lot or in a Living Unit which has caused or will cause damage to adjacent Living Units, where otherwise impractical, no notice need be given to enter upon the Lot or Living Unit for the purpose of repairing the water system or sewer or sewage system. Any repairs so made shall be charges to the Owner of that Living Unit, if the cause of same was due to the willful or negligent act or omission of the Owner, his family, guests, or invitees.

ARTICLE VII

PARTY WALLS OR PARTY FENCES

Section 1. General Rules of Law to Apply. To the extent no inconsistent with the provisions of the Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to each party wall or party fence which is built as part of the original construction of the homes upon The Properties and any replacement thereof.

In the event that any portion of any structure, as originally constructed by the Declarant, including any party wall or fence, shall protrude over an adjoining lot, such structure, party wall, or fence shall not be deemed to be an encroachment upon the adjoining lot or lots, and Owners shall neither maintain any action for the removal of a party wall or fence or such projection, nor any action for damages. In the event there is a protrusion as described in the immediately preceding sentence, it shall be deemed that said Owners have granted perpetual easements to the Association and the adjoining Owner or Owners for continuing maintenance, and use of the projection, party wall or fence. The foregoing shall also apply to any replacements of any structures, party walls or fences, if same are constructed in conformance with the original structure, party wall or fence constructed by the Declarant. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of these covenants and restrictions.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared equally by the Owners who make use of the wall in proportion to such use. The Association, if so determined by the Board of Directors, may maintain party fences.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and of the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owner to call for a larger contribution from the others under any rule of law regarding liability for negligence or willful acts or omission(s).

Any reconstruction shall be subject to other applicable provisions of this Declaration, and particularly to the approval of the Control Committee.

Section 4. Weatherproofing. Notwithstanding any other provisions of the Article, any Owner, who by his negligence or willful act, causes the other party to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall or under the provisions of the Article, each party shall choose one arbitrator and such arbitrators shall choose one additional arbitrator and the decisions shall be by the majority of all the arbitrators and binding upon the parties.

ARTICLE VIII

CONTROL COMMITTEE

Section 1. The "Control Committee". Is hereby established to be composed of three members, said members to be appointed initially by the Declarant to serve until title to the last Living Unit in the project has been delivered and completion of all Common Areas and Facilities, but in no event later than December 31, 1979. Thereafter, members shall be appointed by the Board of Directors for three year terms. A majority of the Committee may designate a member to act for the Committee. In the event of the death, resignation, or inability to serve of any member of the Control Committee, the remaining member shall have full authority to appoint a substitute member who shall serve until as aforesaid. The members of the Committee shall not be entitled to compensation for services performed as Committee Members.

A. ARCHITECTURE AND CONSTRUCTION

No building, fence, wall, walkways, excavation, landscaping or grading operation, or other structure shall be commenced, erected, reconstructed or repaired upon the Properties, nor shall any addition to or change or painting or alteration to any Living Unit exterior therein be made, until the plans and specifications showing the nature, kind, shape, color, height, materials, and location of the same shall have been submitted to and approved in writing, as to harmony of design and location in relation to surrounding structures and topography, by the Control committee.

B. MODIFICATION OF PROVISIONS OF THE DECLARATION

The "Control Committee" may amend, modify, delete, supplement, alter or grant relief from the provisions of this Declaration or from any provisions as may hereinafter be added to the Declarations, provided it is determined by the Committee in its sole discretion that the same is in furtherance of the objectives of this development. This right shall extend to each and every particular of each and every item contained in this Declaration and/or as may be subsequently added, including but not limited to Article IX herein, and including but not limited to any lands previously conveyed or improved by the construction of buildings thereon or otherwise.

C. RECOVERY OF FEES AND COSTS

The Association, in enforcing any decisions made against any Living Unit Owner pursuant to this Article, shall be entitled to recover from the other party reasonable attorneys' fees together with all necessary costs and disbursements in connection therewith.

ARTICLE IX

RESTRICTIONS

All Lot and/or Living Unit Owners, as well as all members, guests, residents, occupants, lessees, etc., in addition to any other obligation, duty, right and limitation imposed upon them by this Declaration, the Certificate of Incorporation, By-Laws of the Association, and Rules and Regulations that may be promulgated by the Association, shall be subject to and agree to abide with the following restrictive covenants, which shall be applicable to all Lot and/or Living Unit Owners, occupants, guests, invitees, tenants, residents, and lessees, etc., to wit:

Section 1. No living Unit (other than models used by Declarant) shall be used for any purpose other than as and for a single family residence or dwelling.

Section 2. No exterior radio, television or electronic antenna or aerial shall be erected, maintained or operated upon any of the lots or buildings or structures located therein, and the erection, maintenance or operation of any of the same is prohibited except as designated and approved by the Control Committee.

Section 3. No signs of any nature whatsoever shall be erected or displayed upon any of the properties except when express prior written approval of the size, shape, content, and location thereof has been obtained from the control committee. Excepted from this provision, are signs used by Declarant during the construction and sales period.

Section 4. No clothing, bedding, or other similar items shall be dried or aired in any outdoor area.

Section 5. Livestock and Poultry. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats or other common household pets may be kept provided they are not kept, bred or maintained for any commercial purpose. There shall be no more than two common household pets in the aggregate in any Living Unit.

Section 6. Water Supply. No individual water supply system shall be permitted on any lot except as may be required by Declarant and/or the Association.

Section 7. The parking or storage of automobiles except upon paved areas is prohibited. The overnight parking or storage of trucks or commercial vehicles is prohibited. The parking or storage of camping vehicles, boats, and boat trailers upon any of the Properties is prohibited.

Section 8. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence either temporary or permanently.

Section 9. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any lot.

Section 10. Garbage and Refuse Disposal. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers.

Section 11. All Sporting equipment, toys, outdoor cooking equipment, and other equipment and supplies necessary or convenient to residential living shall be stored within the Living Unit, or shall be screened in the rear of the lot. The storage or collection of rubbish of any character whatsoever, any material that emits foul or obnoxious odors, the growing of noxious weed or other natural substance, and the harboring of the source of any noise or activity which unreasonably disturbs the peace, comfort or serenity of other Owners is prohibited.

Section 12. Sewage Disposal. No individual sewage-disposal system (cesspool, septic tank, etc.) shall be permitted on any lot.

Section 13. No fences or hedges shall be permitted on the grounds or any Living Unit except as installed by Declarant or as approved in writing by the Control Committee.

Section 14. No Lot Owner, member, guest, lessee, resident, occupant, invitee, etc., shall commence any digging or earth moving or regrading operations of any nature whatsoever without first obtaining permission of the Control Committee. This section is intended as a protection against inadvertent disruption of underground services and creation of a nuisance to adjoining property owners.

ARTICLE X

INSURANCE

Section 1. Maintenance of Insurance. Each Owner of any Living Unit by acceptance of a deed or other conveyance therefor, whether or not it shall be expressed in any such deed or other conveyance, covenants to carry, maintain, and timely pay the premium or premiums on a policy of fire, extended coverage, vandalism, and malicious mischief, with all-risk endorsement insurance to cover a minimum of the entire replacement cost of the Living Unit located on such Lot, and to be placed with an insurance company authorized to do business in the State of New York. The Association shall provide public liability insurance covering the common Areas in such amounts as may be determined at the discretion of the Board of Directors from time to time. The Association shall also provide Workmen's Compensation insurance and fidelity bonds for such officers and employees and in such amounts as it is determined necessary by the Board of Directors.

Section 2. Waiver of Subrogation. To the extent permitted by the standard New York form of fire and extended coverage insurance and to the extent benefits are paid under such policy, each Owner, the Declarant, and the Association do hereby mutually release each from the other, and their respective officers, agents, employees and invitees, from all claims for damage or destruction of their respective physical properties if such damage or destruction results from one or more of the perils covered by the standard New York form of fire and extended insurance coverage.

Section 3. Destruction and Reconstruction. Each Owner, by acceptance of ownership, agrees and covenants that if his Living Unit he shall be fully or partially destroyed by fire or otherwise, he shall reconstruct said Living Unit expeditiously, pursuant to plans approved by the Control Committee.

ARTICLE XI

EASEMENTS

Section 1. General Utility Easements. All individual Lots, Common Areas, and Public Roads shall be subject to the rights of the Declarant, the Association, and/or their assigns, to an Easement hereby reserved on, under, through and over said Lots, Common Areas, and Public Roads for the purpose of installation, maintenance, repair, and replacement of drainage, sanitary sewers, water, gas, electric, telephone, fuel, oil, and any other utilities and appurtenances, thereto, to serve the Properties. The aforesaid general Easement, is in addition to and includes, but is not limited to, those various utility easements herein provided or now shown or to be shown on Sub-division Maps of the Properties, or other Declarations or Deeds of Easement, now files on to be files with the County Clerk of Ulster County.

Section 2. Easements for Parking, Walkways and Utilities. Perpetual easements for the installation, maintenance, repair and replacement of landscaping, parking spaces, driveways, drainage, walkways and utilities are hereby reserved in, on, under and over the front yards (and side yards of 'end' Living Units) of each Lot for the exclusive benefit of the Declarant and assignees, and of the Association, its assignees and its members, their invitees, and licensees. An additional perpetual easement is hereby reserved in, on, under and over that rear portion of each Lot, extending across the full width of each Lot, from the line on which is located the original fence installed by the Declarant, to the rear of the Lot line. Said additional easement is for the installation, maintenance, repair and replacement of landscaping, parking spaces, fences, driveways, drainage, walkways and utilities for the benefit of the Association, its assignees and its members, their invitees and licensees. The aforesaid easements in the front and rear portions (and side yards of 'end' Living Units) of each Lot shall be maintained by the Association, and (except as originally installed by Declarant) no building, fence, or structure shall be erected on same unless approved in advance, in writing, by the control Committee.

Section 3. During Construction. As long as sales and construction continue Declarant reserves the right to go through, over and across the Common Areas and to show the Common Areas to prospective purchasers of Living Units. Declarant also reserves the right to store construction material in and to enter the Common Areas for any purpose during construction and sale of Living Units.

ARTICLE XII

GENERAL PROVISIONS

Section 1. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, until December 31, 1991, unless otherwise expressly limited herein, after which time said covenants shall be automatically extended for successive periods of ten years each unless an instrument signed by the then Owners of two-thirds of the Lots has been recorded, agreeing to change said covenants and restrictions in whole or part. Unless specifically prohibited herein, this Declaration may be amended by an instrument signed by Owners not holding less than eighty (80) percent of the votes of the membership at any time until December 31, 1991, and thereafter by an instrument signed by the Owners holding not less than two-thirds of the votes of the membership. Any amendment must be properly recorded to be effective.

Section 2. Notices. Any notice required to be sent to any member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 3. Enforcement. The Association, or any Owner, shall have the right to enforce these covenants and restrictions by any proceeding at law or in equity against any person or person violating or attempting to violate any covenant or restriction, to restrain violation, to require specific performance and/or to recover damages, and against the land to enforce any lien created by these covenants, and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The expense of enforcement by the Association shall be chargeable to the Owner of the Lot violating these covenants and restrictions and shall constitute a lien on the Lot, collectible in the same manner as assessments hereunder.

Section 4. Severability. Invalidation of any one of these covenants or restrictions by judgement or court order shall in no way affect the validity of any other provision, which shall remain in full force and effect.

Section 5. Government Approval. In the event that any governmental Authority requires the modification of any provision contained in this Declaration, the Declarant shall have the power and authority to amend any provision in this Declaration to conform to the said governmental requirements, and for the purpose of effectuating such amendments, each Owner or any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, hereby appoints Declarant as his attorney-in-fact with full power to execute a Supplemental Declaration on behalf of such Owner.

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