

**DECLARATION OF COVENANTS,
EASEMENTS, RESTRICTIONS & LIENS
for
112 EAST MAIN, a Planned Community
RICHMOND, VERMONT**

This Declaration of Planned Community for 112 EAST MAIN is made on September ____, 2024 by the ALLEN & LYNNE KNOWLES FAMILY TRUST III, u/a DATED NOVEMBER 21, 2019, BLAIR KNOWLES AND MATTHEW PARISI, all of the Town of Richmond, in the County of Chittenden, and State of Vermont (the “Declarants”). The Declarants are the owners of real property located at 112 East Main Street in Richmond, Vermont, being depicted on a plat of survey entitled “*Proposed P.U.D. of Lands of Knowles & Parisi, 112 East Main Street, Richmond, Vermont*” prepared by Terry W. Wilson, L.S. No. 60812 VT, dated August, 2024 and to be recorded in the Town of Richmond Land Records (*hereinafter referred to as the “Survey Plat”*). Being all of the land and premises conveyed to Allen & Lynne Knowles Family Trust III, u/a dated November 21, 2019, Blair Knowles and Matthew Parisi by Warranty Deed of Donald Morin and Bonnie Morin dated September 8, 2020 and recorded in Book 256 at Page 234 of the Town of Richmond Land Records.

112 East Main Planned Community is a Small Project as defined in §1-203 of the Vermont Uniform Common Interest Ownership Act, Title 27A of the Vermont Statutes Annotated (“Act”). The Declarants hereby does not reserve any development rights. Accordingly, the Planned Community and this Declaration are exempt from the Vermont Uniform Common Interest Ownership Act under the provisions of 27A V.S.A. § 1-203(a)(l) and is subject only to §§ 1-105, 1-106 and 1-107 of the Act.

The Declarants hereby affirm that the Units are and shall be held, transferred, sold, and conveyed subject to the covenants, conditions, restrictions, easements, obligations and assessments of this Declaration and any amendments made hereto.

112 East Main Planned Community consists of Unit #1 for use as a duplex residential unit and Unit #2 for use as a single-family residence. The Association will own and manage the Common Elements. The Declarants shall convey the Common Elements to the Association upon conveyance of the last Unit if not otherwise conveyed prior to the transfer of the last Unit owned by the Declarants.

Article I - Definitions

1.1 “**Allocated Interests**” means the common expense liability and votes in the Association.

1.2 “**Association**” means the 112 East Main Planned Community Homeowners Association.

1.3 “**Bylaws**” means the duly adopted Bylaws of the 112 East Main Planned Community Homeowners Association, Inc.

1.4 “**Common Elements**” means any real estate within the Planned Community owned or leased by the Association, other than a Unit.

1.5 “**Common Expenses**” means expenditures made by or financial liabilities of the Association together with any allocations to reserves.

1.6 “**Common Expense Liability**” means the liability for common expenses allocated to each Unit pursuant to this Declaration.

1.7 “**Limited Common Element**” means a portion of the Common Elements allocated by this Declaration for the exclusive use of one or more but fewer than all of the Units.

1.8 “**Planned Community**” means the 112 East Main Planned Community created by this Declaration.

1.9 “**Survey Plat**” means the plat entitled “*Proposed P.U.D. of Lands of Knowles & Parisi, 112 East Main Street, Richmond, Vermont*” prepared by Terry W. Wilson, L.S. No. 60812 VT, dated August, 2024 and to be recorded in the Town of Richmond Land Records.

1.10 “**Unit**” means a physical portion of the Planned Community designated for separate ownership or occupancy.

1.11 “**Unit Owner**” means the Declarants or other person that owns a Unit.

Article II - Planned Community Property

2.1 **Property:** The property consists of all of the parcel of land located at 112 East Main Street in Richmond, Vermont and as more fully depicted on the Survey Plat. The Planned Community consists of a 0.36 +/- acre parcel of land, more or less, upon which a single duplex style building and a single-family building are constructed, totaling three residential dwellings; and including Common Elements all as substantially depicted on the Survey Plat.

Article III - Description of Units

3.1 **Units:** The Planned Community contains a maximum of three residential dwellings, located in an existing single duplex style building and in an existing single-family building. Each Unit includes, without limitation, the following:

- a) All concrete slab, lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, ceiling tiles, sheathing, and any other materials constituting any part of the finished or decorated surfaces of, and other finishing materials applied to, the unfinished and undecorated perimeter walls (including the Party Walls, if applicable) of such Unit;

- b) All portions of interior walls, and all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, and finished and decorated surfaces thereof or thereon, within the bounds of the Unit defined above, except for structural component parts of the Party Walls, if applicable;
- c) All vent covers, grills, etc. affixed to interior and perimeter walls, floors and ceilings of such Unit;
- d) All interior doors, equipment, fixtures, tanks, pumps, motors, fans, compressors, ducts and all apparatus and installations, located within the bounds of such Unit defined above, which serve such Unit exclusively, and all control knobs, switches, thermostats and other items appurtenant to such equipment, fixtures, and other controls, whether affixed to or projecting from the interior or perimeter walls, floors, and ceilings; and,
- e) All plumbing, electric, heating, ventilating, and other utility or service equipment, fixtures, lines, pipes, conduit, vents, plugs, outlets and other fixtures which serve such Unit exclusively, whether or not the same is located or lying, in whole or in part, within the bounds of such Unit as above defined.

3.2 Boundaries:

- a) The lower boundary of each Unit is the floor of the Unit measured inward from the upper surface of the slab or basement floor, whichever is applicable;
- b) The upper boundary of each Unit is the ceiling of the Unit measured inward from the exterior surface of the gypsum wallboard (meaning thereby the surface of the wallboard that touches the ceiling joist to which it is attached).
- c) The vertical (perimetric) boundaries of each Unit are the perimeter load-bearing walls and the party walls between the Units, measured inward from the exterior surface of the gypsum wallboard (meaning thereby, the surface of such wallboard that touches the stud to which it is attached). Windows and sliding glass patio doors shall be considered to be outside of the Unit boundaries and are to be considered Limited Common Elements appurtenant to each Unit. All wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, and any other materials constituting any part of the finished surfaces of the Unit shall be a part of the Unit, and all other portions of the walls, floors, ceilings and spaces exterior to the Unit boundaries shall be part of the Common Elements.
- d) If any chute, flue, fire duct, wire, conduit, bearing wall, bearing column, or any other fixture lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving one or more but fewer than all the Units is a Limited Common Element and any portion serving all of the units is a part of the Common Elements. Subject to the foregoing, all spaces, interior partitions, and other fixtures, improvements and appliances within the boundaries of a Unit shall be a part of the Unit.

3.3 **Location:** The approximate locations of these Buildings and Units are depicted on the Survey Plat.

Article IV- Description of Common Element

4.1 **Common Elements:** The Common Elements shall be all real estate within the Planned Community Property other than the Units, as described above and depicted as Unit #3/Common Elements on the Survey Plat.

4.2 **Limited Common Elements:** Limited Common Elements means a portion of the Common Elements allocated for the exclusive use of one Unit, as depicted on the Survey Plat.

Article V - Allocated Interests

The Allocated Interests of the 112 East Main Planned Community are as follows:

<u>Unit</u>	<u>Common Expense Liability</u>	<u>Votes in the Association</u>
1	50%	1
2	50%	1

Article VI - Expense Liability

6.1 Responsibility for Upkeep.

a) Common Elements: The Association shall be responsible for maintenance, repair and replacement of the Common Elements, for the maintenance, repair and replacement of their Unit.

b) Easement for Access: Each Unit Owner shall provide to the Association, their agents or employees, access through his or her Unit reasonably as is reasonably necessary for maintenance, repair or replacement of the Common Elements.

c) The Association shall carry master insurance on Common Elements and Limited Common Elements.

6.2 Assessments and Liens.

a) Assessments

1. Assessments shall be made at least annually, based on a budget adopted at least annually by the Association. The fiscal year of the Association shall be a calendar year.

2. All Common Expenses shall be assessed against all the Units in accordance with the allocations set forth in this Declaration. The Association may charge interest on any past due assessment or portion thereof at a rate established by the Association, not exceeding the legal rate.

3. The Association may allocate expenses among Units as follows:
 - i. A Common Expense benefiting fewer than all of the Units or their Owners may be assessed exclusively against the Units or Unit Owners benefited; and
 - ii. The cost of insurance shall be assessed in proportion to risk and the cost of utilities shall be assessed in proportion to usage.
4. If damage to a Unit or other part of the Planned Community, or if any other common expense is caused by the willful misconduct or gross negligence of any Unit Owner, guest, or invitee of a Unit Owner, the Association may, after notice and hearing, assess that expense exclusively against that owner's Unit, even if the Association maintains insurance with respect to that damage or common expense.
5. If common expense liabilities are reallocated, common expense assessments and any installment not yet due shall be recalculated in accordance with the reallocated common expense liabilities.

b) Power to Place Liens

1. The Association has a lien on a Unit for any assessment attributable to that Unit or fines imposed against its Unit Owner. Reasonable attorney's fees and costs, other fees, charges, late charges, fines, and, and any other sums due to the Association under this Declaration, or as a result of an administrative, arbitration, mediation, or judicial decision, are enforceable in the same manner as unpaid assessments under this section.

If an assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment becomes due.

2. A lien under this section is prior to all other liens and encumbrances on a Unit except:
 - i. liens and encumbrances recorded before the recordation of the Declaration; and
 - ii. except as otherwise provided in subsection (c) of this section, a first mortgage or deed of trust on the Unit recorded before the date on which the assessment to be enforced became delinquent; and
 - iii. liens for real estate taxes and other governmental assessments or charges against the Unit.
3. A lien under this section is also prior to all security interests described in subdivision (b)(2) of this section to the extent of the Common Expense assessments based on the periodic budget adopted by the Association which would have become due in the absence of acceleration during the six months immediately preceding institution of an action to enforce the lien. Subsections (2) and (3) of this section do not affect the priority of mechanics' or materialmen's liens, or the priority of liens for other assessments made by the Association. A lien under this section is not subject to the provisions of 27 V.S.A. Chapter 3.

4. Recording this Declaration constitutes record notice and perfection of the lien. No further recording of any claim or lien for assessment under this section is required.
5. A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within three years after the full amount of the assessment becomes due.
6. This section does not prohibit an action against Unit Owners to recover sums for which subsection (a) of this section creates a lien or an association from taking a deed in lieu of foreclosure.
7. A judgment or decree in any action brought under this section shall include an award of costs and reasonable attorney's fees to the prevailing party.
8. The Association, upon request made in a record, shall furnish to a Unit Owner a statement of the amount of unpaid assessments against that Unit. If the Unit Owner's interest is real estate, the statement shall be recordable. The statement shall be provided within 10 business days after receipt of the request and is binding on the Association, the executive board, and every Unit Owner.
9. The Association's lien may be foreclosed pursuant to 12 V.S.A. chapter 172 and this section. The Association shall give the notice required by statute, or if there is no such requirement, reasonable notice of its action to all lienholders of the Unit whose interest would be affected.
10. A Unit Owner is not exempt from liability for payment of common expenses by a waiver of the use or enjoyment of any of the common elements or by abandonment of the Unit.
11. In an action by an Association to collect assessments or to foreclose a lien on a Unit under this section, the court may appoint a receiver to collect all sums alleged to be due and owing to a Unit Owner before commencement or during pendency of the action. The court may order the receiver to pay any sums held by the receiver to the Association during pendency of the action to the extent of the Association's common expense assessments based on a periodic budget adopted by the Association.
12. An Association may not commence an action to foreclose a lien on a Unit under this section unless the Unit Owner, at the time the action is commenced, owes a sum equal to at least three months of common expense assessments based on the periodic budget last adopted by the Association and the Unit Owner has failed to accept or comply with a payment plan.
13. Unless the parties otherwise agree, the Association shall apply any sums paid by Unit Owners that are delinquent in paying assessments in the following order:
 - i. unpaid assessments;
 - ii. late charges;
 - iii. reasonable attorney's fees and costs and other reasonable collection charges; and
 - iv. all other unpaid fees, charges, fines, penalties, interest, and late charges.

14. Notwithstanding subsection (a) of this section, unless sums due the Association include an unpaid assessment, a foreclosure action may not be commenced against the Unit unless the Association has a judgment against the Unit Owner for the sums due the Association and has perfected a judgment lien against the Unit.

Article VII - Alteration and Termination

7.1 Amendment of Declaration and/or Bylaws.

- a) This Declaration, including any plats and plans and exhibits, may be amended only by vote or agreement of all of the Unit Owners.
- b) No action to challenge the validity of an amendment adopted by the Association pursuant to this section may be brought more than one year after the amendment is recorded.
- c) Every amendment to the Declaration and/or Bylaws shall be recorded in the Town of Richmond Land Records, and is effective only upon recordation. An amendment shall be indexed in the grantee's index in the name of the common interest community and the Association, and in the grantor's index in the name of the parties executing the amendment.
- d) No amendment may create or increase special Declarants' rights, increase the number of units, change the boundaries of any unit, or change the Allocated Interests of a Unit, or the uses to which any Unit is restricted, in the absence of unanimous consent of the Unit Owners.
- e) Amendments to the Declaration and/or Bylaws required to be recorded by the Association shall be prepared, executed, recorded, and certified on behalf of the Association by any officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association.
- f) An amendment to the Declaration and/or Bylaws may prohibit or materially restrict the permitted uses of or behavior in a Unit or the number or other qualifications of persons who may occupy Units only by unanimous vote or agreement of all Units. An amendment approved under this subsection must provide reasonable protection for a use or occupancy permitted at the time the amendment was adopted.

7.2 Termination.

- a) Except in the case of a taking of all Units by eminent domain or in the case of catastrophe, the Planned Community may be terminated only by unanimous vote of all Unit Owners.

Article VIII - Easements

8.1 Easements.

The Property is subject to and has the benefit of such easements and rights of way as are depicted on the Survey Plat, and/or recorded in the Land Records of the Town of Richmond including but not limited to:

- a) Access. The property is benefitted by a shared right of way for ingress and egress in common with others from East Main Street (U.S. Rt. 2), so-called, and a shared parking area depicted on the Survey Plat as existing gravel drive.
- b) Power/Communications. *Unit #1 and Unit #2* are served by underground electrical and communication service via an underground line across Common Elements, as depicted on the Survey Plat. *Unit #2* also shares in the right to run power and communication lines through this Right of Way, and across *Unit #1*, for the benefit of *Unit #2*.
- c) Obligation to share costs. All shared easements and rights of way depicted on the Survey Plat and/or benefitting the Property also include the obligation for each lot or unit owner to share in their allocated share of the expenses of maintenance, repair and improvement of the easements and/or systems or improvements located within the easement areas.

Article IX – Association

9.1 **Authority.** The business affairs of the Planned Community shall be managed by the Association. The Association shall be governed by the Bylaws of the Association, as they may be amended from time to time. The Association shall have all of the powers, authorities and duties necessary or appropriate to manage the business and affairs of the Planned Community pursuant to the Declaration and Bylaws, including but not limited to preparation of an annual budget, collection of assessments, ownership and upkeep of the Common Elements, open bank accounts on behalf of the Association, obtain and carry insurance on the Common Elements, enforce the provisions of the Declaration and Bylaws, and do such other things or acts not inconsistent with the Declaration or Bylaws.

9.2 **Membership.** Each Unit shall be assigned one appurtenant and indivisible membership in the Association which may not be assigned, hypothecated, pledged or transferred in any manner except as an indivisible appurtenance to the Unit.

Executed at Richmond, Vermont this _____ day of _____, 2024.

Matthew J. Parisi

Blair E. Knowles

**Blair E. Knowles, Trustee of the Allen & Lynne Knowles Family Trust III,
u/a dated November 21, 2019**

**STATE OF VERMONT
COUNTY OF CHITTENDEN, SS.**

At Richmond, Vermont, on this _____ day of _____, 2024, personally appeared Matthew J. Parisi and Blair E. Knowles, and they acknowledged this instrument, by them sealed and subscribed, to be their free act and deed.

Before me, _____

Print Name - Elizabeth M. Egan

Notary Public, State of Vermont

Commission #157.0002746

My Commission Expires: January 31, 2025

**STATE OF VERMONT
COUNTY OF CHITTENDEN, SS.**

At Richmond, Vermont, on this _____ day of _____, 2024, personally appeared Blair E. Knowles, Trustee of the Allen & Lynne Knowles Family Trust III, u/a dated November 21, 2019 and she acknowledged this instrument, by her sealed and subscribed, to be her free act and deed, as well as, the free act and deed of the Allen & Lynne Knowles Family Trust III, u/a dated November 21, 2019.

Before me, _____

Print Name - Elizabeth M. Egan

Notary Public, State of Vermont

Commission #157.0002746

My Commission Expires: January 31, 2025

Exhibit A

Legal Description of the 112 East Main Planned Community Property

Being all of the lands and premises depicted on a plat of survey entitled "*Proposed P.U.D. of Lands of Knowles & Parisi, 112 East Main Street, Richmond, Vermont*" prepared by Terry W. Wilson, L.S. No. 60812 VT, dated August, 2024 and to be recorded in the Town of Richmond Land Records (*hereinafter referred to as the "Survey Plat"*).

Also being all of the land and conveyed to Allen & Lynne Knowles Family Trust III, u/a dated November 21, 2019, Blair Knowles and Matthew Parisi by Warranty Deed of Donald Morin and Bonnie Morin dated September 8, 2020 and recorded in Book 256 at Page 234 of the Town of Richmond Land Records.

Exhibit B

Plat of 112 East Main Planned Community

Exhibit C

By-laws of the 112 East Main Planned Community Homeowner's Association

1. **Membership.** The 112 East Main Planned Community Homeowner's Association shall consist of 2 members, one from each Unit Owner. Multiple or joint owners of a single Unit shall be treated for all purposes as jointly owning and holding the one membership appurtenant to that particular Unit. By acceptance of the deed of conveyance to a Unit, each Unit Owner shall become a member of the Association and be bound by the terms, conditions and provisions set forth in this Declaration, the Bylaws and the Act. Membership in the Association is mandatory and at all times shall consist exclusively of all Unit Owners acting as a non-profit incorporated association, or in the event of termination of the Community, then by all Owners as tenants in common. A Unit Owner's membership shall terminate upon transfer of the Owner's interest in the Unit. Persons or entities who hold an interest in a Unit merely as security for performance of an obligation are not members of the Association. A membership appurtenant to a Unit shall be initiated by creation of such Unit pursuant to this Declaration and once a membership is initiated, liability for Common Expenses shall automatically commence. Membership in the Association shall be owned and held by the Unit Owner of each Unit.

2. **Voting.** Unit Owners shall be entitled to vote on Association matters as provided in the Declaration in person, by proxy pursuant to the requirements of the Act or by electronic or paper absentee ballot pursuant to the Act. The Owner of each Unit shall be entitled to one (1) vote and joint owners of a Unit shall vote their one (1) vote collectively through one owner. All decisions of the 112 East Main Planned Community Homeowner's Association shall be made by unanimous vote. In the event of any tie vote, the Unit Owners agree to attempt to resolve such tie vote through consensus, good faith negotiations and/or mediation prior to the institution of any arbitration proceedings.

3. **Dispute Resolution.** To enforce a right granted or obligation imposed hereunder, the Unit Owners agree to attempt to resolve disagreements through consensus, good faith negotiations and/or mediation prior to the institution of any arbitration proceedings, however, if the dispute cannot be resolved through such negotiations and/or mediation, then the Unit Owners agree that any Unit Owner may commence arbitration which arbitration shall be conducted by a single arbitrator in accordance with the Rules of the American Arbitration Association which such arbitrator's final written decision shall exclusively and finally resolve the dispute.

4. **Annual Meeting.** Unless otherwise agreed by vote of the Members, the annual meeting to adopt the annual budget and conduct other business of the Association shall be held on the Second Tuesday of November of each year, unless such date shall occur on a holiday, in which event the meeting shall be held on the following day. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Unit Owners. Any action by the Association required or permitted to be taken at any meeting may be taken without a meeting if all of the Unit Owners shall individually or collectively consent in writing to such action.