

## KIDDER WAY CONDOMINIUM

### Summary of the Condominium Declaration

(Prepared for OPAL Community Land Trust)

#### What is a Condominium Declaration?

A condominium declaration is the legal document that creates a condominium under state law. It does two main things:

1. *Divides property into units and common areas:* It defines which parts of the property are individually owned (units) and which parts are shared (“common elements” like driveways, walkways, etc.).
2. *Establishes rules for owners and the homeowners association (HOA):* It explains how the condo will be governed, including voting rights, maintenance responsibilities, and financial obligations.

Think of it as the “constitution” for the condo community—it establishes ownership structure and the rules everyone must follow.

#### Key Provisions of the Kidder Way Condominium Declaration

##### Basic Information

- The condominium is called Kidder Way Condominium.
- It consists of 10 airspace units (think of them as 3D boxes of space where homes are built).
- OPAL Community Land Trust (OPAL) is the “Declarant” – i.e., the organization that created the condo – and owns the land. Homeowners own the houses and lease the land from OPAL under a 99-year renewable ground lease.

##### Ownership Structure

- Each homeowner (called a “CLT Member Owner” in the Declaration) owns their home and leases the land beneath it from OPAL.
- OPAL retains ownership of the land and certain rights to ensure affordability.
- Common areas (the parking lot, walkways, landscaping, etc.) are owned collectively by all homeowners. These parts of the condo are called “Common Elements.”

##### Allocated Interests

- *Expenses.* Homeowners pay 100% of common expenses; OPAL pays none.
- *Voting.* There are two classes of voters: CLT Member Owners and OPAL.
  - CLT Member Owners vote on most matters.
  - OPAL votes only on “Major Decisions” (like the annual budget, big expenditures, amendments to the Declaration, or termination of the condo).
- *Common Elements.* Homeowners own 100% of the Common Elements.

##### Common Elements and Limited Common Elements

- Common Elements include shared areas outside the units, like common paths and driveways.
- The condo also has “Limited Common Elements,” which are technically common property, but are only used by some of the homeowners. These include assigned parking pads and certain building

components (like a roof, which is a Limited Common Element of the homeowners who share that roof).

- Parking pads are allocated per unit; some are reserved for guests and adjacent property owners.

### Use Restrictions

- Units are for residential use only.
- Timeshares and short-term rentals (like Airbnb and VRBO) are prohibited.
- Leasing to third parties is generally prohibited unless OPAL approves.

### Maintenance Responsibilities

- Homeowners maintain their own homes and interiors.
- The HOA maintains common areas and some shared building components (like roofs).
- Costs for shared items are allocated fairly among affected units.

### Association and Governance

- A nonprofit HOA manages the condominium.
- OPAL will control the board initially but must transition control to homeowners once most units are sold.
- Homeowners will elect the HOA board after the transition of control.

### Financial Matters

- The HOA board will prepare an annual budget every year, which must be approved by OPAL and the homeowners.
- Homeowners pay monthly assessments (dues) for common expenses.
- Special assessments can be levied for big repairs or emergencies.
- Initial buyers pay a \$500 working capital contribution.
- The HOA may create reserve funds for future repairs.
- Homeowners are personally liable for assessments, and unpaid assessments become a lien on the unit that can be foreclosed.

### Insurance

- The HOA insures common areas.
- Homeowners must insure their own homes.
- OPAL does not insure homes.

### Amendments and Termination

- Most changes to the Declaration require approval of 67% of homeowners, OPAL, and certain mortgage holders.
- OPAL can make minor revisions to the Declaration to correct errors without the approval of homeowners.
- Termination of the condo would require 80% owner approval, OPAL's consent, and certain consents from mortgage holders.
- OPAL owns an adjacent parcel, and has the right to add that parcel to the condo if OPAL ever decides to develop it.