

(b) receive an annual audited financial statement of the Project within 90 days following the end of any fiscal year of the Project; and (c) written notice of all meetings of the Association and first mortgagees, and the insurer shall be permitted to designate a representative to attend all such meetings.

H. In the event of substantial damage to or destruction of any unit or any part of the common elements, the institutional holder of any first mortgage on a unit will be entitled to timely written notice of any such damage or destruction, and no provision of any document establishing the Project will entitle the owner of a unit or other party to priority over such institutional holder with respect to the distribution to such unit of any insurance proceeds.

I. If any unit or portion thereof or the common elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by a condemning authority, then the institutional holder of any first mortgage on a unit will be entitled to timely written notice of any such proceeding or proposed acquisition, and no provision of any document establishing the Project will entitle the owner of a unit or other party to priority over such institutional holder with respect to the distribution to such unit of the proceeds of any award or settlement.

J. In the event any portion of the common elements encroaches upon any unit or any unit encroaches upon the common elements, as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the Project, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the encroachment exists.

K. The legal estate of the unit owner will be held in fee simple as provided in the Act.

L. The right of a unit owner to sell, transfer, or otherwise convey the owner's unit will not be subject to any right of first refusal or any similar restriction in favor of the Association.

M. The failure of any unit owner to comply with the

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