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DECLARATION OF CONDOMINIUM

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For

POLAND PLACE CONDOMINIUM

Declarant: Bowes Development, LLC.
28 Derry Lane
Hudson, New Hampshire 03051

Location: Brown Road
Poland, Androscoggin County, Maine

Date: January 27, 2007

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**DECLARATION OF CONDOMINIUM
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POLAND PLACE CONDOMINIUM A L
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THIS DECLARATION is made this 27th day of January, 2007, by Bowes Development, LLC, a Maine corporation, with a principal place of business at Brown Road, Poland, Androscoggin County, Maine, (the "Declarant"), for the purposes of submitting certain property to the condominium form of ownership in accordance with the provisions of the Maine Condominium Act, 33 MRSA §1601-101 *et seq* (the "Act"); and for the purposes of establishing certain provisions regarding the use and ownership thereof, and other terms and conditions related thereto.

WITNESSETH:

WHEREAS, the Declarant owns a certain tract of land, with the improvements heretofore or hereafter constructed thereon, located on Brown Road, Poland, Androscoggin County, Maine, on which it proposes to construct certain residential dwellings, a recreation or community center and other improvements which will comprise a condominium community known as Poland Place Condominium (hereinafter "Poland Place" or the "Condominium"); and

WHEREAS, the Condominium may consist of a maximum of fourteen (14) units; and

WHEREAS, the Declarant intends to sell and convey units in the Condominium, subject to certain restrictions, covenants, conditions, easements and other provisions to establish a general plan of development for the Condominium.

NOW, THEREFORE, the Declarant hereby submits the property described in **Exhibit A**, and all easements and other rights appurtenant thereto, to be governed by and regulated in accordance with the Act, and to be improved, developed, encumbered, conveyed and otherwise transferred in accordance with the Act and the terms and conditions hereof.

ARTICLE 1

DEFINITIONS

Certain of the terms as used in this Declaration and in the Bylaws which are annexed hereto as **Exhibit B** and are made a part hereof, are defined and shall have the following meanings, unless the context clearly indicates a different meaning therefor:

- 1.1 "Act" – The Maine Condominium Act, 33 MRSA §1601-101 *et seq*, as amended from time to time).
- 1.2 "Amendment" – Any amendment to this Declaration, duly executed and recorded from time to time.

- 1.3 "Assessment" – The obligation levied against each Owner relative to the cost of repairing, replacing, maintaining, managing or otherwise implementing the purposes of this Declaration or the Act. OFFICIAL COPY
- 1.4 "Association" – The Maine non-profit corporation known as Poland Place Condominium Association, which constitutes the association of Owners at the Condominium. OFFICIAL COPY
- 1.5 "Board" or "Board of Directors" – The executive and administrative entity designated in this Declaration, or Bylaws of the Association as the governing body of the Association. OFFICIAL
- 1.6 "Bylaws" – The instrument attached hereto as **Exhibit B** and made a part hereof, which instrument provides for the self-government of the Condominium by the Association.
- 1.7 "Common Area" – All that portion of the Condominium, other than the Units, and is more particularly described in Section 2.4 hereof. The Common Area includes the Limited Common Area.
- 1.8 "Common Expenses" – All expenditures lawfully made or incurred by or on behalf of the Association, together with all funds lawfully assessed for the creation and/or maintenance of reserves pursuant to the provisions of the Condominium Instruments. Future Common Expenses means Common Expenses for which Assessments are not yet due and payable.
- 1.9 "Condominium" or "Poland Place" – The Submitted Land and any interests thereon described in **Exhibit A** hereof (and as may be added thereto), together with all buildings and other improvements and structures presently existing or hereafter created thereon, and all personal property now or hereafter existing or put or installed thereon in use connection with such real estate.
- 1.10 "Condominium Instruments" – This Declaration and the Bylaws, as either or both may be amended from time to time.
- 1.11 "Declarant" – Bowes Development, LLC, a Maine corporation, with a principal place of business at 28 Derry Lane, Hudson, New Hampshire, 03051.
- 1.12 RESERVED
- 1.13 "Declaration" – This instrument.
- 1.14 "Detention Basin" - See the definition of that term in Section 16.2 below.
- 1.15 "Institutional Lender(s)" – One or more commercial or savings banks, savings and loan associations, trust companies, credit unions, industrial loan associations,

insurance companies, pension funds, or business trusts, including any other lender regularly engaged in financing the purchase, construction, or improvement of real estate, or any assignee of loans made by such a lender, or any combination of any of the foregoing entities.

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- 1.16 **RESERVED** T N O T
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- 1.17 “Manager” – The person designated by the Board, if any, to manage the affairs of the Condominium, and to perform various other duties as may be assigned to such person by the Board in accordance with the provisions of this Declaration and the Bylaws.
- 1.18 “Owner(s)” – One or more persons who own(s) a Unit.
- 1.19 “Community Gazebo” – The common use building to be constructed on the Submitted Land as depicted on the Site Plan.
- 1.20 “Rules and Regulations” – Such regulations as the Board, from time to time, may adopt relative to the use of the Condominium, or any part thereof, including these set forth in **Exhibit C** hereto.
- 1.21 **RESERVED**
- 1.22 “Site Plan” – The plan approved by the Poland Planning Board on January 27, 2007 and recorded with the Androscoggin County Registry of Deeds in Plan Book 46, Page 48.
- 1.23 “Submitted Land” – The land in the Condominium, which land is described in **Exhibit A**.
- 1.24 “Supplemental Declaration” – Any declaration of covenants and restrictions which by its terms of expressly made supplemental to this Declaration.
- 1.25 “Undivided Percentage Interest” – The undivided percentage interest in and to the Common Area attributed to each Unit and as set forth in **Exhibit D** appended hereto, as amended from time to time, pursuant to this Declaration and the Act.
- 1.26 “Unit” – A portion or portions of the Condominium designated and intended for individual ownership and use, as more particularly described in Section 2.3 hereof.
- 1.27 “FNMA” and “FHLMC” – Respectively, the Federal National Mortgage Associates and the Federal Home Loan Mortgage Corporation, and their respective successors.

- ## 2.2 Description of Buildings.

- (a) Upon the Submitted Land, the Condominium will include up to fourteen (14) residential dwellings, each of which shall constitute a Unit, as more particularly described in Section 2.3 below
- (b) The buildings housing the Units will be of wood frame construction upon concrete block or poured concrete foundations, slabs or crawl space foundations. The designs of the buildings may vary. The buildings shall be of single family design.

- 2.3 **Description of Units.** The Unit number and the dimensions of each Unit are shown on the site plans and floor plans recorded from time to time. The Unit number for each Unit and its style or design, if applicable, are set forth in **Exhibit D** attached hereto, as the same may be amended and supplemented from time to time by the Declarant as it determines. The horizontal and vertical boundaries of each Unit are as follows:

(1) **Horizontal Boundaries:**

The horizontal boundaries of each Unit shall be:

- (a) **Lower Boundary** – The finished, lower exterior surface of the concrete slab or basement;
- (b) **Upper Boundary** – The finished, exterior surface of the roof of the building.

(2) **Vertical Boundaries:**

The vertical boundaries of each Unit shall be the finished surfaces of the exterior walls (including foundation walls) and the finished, exterior surfaces of the doors and windows.

Each Unit includes all improvements within said boundaries and the space which is enclosed thereby, excepting only such Common Area as may be located therein. All doors and windows serving the Unit are part of the Unit. All roofing materials, shingles, paint and other materials constituting part of the finished surfaces in a Unit are part of the Unit. It is the intention and effect of these provisions that with respect to a Unit in a single family building, the entire building constitutes the Unit, and with respect to the Units in a duplex building, the entirety of each respective portion of such building constitutes the respective Unit, except for those portions designated as Common Area (inclusive of Limited Common Area) herein.

The pipes, plumbing, water supply system and septic system components (inclusive of pipes, tanks and leach fields), ducts, flues, chutes, conduits, wires, and other utility installations, including heating and air conditioning systems situated in a Unit, which serve that Unit alone, are part of the Unit; provided, that such items (or their components) which serve more than one Unit are Common Area. If any such pipes, plumbing, water supply system and septic system components (inclusive of pipes, tanks and leach fields), ducts, flues, chutes, conduits, wires, and other utility installations, including heating and air conditioning systems, lie outside of the aforementioned designated boundaries of a Unit, any portions thereof serving only that Unit shall be deemed Limited Common Area appurtenant to that Unit, while any portions thereof serving more than one Unit shall be deemed part of the Limited Common Area appurtenant to the Units so served.

2.4

Description of the Common Area. The Common Area includes, but not by way of limitation:

- (a) The land on which the buildings containing the Units are located and the roadways, sidewalks, walks, shrubbery, and other plantings, parking areas, driveways, trails and other land and interests in land included in the description of the Submitted Land;
- (b) The water supply system and its components, the septic system components (inclusive of pipes, tanks and leach fields, which are Limited Common Area), the electrical and telephone systems and their components and other utility systems and components servicing the Condominium which are not located in a Unit;
- (c) The Gazebo;
- (d) Easements and other interests in real estate appurtenant to the Submitted Land;
- (e) Any other amenities (if any) which are constructed as recreation amenities;

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(f) Street lights, community signs, road signs and appurtenant equipment;

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(g) All other parts of the Condominium, including Limited Common Area, and personal property acquired by the Association, necessary or convenient to its existence, maintenance, and safety, or otherwise in common use.

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Description of Limited Common Area. There is appurtenant to each of the Units, certain Limited Common Area, some of which is more particularly shown on the site plans of the Condominium, and on the floor plans for the Units, recorded herewith or to be recorded from time to time. In particular, such Limited Common Area may include walkways and driveways. Limited Common Area shall also include the items referenced as Limited Common Area in Section 2.4 above.

Unit Percentage Interest in Common Area and Facilities. An equal undivided interest in the Common Area is allocated to each Unit in accordance with **Exhibit D**, as amended from time to time. There shall appertain to each Unit in the Condominium, for voting purposes in connection with meetings of the Association, one vote per Unit.

Statement of Purposes of Condominium Use.

- (a) The Condominium is primarily intended for residential use solely by persons fifty-five (55) years of age or older, in accordance with and subject to the terms and conditions of this Declaration, including, without limitation, the Elderly Housing Covenants set forth in Article 15 below, and the requirements of applicable governmental approvals.
- (b) Each Unit shall be occupied and used only for private, residential purposes by the Owner and his or her family, or by lessees or guests of the Owner, except for such limited professional use as the Board, upon written application from an Owner, may authorize in its discretion. Such limited professional use shall not be incompatible with the residential character of the Condominium. These provisions regarding use shall not prohibit an owner from leasing or renting his Unit; provided, that such lease or rental shall be by written agreement and in accordance with the terms and provisions hereof. No such limited professional use shall include members of the public entering the Unit in connection therewith.
- (c) The Common Area shall not be used in a manner which is inconsistent with the residential character of the Condominium. No one shall obstruct, commit any waste in, or otherwise cause any damage beyond reasonable wear and tear

to the Common Area, and anyone causing such damage shall pay the expense incurred by the Association in repairing or replacing the same.

- (d) F F I C I A L O F F I C I A L
 No unregistered vehicles may be stored or parked at the Common Area or in a Unit. No Unit Owner shall cause or suffer to be stored or parked at the Common Area any commercial vehicle. Only automobiles and other vehicles customary and usual for so-called pleasure driving shall be parked at the Common Area. Notwithstanding the foregoing, commercial vehicles which come to make deliveries to or service a Unit or the Common Area, or the temporary guests of Unit Owners, may park vehicles at the Common Area. Commercial vehicles may be stored or parked in the garage portion of a Unit; provided, that such vehicles are kept from view from any roadway or any other Unit.
- (e) No boats, trailers, recreational vehicles or other, similar items of personal property, except as expressly permitted by the Board, shall be parked on or stored at the Common Area.
- (f) No noxious or offensive use shall be made of any part of the Condominium, and nothing shall be done therein which is or will become an annoyance or nuisance to other Owners. No use shall be made of any part of the Condominium which shall constitute a fire hazard or which will result in the cancellation of insurance on any part of the Condominium, or which is in violation of any law, ordinance, or governmental regulation applicable thereto. No use shall be made of any part of the Condominium which will increase the rate of insurance on the Common Area without the express, prior written consent of the Board.
- (g) No signs (except as expressly permitted in this Declaration), clothes lines, television antennas, refuse, or loose clothing or similar material or equipment shall be hung, posted or otherwise so placed as to be within the public view or within the view of other Owners without the express, prior written consent of the Board. Notwithstanding the foregoing, so-called satellite dishes not greater than 18 inches in diameter may be placed in or outside of a Unit; provided, that the Owner shall take reasonable steps to shield the same from public view, so long as such shielding does not materially and adversely affect the utility of such satellite dish.
- (h) No animals, livestock, or poultry, except two (2) domesticated household pets, consisting of a dog or dogs or cat or cats, shall be kept anywhere within the Condominium. Fish aquariums and domesticated birds are also permitted.

2.8

Declarant as Owner.

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- (a) ~~○ F T~~ The Declarant shall be deemed to be the Owner of any Units not conveyed by the Declarant. The Declarant and its representatives and assigns may make such use of such unsold Units and of the Common Area as may facilitate such sale, including, without limiting the generality of the foregoing, the maintenance of a sales office, the showing of the Units and the Condominium generally. ~~○ F F I C I A L~~

- (b) ~~○ F F I C I A L~~ The Declarant shall have no obligation to pay Assessments as the Owner of a Unit until such Unit is substantially complete. ~~○ F F I C I A L~~

2.9

Nature of Poland Place Drive. Poland Place Drive is and will remain a private road. The dedication of Poland Place Drive on the Site Plan or any site plans recorded in connection with the Condominium does not constitute a dedication of a public road. The Declarant, for itself, its successors and assigns, waives any right to request that Poland Place Drive become a public road.

ARTICLE 3**EXTENT OF OWNERSHIP AND POSSESSION BY OWNER**

3.1

Subject to the provisions of this Declaration, each Owner shall be entitled to the exclusive ownership and possession of his Unit.

3.2

Each Owner shall own an undivided interest in the Common Area as set forth in **Exhibit D**. Each Owner's undivided interest is arrived at by dividing each Unit by the total number of Units then in the Condominium. In the event that additional Units are constructed on the Convertible Land, then by operation of law, each Owner's undivided interest in the Common Area shall decrease to a percentage equal to one Unit divided by the total number of all Units then in the Condominium after creation of each additional Unit. No such interest shall be altered in a manner which is contrary to the provisions of the Act, as amended from time to time, and no such interest shall be separated from the Unit to which it appertains, it being deemed to be conveyed or encumbered with the Unit even though it is not expressly mentioned or described in the instrument of conveyance or encumbrance. Subject to the provisions of this Declaration, each Owner may use the Common Area, excepting Limited Common Area, in accordance with the purposes for which it is intended, so long as he or she does not hinder or encroach upon the lawful rights of the other Owners or otherwise violate the provisions hereof or of any Regulations adopted pursuant to said provisions.

3.3

Subject to the provisions of this Declaration, each Owner shall be entitled to the exclusive use of the Limited Common Area appurtenant to his or her Unit. The Owners of such Units shall each be entitled to use of that Limited Common Area and shall be equally responsible for the maintenance, repair and replacement of

the same. No obstructions or parked vehicles shall be placed in any such common driveway which would prohibit the common use of the other Owner whose Unit is serviced thereby. The exclusive use of the Limited Common Area shall not be altered without the consent of all the Owners expressed in an Amendment to the Declaration duly recorded and, without such unanimous consent, shall not be separated from the Unit to which it is appurtenant, it being deemed to be conveyed or encumbered with the Unit even though it is not expressly mentioned or described in the instrument of conveyance or encumbrance.

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3.4

Subject to the provisions of this Declaration, the Owners, through their Association, shall be equally responsible for the maintenance, post-storm inspections, monitoring and record keeping for those stormwater management issues more fully detailed in Article 16.3.

ARTICLE 4

MAINTENANCE AND REPAIRS

4.1

Owners' Obligation to Repair and Maintain.

- (a) Each Owner shall, at his own expense, keep his Unit and its utility systems, equipment, appurtenances (including those elements of the water and sewerage systems referenced in Section 2.3 above) and other improvements in good order, condition and repair; provided, that the Association (through the Board of Directors) may undertake certain maintenance of the septic system as contemplated under Article V, Section 4(B) of the Bylaws. In addition to keeping the interior of the Unit in good repair, each Owner shall be responsible for the maintenance, repair and replacement, of the roofs, windows, doors, exterior walls, foundation and other exterior elements and improvements of the Unit.
- (b) The Association shall keep the Common Area in a neat and orderly condition, and shall make all repairs and replacements thereto. In the event an Owner or Owners fail(s) to maintain, replace or repair the exterior of his or their Units or the Limited Common Area appurtenant thereto, after thirty (30) days written notice of the need for the same is given to him or them by the Board, the Board may enter and undertake such maintenance, replacements or repairs, the expense of which shall be borne by the Owner(s) of said Unit(s). No Owner shall permit any repair or other work upon his Unit or the Limited Common Area appurtenant thereto, by any one unless such person or entity has furnished written evidence that it has obtained reasonably adequate public liability and workers' compensation insurance in forms and amounts which are satisfactorily to the Board, and unless such repair or other work is performed in compliance with applicable governmental laws, ordinances, rules and regulations.

4.2. **Prohibition against Structural Changes by Owner.** No Owner shall, without first satisfying the requirements regarding repair or other work contemplated in Section 4.1 above, and in addition, obtaining written consent of the Board:

- (i) Make or permit to be made any structural alteration, improvement or addition in or to his Unit or in or to any part of the Condominium. Excepting each Owner shall be authorized to construct up to a 12 X 14 sunporch/deck to their condominium;
- (ii) Undertake any action which would impair the structural integrity, soundness, or safety of his Unit or other structure in the Condominium;
- (iii) Impair any easement or personal property which is a part of the Condominium; or
- (iv) Paint or decorate the exterior of his Unit in violation of the provisions of this Declaration.

4.3 **Entrv for Repairs, etc.** The Association shall have the irrevocable right, to be reasonably exercised by the Board or its agent, to enter any Unit or Limited Common Area to inspect the same, to remove violations therefrom and to perform any repair, maintenance or replacement work for which the Board is responsible or relative to which the Board may undertake, and shall have the irrevocable right, to be reasonably exercised by the Board or its agents, in an emergency situation, to enter any Unit or Limited Common Area for the purpose of making emergency repairs necessary to prevent damage to other parts of the Condominium.

ARTICLE 5

ALTERATIONS

5.1 **Alterations Within Units.** Subject to the notification requirements of Article 4.1(b) above, an Owner may make alterations, additions, and improvements within his Unit which do not violate this Article, including moving, removing, altering, or adding to interior non-load bearing walls and partitions, provided that no such alteration, addition, or improvement may affect the structural elements or integrity of any structure without the prior written consent by the Board.

- (i) ~~N O~~ ~~Loss or damage~~ by fire and ~~other~~ hazards normally covered by a
A ~~standard extended coverage endorsement~~; and
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- (ii) ~~O~~ ~~Any such other risks and perils as~~ from time to time the Board
determines and which is customarily covered with respect to use as
N O the buildings included in the Condominium, including but not
A N limited to, vandalism and malicious mischief and risks covered by
O F F I C I A L "all risk" coverage. O F F I C I A L
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- (b) **Public Liability.** Public liability insurance in such amounts as the Board
may, from time to time determine, insuring such persons or entities as the
Board determines, which may include the Association, the Board and each
of its members, and the Manager. Such insurance shall provide coverage:
- (i) Of not less than Five Hundred Thousand Dollars (\$500,000.00) for
injury to or death of one person; not less than One Million Dollars
(\$1,000,000.00) for injury to or death of more than one person in
the same occurrence; and not less than Two Hundred Fifty
Thousand Dollars (\$250,000.00) for damage to property; or
- (ii) A single limit policy in the amount of One Million Dollars
(\$1,000,000.00); or
- (iii) Such greater coverage as may, from time to time, be required in
order to qualify for FHLMC and FNMA underwriting.
- Such insurance shall provide cross liability coverage with respect to liability
claims of any one insured thereunder against any other insured thereunder, or
against all other insureds thereunder as a group, but shall not insure against the
individual liability of an Owner for negligence occurring within his or her Unit or
his or her Limited Common Area.
- (c) **Workers' Compensation.** Workers' compensation insurance, as and if
required by law.
- (d) **Other Insurance.** The Association, by and through the Board, may also
procure and maintain:
- (i) Insurance upon owned and non-owned motor vehicles;
- (ii) Insurance as may required by Maine Statute;
- (iii) Flood insurance;
- (iv) Fidelity bond coverage;

- (v) ~~Employer liability insurance and~~
~~Such other insurance as the Board of Directors shall determine~~
~~from time to time to be desirable~~

6.3

General Insurance Provisions.

- (a) ~~The Board shall deal with the insurer or insurance agent in connection with the adjusting of all claims under insurance policies provided for under this Article (except for individual policies covering a Unit of which the Owner and his mortgagee are the sole insureds) and shall review with the insurer or insurance agent, at least annually, the coverage under said policies, said review may include an appraisal of the improvements within the Condominium, and shall make any necessary changes in the policy(ies) provided for hereunder (prior to the expiration date set forth in any agreed amount endorsement contained in said policy) in order to meet the coverage requirements of this Article.~~
- (b) The Board shall use its best efforts within the constraints of commercial reasonableness, to see that all policies of physical damage insurance provided for under this Article:
- (i) shall contain waivers of subrogation by the insurer as to claims against the Association, its employees and agents, members of the Board, the Manager, Owners and members of the family of any Owner who reside with said Owner, except in cases of arson and fraud;
 - (ii) shall contain a waiver of defense of invalidity or prejudice on account of the conduct of any of the Owners over which the Association has "no control";
 - (iii) shall provide that such policies may not be canceled or substantially modified without at least ten (10) days written notice to all of the insureds thereunder and all mortgagees of Units in the Condominium;
 - (iv) shall provide that in no event shall the insurance under said policies be brought into contribution with insurance purchased individually by Owners or their mortgagees; and
 - (v) shall exclude policies obtained by individual Owners for consideration under any "no other insurance" clause.

6.4

Individual Policies. Any Owner and any mortgagee may obtain at his or her own expense additional insurance (including a "unit-owner's endorsement" for

improvements and betterment to a Unit made or acquired at the expense of the Owner). Such insurance should contain the same waiver of subrogation provision as that set forth in Section 6.4(b). O F F I C I A L
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- (a) Each Owner may obtain additional insurance for his or her own benefit and at his or her own expense. No such policy shall be written so as to decrease the coverage under any of the policies obtained by the Board hereunder, and each Owner hereby assigns to the Board the proceeds of any such policy to the extent that any such policy does in fact result in a decrease in such coverage, said proceeds to be applied pursuant to the terms hereof as if produced by such coverage. Copies of all such policies (except policies covering only personal property, owned or supplied by individual Owners) shall be filed with the Association.
- (b) Each Owner should obtain insurance for his or her own benefit and at his or her own expense insuring all personal property presently or hereafter located in his or her Unit or Limited Common Area;
- (c) Each Owner shall obtain liability insurance with respect to his or her ownership and/or use of his or her Unit.

6.5

Action Following Casualty Damage.

- (a) In the event of damage to any portion of the Condominium by fire or other casualty, if a master casualty policy of insurance is in place, the proceeds therefrom shall, pursuant to the Act, be used to repair, replace, restore the Unit(s), structure(s) or the Common Area damaged, unless the Owners, to the extent permitted by the Act and this Declaration, vote not to repair, replace or restore the same, or vote to terminate the Condominium pursuant to the Act.
- (b) In the event individual policies of insurance have been procured by the Owners with respect to their Units, then in the event of damage to any such Unit(s) by fire or other casualty, the proceeds of such policies shall be used to repair, replace and restore the Unit(s) and related improvements.
- (c) The Board of Directors is hereby irrevocably appointed the agent and attorney-in-fact for each Owner, for each mortgagee of a Unit, and for each Owner of any other interest in the Condominium to adjust all claims resulting from such damage and to deliver releases upon the payment of claims.
- (d) Notwithstanding any other provisions of this Declaration or the Bylaws, in the event of casualty to a particular Unit or Units, if the insurance proceeds

date until paid, and in addition and at the sole discretion of the Board of Directors, a late charge to be determined by the Directors of the Association but which shall not exceed any limits imposed by the Act and which shall initially be twenty-five Dollars (\$25.00) shall be due and payable. Regular Assessments shall be due and payable monthly on the first day of each calendar month, or such other period as the Board establishes. A purchaser of a Unit other than a purchaser at a foreclosure sale or a purchaser at a sale in lieu of foreclosure, shall be liable for the payment of any Assessments against such Unit which are unpaid at the time of such purchase.

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7.4

Lien for Unpaid Assessments.

- (a) The Association shall have a lien upon each Unit for unpaid Assessments, together with interest thereon, against the Owner thereof. Expenses incurred by the Association, including reasonable attorney's fees, incident to the collection of such Assessments or the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association, in order to preserve and protect its lien, shall be payable by the Owner and secured by such lien. The Board of Directors may take such action as it deems necessary to collect Assessments by personal action or by enforcing and foreclosing said lien, and may settle and compromise the same if deemed in the best interests of the Association. Said lien shall be effective as and in the manner provided for by the Act, and shall have the priorities established by the Act. The Association shall be entitled to bid at any sale held pursuant to foreclosure of a lien for unpaid Assessments, and to apply as cash credit against its bid, all sums due, as provided herein, and covered by the lien being enforced. In connection with any such foreclosure, the Owner shall be required to pay a reasonable rental for the Unit for the period of time said Unit is occupied by the Owner or anyone by, through or under said Owner, while such foreclosure proceeding is pending;
- (b) In the event an Institutional Lender, or other purchaser of a Unit, obtains title to such Unit as a result of foreclosure by the Institutional Lender, or if an Institutional lender accepts a deed to such Unit in lieu of foreclosure, the person or entity so acquiring title shall not be liable for any Assessments by the Association pertaining to such Unit, or chargeable to the former Owner which became due prior to acquisition of title as a result of the foreclosure. Such unpaid Assessments shall be deemed to be Common Expenses collectible from all of the Owners including the person or entity acquiring title;
- (c) No person who acquires an interest in a Unit, except through foreclosures by an Institutional Lender, or the acceptance by an Institutional Lender of a deed in lieu of foreclosure (including, without limitation, persons

- acquiring title by operation of law, including purchasers at judicial sales), as contemplated in Section 7.2 above, shall be entitled to occupancy of the Unit of enjoyment of the Condominium until such time as all unpaid Assessments due and owing by the former Owner have been paid. The Association shall have the right to assign its claim for the recovery of any unpaid Assessments to the Declarant, or to any Owner or group of Owners or to any third party; and
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- (d) All such liens shall be subordinate to any first mortgage of a Unit held by an Institutional Lender.

7.5 Limitation Upon Liability of the Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium, the Association shall not be liable for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association.

ARTICLE 8

ADMINISTRATION AND MANAGEMENT

- 8.1 **Administration.** The administration of the Condominium shall be governed by the Association, by and through the Board, except for those matters which are exclusively within the province of the Members of the Association, as established in this Declaration or by Bylaws, as either or both may be amended from time to time. The membership of the Association shall consist of all the Owners, with such membership interest being as established in the Articles of Agreement of the Association. Without limitation to the foregoing, the Association, by and through the Board, may undertake all aspects of the management and administration of the Condominium, including the management and maintenance of Common Area, undertaking capital improvements, the enforcement of the Elderly Housing Covenants set forth in Article 15 hereof, and all other powers and duties granted an association of condominium unit owners under Maine law.
- 8.2 **Management Contract.** The Board of Directors, acting on behalf of the Association, may enter into a management agreement with any firm, person or corporation, or may join with other condominium associations and entities in a joint management agreement, for the management of the Condominium and its maintenance and repair, and may delegate to the Manager all the powers and duties of the Association, except such as are specifically required by the Declaration, or by the Bylaws, or as may otherwise be required by the Act, to have the approval of or be solely exercised by the Board of Directors or the

membership of the Association. The Manager may be authorized to recommend to the Board a budget and make and collect on behalf of the Association Assessments for Common Expenses as provided by the Declaration, Bylaws and appendices to the Declaration. C O P Y

- 8.3 **Rules and Regulations.** The Board is empowered to adopt and amend, from time to time, Rules and Regulations concerning the use of the Condominium and various parts thereof. Without limitation to the foregoing, the Board may amend, from time to time, the Rules and Regulations adopted simultaneously with the execution of this Declaration.
- 8.4 **Consent and Withdrawal.** Any consent(s) granted by the Board may be withdrawn by the Board, from time to time, whenever it deems such withdrawal to be in the best interests of the Condominium.
- 8.5 **Waiver.** The failure of the Board to insist, in any instance, upon the strict performance of any of the terms, covenants, conditions, or restrictions of this Declaration or of the Bylaws or to exercise any right herein or therein contained, or to serve any notice or to institute any action shall not be construed as a waiver or a relinquishment in the future of such term, covenant, condition, restriction, or right shall remain in full force and effect. The receipt by the Board of payment of any Assessment from an Owner with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach and no waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board.
- 8.6 **Persons to Receive Service of Process.** In addition to any method of service of process set forth in Section 68 of the Act, both Dana C. Hanley, Esq, with a business address of Hanley & Associates, P.A., PO Box 280, 43 Main Street, South Paris, Maine, 04281 AND the current President of the Association at an address to be available through the Secretary of States Office, shall be a person to receive process in connection with any matter involving the Declarant. With respect to matters involving the Association, the Manager, if any, and any member of the Board whose residence is at the Condominium, shall be a person to receive service of process in accordance with the Act with respect to matters involving the Association.
- 8.7 **Liability of the Board.** The members of the Board shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct, or bad faith and except as provided for below. The Owners shall indemnify and hold harmless each of the members of the Board against all contractual liability to others arising out of contracts made by the Board on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of the Bylaws. It is permissible for the members of the Board, who are directors or officers of the Declarant, to contract with the Declarant and affiliated corporations

without being charged with self-dealing during the period in which the Declarant is in control of the Board. It is intended that the members of the Board shall have no personal liability other than as Owners, with respect to any contract made by them on behalf of the Association, except with respect to any such contract made in bad faith or contrary to the provisions of the Declaration or of the Bylaws. It is also intended that the personal liability of each Owner arising out of any contract made by the Board or out of the aforesaid indemnity in favor of the members of the Board shall be limited to such proportion of the total liability thereunder as his or her interest in the Common Area bears to the interests of all the Owners in the Common Area (except that the personal liability of Owner who are members of the Board and who contract in bad faith or contrary to the provisions of the Declaration or of the Bylaws shall not be so limited). The provisions of this Article do not apply to and shall not preclude claims for property damage and personal injury by Owners against the Board or any other insured under the liability insurance contemplated by this Declaration.

- 8.8 **Renewal of Management or Other Agreement.** If entered into during the period of control by the Declarant, no management agreement, or any other contract or lease executed by or on behalf of the Association, its Board of Directors or the Owners as a group shall be binding after such period of control unless then renewed or ratified with the consent of Owners of Units to which a majority of the votes in the Association appertain.

ARTICLE 9

EASEMENTS

- 9.1 **Easement to Construct.** The Declarant hereby reserves a transferable easement over, through, under and on the Common Area of the Condominium for the purpose of constructing additional structures on any portion(s) of the common property as well as other improvements, together with any other improvements, including roadways, walkways, utility systems and appurtenances and other improvements of any kind or nature relating to or desirable for the development of the Condominium.
- 9.2 **Utility Easements.** The Declarant also expressly reserves the right to grant utility easements (if necessary) within the Common Area of the Condominium for the purpose of connecting the structures to underground and above-ground utilities for the benefit of any or all of the respective Owners of the Condominium. All such easements do hereby take precedence over the Owners' rights and title in and to the Units and the Common Area. Upon the expiration of last of the Declarant's rights to convert and expand under this Declaration, this reservation shall automatically pass and evolve to the Association to be exercised by its Board of Directors.

- 9.3 ~~**Easements for Support and Encroachments.**~~ ^{N O T} The Declarant hereby establishes easements appurtenant to each Unit for structural support in connection with those elements of a particular Unit which require the other Unit for their support. The Declarant also recognizes and establishes easements for encroachments appurtenant to each Unit in accordance with the terms of 33 MRSA §1602 *et seq*
- 9.4 ~~**Easement to Facilitate Completion and Sales.**~~ ^{N O T} Without limitation to any other easements reserved by the Declarant hereunder, the Declarant further expressly reserves the right to make reasonable use of the Condominium as may facilitate the completion of construction of Units and Common Area (including all improvements relating thereto) and such sale and conveyance, including without limitation, the right to enter all Units and Common Area for construction purposes and the right to store materials upon the Common Area, the right to maintain a sales office and rental office, and the showing of property and the displaying of signs.
- 9.5 **Common Area Easements.** The Association shall have the power and right to grant reasonable, non-exclusive permits, licenses, and easements over the Common Area for utilities, roads and other purposes necessary for the proper operation of the Condominium.
- 9.6 **Particular Utility Easements.** The Declarant hereby establishes and grants for the benefit of each Unit, an easement in favor of each Unit over, upon and under any Limited Common Area and in each other Unit to use, install, maintain, replace and repair utility system components servicing the benefited Unit.

ARTICLE 10

RESERVED

ARTICLE 11

EXPANSION OF THE CONDOMINIUM

- 11.1 **Right to Expand.** The Declarant hereby expressly declines any reservation of the right to expand the Condominium.

ARTICLE 12

OPTION TO CONTRACT

- 12.1 **Option to Contract.** The Declarant hereby expressly declines any reservation of the rights to withdraw any part of the "Submitted Land" from this Declaration or

the Condominium and has, therefore, not created any withdrawable land within the Condominium.

O F F I C I A L O F F I C I A L
C O P Y A R T I C L E 13 C O P Y

TERMINATION OF CONDOMINIUM

13.1 **Termination Prior to Conveyance of a Unit.** Prior to the conveyance of a Unit to an Owner other than the Declarant, the Condominium may be terminated at any time by an instrument in writing signed by the Declarant.

13.2 **Termination After Conveyance of a Unit.**

(a) **Required Vote.** Subsequent to the conveyance of a Unit to an owner other than the Declarant, the Condominium may be terminated only by an instrument in writing approved and agreed to by Owners of Units to which four-fifths (4/5) of the voting power in the Association appertain.

(b) **Effect of Termination.** If the Association votes to terminate the Condominium at any time or for any reason, then upon the recording of an instrument terminating the Condominium all of the property constituting the same shall be owned by the Owners as tenants-in-common in proportion to their respective undivided interests in the Common Area immediately prior to such recordation. As long as such tenancy-in-common lasts, each Owner and their respective heirs, successors, and assigns shall have an exclusive right of occupancy of that portion of the Condominium property that formerly constituted his Unit.

13.3 **Recording Required.** No termination of the Condominium shall become effective until an instrument reciting the fact of such termination shall be recorded at the Androscoggin County Registry of Deeds. After the conveyance of a Unit to an Owner other than the Declarant, such instrument shall either:

- (a) be signed by Owners holding the requisite voting power for its adoption; or
- (b) be signed by the President and Treasurer of the Association, in which case it shall be accompanied by a certification of vote by the Secretary of the Association which shall recite that the consent and approval of the Owners required for its adoption has been obtained. Such instruments, as so executed and recorded, shall be conclusive evidence of the existence of all facts recited therein and of compliance with all prerequisites to the validity of such termination in favor of all persons who rely thereon without actual knowledge that such facts are not true or such amendment is not valid.

- 13.4 **Limitation On Termination.** No act or omission by the Owners to terminate the Condominium for any reason other than substantial destruction or condemnation of the Submitted Land shall be valid for effective unless approved by first mortgages of Units to which at least sixty-seven percent (67%) of the voting power of the Association appertains, and unless Unit Owners holding eighty percent (80%) or more of the voting power of the Association concur.
- 13.5 **Planning Board Approval.** Any exercise of the right to terminate the Condominium pursuant to this Article 13 is expressly subject to all necessary municipal approvals that must be obtained from the Town of Poland Planning Board for site plan and/or subdivision approval or modification of approvals.

ARTICLE 14

AMENDMENT OF CONDOMINIUM INSTRUMENTS

- 14.1 **Amendment Prior to Conveyance of a Unit.** Prior to the conveyance of any Unit to an Owner other than the Declarant, the Condominium Instruments may be amended at any time and from time to time by an instrument in writing signed and recorded by the Declarant.
- 14.2 **Amendment After Conveyance of a Unit.** Subsequent to the conveyance of a Unit to an Owner other than the Declarant, and except as provided in Articles 10 and 17 hereof and Section 14.5 below, the Condominium Instruments may be amended only by an instrument in writing approved and agreed to by Owners of Units to which two-thirds (2/3) of the voting power in the Association appertain, provided that:
- (a) No instrument of amendment which alters the dimensions of any Unit shall be of any force or effect unless the same has been signed by the Owner(s) and any Institutional Lender of record of the Unit so altered;
 - (b) Except as contemplated by Section 3.2 above, no instrument of amendment which alters the percentage of undivided interest in the Common Area, the liability for Common Expenses, the rights to Common Profits, or the voting rights in the Association appurtenant to any Unit shall be of any force or effect unless the same is permitted or required by the Condominium Instruments, is consistent with the applicable provisions of the Act and, except as contemplated in Section 3.2 above, has been approved and agreed to by all the Owners and any Institutional Lenders of record of the Units affected thereby;
 - (c) No instrument of amendment which purports to affect (i) the Declarant's reserved rights of control set forth in Article 17 hereof or (ii) the Declarant's reserved rights and easements set forth in this Declaration shall be of any force and effect unless it is assented to in writing by the

Declarant, and this assent is recorded in such Amendment at the Androscoggin County Registry of Deeds;

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- (d) No instrument of amendment which would adversely affect the Declarant's right and ability to develop and/or market the Condominium shall be of any force or effect unless it is assented to in writing by the Declarant, and this assent is recorded with such amendment at the Androscoggin County Registry of Deeds; and
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- (e) The Declarant shall not be required to obtain the consent of any Owner, or any mortgagee of a Unit to any instrument or amendment of the Declaration, or any other of the Condominium Instruments for the Declarant to construct the Units or create Units on Convertible Land.

14.3

Mortgagee Consent. Subsequent to the conveyance of a Unit to an Owner other than the Declarant, the prior written approval of the first mortgagees of Units to which sixty-seven percent (67%) of the voting power in the Association appertains shall be required in order to adopt any amendment to any or all of the Condominium Instruments which amendment would have the effect or altering:

- (a) The voting rights of the Owners in the Association, except as permitted or contemplated in Section 3.2 thereof;
- (b) The manner of assessing Common Expenses, assessment liens or subordination of assessment liens;
- (c) The requirement of the Association reserves for replacement, maintenance, and repair of the Common Area;
- (d) The terms of the Condominium Instruments relating to responsibility for maintenance and repair of the Units, the Common Area or the Limited Common Area;
- (e) The terms of the Condominium Instruments relating to the conversion of the Units in the Common Area;
- (f) The terms of the Condominium Instruments relating to the creation of Additional Units on the Convertible Land; provided, that the Declarant shall not be required to obtain the consent of any Owner or any mortgagee of a Unit to any instrument of amendment of the Declaration, or any other of the Condominium Instruments, which is necessary in order for the Declarant to create Units on the Convertible Land and assign Limited Common Area in connection therewith or in order for the Declarant to exercise its rights to the same under this Declaration;

- (g) ~~The terms~~ of the Condominium Instruments relating to the insurance or fidelity bonds to be provided by the Association;
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- (h) ~~The terms~~ of the Condominium Instruments stating which Units and under what conditions Units may be leased;
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- (i) ~~The terms~~ of the Condominium Instruments relating to or adding restrictions to an Owner's right to sell or transfer his or her Unit;
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- C O P Y C O P Y
- (j) Any terms of the Condominium Instruments that expressly benefit mortgage holders, insurers or guarantors;
- (k) The terms of the Condominium Instruments provided for the restoration or repair of property after a hazard, damage or partial condemnation; or
- (l) Any term of the Condominium Instruments relating to terminating the Condominium's legal status after substantial destruction or condemnation occurs.

14.4 **Recording Required.** No amendment to the Condominium Instruments shall become effective until an instrument setting it forth in full shall be recorded at the Androscoggin County Registry of Deeds. After the conveyance of a Unit to an Owner other than the Declarant, such instrument shall either:

- (a) be signed by Owners holding the requisite voting power for its adoption; or
- (b) be signed by the President and Treasurer of the Association, in which case it shall be accompanied by a certification of vote by the Secretary of the Association which shall recite that the consent and approval of the Owners required for its adoption has been obtained. Such instrument, as so executed and recorded, shall be conclusive evidence of the existence of all facts recited therein and of compliance with all prerequisites to the validity of such amendment in favor of all persons who rely thereon without actual knowledge that such facts are not true or such amendment is not valid.

14.5 **Corrective Amendments.** The Declarant reserves the right to itself and its successors in interest to amend the Condominium Instruments at any time, without the consent of any Owners or mortgagees of Units, but only to:

- (a) correct typographical errors; or
- (b) to bring the Condominium Instruments in compliance with 33 MRSA §1601 *et seq*; or

- (c) to conform the Condominium Instruments to the requirements of FNMA and Fannie Mae underwriting requirements.

14.6

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Planning Board Approval. Notwithstanding the foregoing, and notwithstanding the provisions of Article 17, no amendment to Sections 2.9, 3.2, 10.12, 13.5 or Article 15 and to this Section 14.6, shall be permitted without the written approval (or a written waiver of approval) by the Town of Poland Planning Board or its designated agent.

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ARTICLE 15

ADULT, ELDERLY HOUSING COVENANTS

In order to assure compliance with the Poland Zoning Ordinance and the site plan approval issued by the Poland Planning Board for the Condominium for "Adult, Elderly, and Congregate Housing Complexes [see Chapter 6-115], the following covenants are hereby adopted by the Declarant, and shall bind the Declarant and each and every Owner of the Unit:

- 15.1 The Condominium obtained site plan approval from the Poland Planning Board on January 27, 2007 in accordance with the so-called "Adult, Elderly, and Congregate Housing Complexes" provisions of the Poland Zoning Ordinance. Occupancy of each Unit shall be in accordance with such provisions of the Poland Zoning Ordinance.
- 15.2 The Condominium is being established and shall be maintained in compliance with 42 USC § 3601, et seq and 33 MRSA §1601 *et seq* and related regulations, all as amended (52 or older housing), as required by Section 6-115 of the Poland Zoning Ordinance. It is hereby noted that the Town of Poland's Adult Community provision references "persons 52 years of age and older" which is not in conformity with the federal guidelines of 55 years of age and older, so all references in these Declarations will comply with the Federally mandated age of 55 years or older.
- 15.3 In accordance with the requirements referenced in Section 15.2 above, during the period it kept the right to designate the members of the Board of Directors of the Association (pursuant to Article III, Section 3 of the By-laws), the Declarant shall cause the Condominium to be in compliance with the requirements of Section 15.2 above. In connection therewith, the Declarant shall construct the Common Gazebo which may be used in conjunction with the provision of certain services. Without limitation to the foregoing, the Declarant or the Association, as the case may be, may establish and maintain programs designed to provide a social life for residents, coordinate services for the same or reference information regarding the availability of such services, continuing education programs (e.g. periodic speakers or presentations), a newsletter, a directory or other resource for information and various services, including counseling services, recreation programs or reference information regarding the availability of such programs,

and general maintenance services for the Common Area. The nature, type, scope and composition of such services may change from time to time, as the Declarant or the Association determines.

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- 15.4 After the Declarant relinquishes its right to designate the members of the Board of Directors of the Association, the Association shall cause the Condominium to remain in compliance with the requirements referenced in Section 15.2 above.

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- 15.5 Except as otherwise permitted under the Poland Zoning Ordinance or as may be required under federal or state law, all Units shall be occupied by persons who are at least fifty-five (55) years of age or older.

- 15.6 With respect to any conveyance or transfer of a Unit, including any conveyance or transfer by the Declarant, the prospective transferee(s) of the Unit shall execute and deliver to the Declarant and the Association affidavits confirming that (i) such transferee(s) will comply with the aforementioned age requirements set forth in this Article, (ii) is/are acquiring the Unit not with the intent to resale or transfer to someone who will not honor the age requirements and (iii) will ensure that during his or her period of ownership of the Unit, all persons residing in the Unit shall be fifty-five (55) years of age or older, except as permitted under the Poland Zoning Ordinance or required under federal or state law.

- 15.7 From time to time as required by state and/or federal laws and regulations, but at least no less frequently than every two (2) years, the Association shall verify the ages of those individuals who occupy Units. Such verifications shall be in accordance with means required by state and/or federal laws and regulations, which may include surveys or other data gathering mechanisms. Owners and all occupants of Units shall cooperate with the Association with respect to such age verification efforts, including providing to the Association, from time to time, reliable information confirming their ages, which may include driver's licenses, birth certificates, passports, immigration cards, military identification, affidavits or other verifiable and reliable age verification information.

- 15.8 The Covenants and Restrictions set forth in this Article shall run to the benefit of the Declarant, the Association and each and every Owner, any of whom may enforce the same by proceedings at law or in equity, which proceedings may seek the remedies of specific performance and mandatory injunction. **The full text of these provisions shall be included in each and every deed of a Unit.**

- 15.9 It is the intent of the Declarant that because this Condominium is being approved as an "Adult, Elderly Housing" Community pursuant to the Town of Poland's Land Use Code, Chapter 6-115.1 persons under 18 years old will not be permanent residents at the Poland Place Condominium. Declarant acknowledges the approval of said plan is, in part, based on no additional financial impact on the local school district.

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- (a) the expiration of three (3) years from the filing of the Declaration in the
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- (b) the date upon which Units (including Units which may have been created
 upon the Convertible Land) to which three-fourths (3/4) of the undivided
 interests in the Common Area appertain have been conveyed (including
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- (c) the date the Declarant expressly waives or relinquishes such right.

17.2

Special Amendments. The Declarant reserves the right and power to create and record special amendment(s) (“Special Amendment(s)”) to the Condominium Instruments at any time and from time to time which amends the Condominium Instruments:

- (a) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veterans Administration or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities. Such reserved right and power to create and record Special Amendments also includes the right to delete certain provisions of Section 14.3 and Article 20 hereof to the extent the same contain provisions which are not necessary to comply with the requirements of either FNMA or FHLMC;
- (b) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering Unit ownerships;
- (c) to bring the Condominium Instruments into compliance with 33 MRSA §1601 *et. Seq.*
- (d) to correct clerical or typographical errors in any Amendment thereto. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to vote in favor of, make or consent to a Special Amendment on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation or other instrument affecting a Unit and the acceptable thereof, shall be deemed to be a grant and acknowledgement of, and a consent to the reservation of the power to the Declarant to vote in favor of, make, execute and record Special Amendments. The right of the Declarant to act pursuant to rights served or granted under this Section shall be automatically assigned by the Declarant to the Board of Directors of the Condominium at such time as the Declarant no longer holds or

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 controls title to any Unit (or the right to construct any Unit or establish
 Unit upon the Convertible Land). A N
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N O T **PERSONAL PROPERTY** T
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- 18.1 The Board may acquire and hold, for the benefit of the Owners and the Association, tangible and intangible personal property and may dispose of the same by sale or otherwise; and the beneficial interest in such property shall be owned by the Owners in the same proportion as their respective shares in other Common Area. A transfer of a Unit shall transfer to the transferee ownership of the transferor's beneficial interest in such personal property, whether or not such personal property is specifically mentioned therein.

ARTICLE 19

CONSENT OF FIRST CONSTRUCTION MORTGAGEE

- 19.1 **Consent.** Notwithstanding any other provision of this Declaration, the Bylaws, or Regulations, so long as a mortgagee is the holder of a construction mortgage lien conveyed to it by the Declarant covering one or more of the Units, or other interest in the Condominium, and unless all construction mortgagees shall have given their approval, the Association and Board of Directors shall not be entitled to:

- (a) by act or omission, seek to abandon or terminate the Condominium;
- (b) partition or subdivide any Unit;
- (c) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area;
- (d) use hazard insurance proceeds for losses to the property (whether to Units or to the Common Area) for other than the repair, replacement or reconstruction of such losses, except as provided by law in case of substantial loss to the Units and/or the Common Area.

- 19.2 **No Limitation.** This Article shall not apply to or in any be construed as a limitation upon the right of the Declarant to create additional Units on the Convertible Land with the resulting change in the undivided percentage interest allocated to existing Units pursuant to the provisions of the Act and this Declaration.

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- (b) of a lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;

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- (c) of any action which requires the consent of a special percentage of mortgage holders; or

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- (d) of or for a particular Unit, any sixty (60) days delinquency in the payment of assessments or changes owed by the Owner of the mortgaged Unit.

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To obtain this information, the holder, insured, or guarantor of a mortgage on a Unit, must submit a written request and notice to the Association which specifies its particular interest.

20.4 **Audited Financial Statements.** Any mortgage holder may have an audited statement prepared of the Association's accounts at the mortgage holder's expense.

20.5 **FNMA/FHLMC Compliance.** Notwithstanding anything to the contrary contained elsewhere in this Declaration, the following provisions shall govern and be applicable insofar and for so long as the same are required in order to qualify mortgages of Units in the Condominium for sale to the Federal Home Loan Mortgage Corporation (FHLMC) and to Federal National Mortgage Association (FNMA) under laws and regulations applicable thereto, to wit:

- (a) A first mortgage of a Unit shall, at the request of such mortgagee, be entitled to written notification from the Directors of any default by the mortgagor of such Unit in the performance of such mortgagor's obligations under his deed to his Unit and/or these Articles which is not cured within sixty (60) days;
- (b) Any first mortgagee of a Unit who obtains title to the Unit pursuant to the remedies provided in the mortgage, or foreclosure of the mortgage, or deed (or assignment) in lieu of foreclosure, shall not be liable for, and take the property free of any claims for, unpaid Assessments or charges against the mortgaged Unit which accrue prior to the acquisition of title to the Unit by the mortgagee;
- (c) Unless first mortgagees (based upon one vote for each first mortgage owned), and the Unit Owners (other than the Declarant) of Units have given their prior written approval, the Unit Owners and the Declarant shall not be entitled to:
 - (i) by act or omission, seek to abandon or terminate the Condominium;
 - (ii) change the percentage interest or obligations of any Unit for (a) purposes of levying assessments or changes or allocating

- NOT Distributions of hazard insurance proceeds or condemnation
 Awards, or (b) determining the percentage of ownership or any
 OF F I Unit in the Common Areas and Facilities ("common element");
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- (iii) partition or subdivide any Unit;
 NOT NOT
- (iv) A Nby act or omission, seek to abandon, subdivide, encumber, sell, or
 OF F I transfer, the common Elements. The granting of easements for
 COPY public utilities or for other public purposes consistent with
 intended use of the common elements shall not be deemed a
 transfer within the meaning of this clause;
- (v) use hazard insurance proceeds for losses to any property (whether
 to Units or to common elements) for other than the repair,
 replacement or reconstruction of such improvements, except as
 provided by law in case of substantial loss to the Units and/or
 common elements;
- (d) An Institutional Lender which holds a first mortgage of a Unit shall have
 the right to examine the books and records of the Directors and the
 Association;
- (e) Common expense assessments shall include an adequate reserve fund for
 maintenance, repairs and replacement of those common elements that
 must be replaced on a periodic basis, and shall be payable in regular
 installments rather than by special assessments;
- (f) No provision of any deed of a Unit or this Declaration shall be deemed or
 construed to give an Owner or any other party priority over any rights of
 first mortgagees of Units pursuant to their mortgages in the case of a
 distribution to Owners of insurance proceeds or condemnation awards for
 losses to or a taking of Units and/or common elements;
- (g) Any agreement for professional management of the Condominium or any
 other contract providing for services by the Declarant must provide for
 termination on ninety (90) days' written notice, and a maximum contract
 term of two (2) years;
- (h) A written notice of each meeting of the Owners stating the place, date and
 hour and the purposes of the meeting shall be given at least ten (10) days
 before the meeting to the holder of such mortgage by mailing it, postage
 prepaid, to such mortgagee at its last or usual known address;
- (i) If FHLMC or FNMA holds any interest in one or more mortgages on
 Units, the Directors shall obtain such insurance as may be required from
 time to time by whichever of FHLMC or FNMA (or both) holds such

- interests, including without limitation, fidelity coverage against dishonest acts on the part of the Directors, Managers, employees or volunteers responsible for handling the Association's funds. All such insurance shall provide that an adjustment of loss shall be made by the Directors and if FHLMC or FNMA holds any interest in one or more mortgages on Units, all such policies shall be in such amounts and contain such terms as may be required from time to time by whichever of FHLMC or FNMA (or both) holds such interests.
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The Association must have blanket fidelity bonds for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The Association bonds should name the Association as the obligee and the premiums should be paid as a Common Expense by the Association.

A management agent that handles funds for the Association should be covered by its own fidelity bond, which must provide the same coverage required of the Association. The Association should be named as an additional obligee in the management agent's bond. The fidelity bond should cover the maximum funds that will be in the custody of the Association or its management agent at any time while the bond is in force. In addition, the fidelity bond coverage must at least equal the sum of three (3) months' assessments on all units in the Project.

The bonds must include a provision that calls for ten (10) days' written notice to the Association or insurance trustee before the bond can be cancelled or substantially modified for any reason. This same notice must also be given to each servicer that services a FNMA/FHLMC owned mortgage in the project.

- (j) If FHLMC or FNMA holds any interest in one or more mortgages on Units, then whenever any Unit or the common elements are damaged by fire or other casualty, the Directors shall give notice of such damage to such persons as may be required by whichever of FHLMC or FNMA (or both) hold such interests.
- (k) If FHLMC or FNMA holds any interest in one or more mortgages on Units, public liability insurance policies obtained by the Directors shall be in such amounts and contain such terms as may be required from time to time by whichever of FHLMC or FNMA (or both) hold such interests.
- (l) If FHLMC or FNMA holds any interest in one or more mortgages on Units, upon request of either FHLMC or FNMA, an annual financial statement of the Association, prepared and audited at the expense of FHLMC or FNMA, shall be rendered by it to all Unit Owners and to such mortgagees requesting the same within ninety (90) days after the end of

C O P Y

- Association

ENFORCEMENT

- Owner.

N O T A R T I C L E 2 2 N O T
A N A N

STATUTORY WARRANTY AGAINST STRUCTURAL DEFECTS

C O P Y C O P Y

- 22.1 The Declarant hereby acknowledges the two (2) year statutory warranty established under Section 1604-115 of the Act. A N
- 22.2 Except as set forth in Section 22.1 above, for any other written warranty by the Declarant to Owner, the Declarant hereby disclaims any warranty of habitability, merchantability or fitness for a particular purpose; and there are no warranties in favor of any Owner or the Association which extend beyond the express warranty set forth in Section 22.1 above. A N
- 22.3 The Declarant expressly disclaims responsibility for incidental, consequential, or special damages, and the same are expressly excluded from the warranties referred to herein. The Declarant reserves the right to substitute for any materials, equipment, and appliances to be used in the Units and buildings described herein and to change the size, number, and location of buildings, Units, and other improvements. The Declarant is not responsible for variations in dimensions from one Unit to another of similar design.

ARTICLE 23

INTERPRETATION

- 23.1 The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a condominium project.

ARTICLE 24

NOTICES

24.1 All notices hereunder and under the Bylaws and the Act, to the Association and the Board, shall be sent by United States certified mail or national overnight courier to the Board, c/o Bowes Development, LLC, 28 Derry Lane, Hudson, New Hampshire 03051, or as the Board may designate, from time to time. All such notices to Owners shall be sent to the address of the Owners at their respective Units and to such other addresses as any of them may have designated in writing to the Board. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received, and except as otherwise provided herein.

N O T E X H I B I T A N O T
 A N A N
 O F F I C I A L S U B M I T T E D L A N D I C I A L
 C O P Y C O P Y

A certain parcel of land located on the easterly side of Brown Road and the northerly side of Girardin Lane in the Town of Poland, County of Androscoggin, State of Maine and being more particularly described as follows:

O F F I C I A L O F F I C I A L

BEGINNING at 5/8" capped rebar located on the apparent easterly sideline of the Brown Road, being N 53° 08' 09" E a distance of seven and 33/100 feet (7.33') from a 6" x 8" granite monument. Said rebar also being at the southeast corner of land now or formerly of Stephen B. Crooker as described in a deed dated October 1, 2003 and recorded in the Androscoggin County Registry of Deeds in Book 5687, Page 302;

- 1) Thence, southeasterly on a curve to the left having a radius of one thousand two hundred twenty-three and 56/100 feet (1,223.56') by the apparent easterly sideline of said Brown Road, a distance of eighty-nine and 28/100 feet (89.28') to a 5/8" capped rebar;
- 2) Thence, S 05° 29' 47" E by the apparent easterly sideline of said Brown Road, a distance of three hundred eighty-six and 05/100 feet (386.05') to a 5/8" capped rebar at the corner of said Brown Road and Girardin Lane;
- 3) Thence, N 74° 57' 40" E by the northerly sideline of said Girardin Lane, a distance of four hundred twelve and 64/100 feet (412.64') to a 5/8" capped rebar at the southwest corner of land now or formerly of Roger and Danielle Girardin as described in a deed dated May 24, 1999 and recorded in said Registry in Book 3779, Page 214;
- 4) Thence, N 25° 38' 28" E by the northwest sideline of said Girardin, a distance of two hundred thirty-three and 52/100 feet (233.52') to a 5/8" capped rebar;
- 5) Thence, N 42° 17' 08" E by the northwest sideline of said Girardin, a distance of three hundred forty-nine and 30/100 feet (349.30') to a 5/8" capped rebar;
- 6) Thence, N 48° 19' 00" E by the northwest sideline of said Girardin, a distance of one hundred fifty-five and 79/100 feet (155.79') to a 5/8" capped rebar on the westerly sideline of land now or formerly of the Town of Poland as described in a deed dated October 5, 1979 and recorded in said Registry in Book 1430, Page 34;
- 7) Thence, northerly on a curve to the right having a radius of one thousand nine hundred nine and 86/100 feet (1,909.86') by the westerly sideline of said Town of Poland, a distance of four hundred fifty-three and 40/100 feet (453.40') to a 5/8" capped rebar being a chord bearing of N 01° 56' 06" W and a chord distance of four hundred fifty-two and 34/100 feet (452.34') from the 5/8" rebar described in Course 6 above. Said rebar also being at the southeast corner of land now or formerly of Linwood C. and Callie Osgood as described in a deed dated May 7, 1990 and recorded in said Registry in Book 2549, Page 46;

8) Thence, S 53° 08' 09" W by the southeast side line of said Osgood, a distance of six hundred ninety and 75/100 feet (690.75') to a 3/4" iron pipe at the southeast corner of said Crooker;

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9) Thence, S 53° 08' 09" W by the southeast side line of said Crooker, a distance of four hundred six and 58/100 feet (406.58') to the PO INT OF BEGINNING.

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The bearings above referred to are referenced to Magnetic North March 1999. All capped rebars are further identified with a yellow cap inscribed JKL Surveying, PLS 2216.

For title of Edwin K. Boyker, see deed from Alexander B. Walton et al to Delmer C. Boyker, dated August 25, 1913, recorded in said Registry of Deeds in Book 249, Page 512; deed from said Walton et al to D. Clayton Boyker, dated June 13, 1914 and recorded in said Registry of Deeds in Book 305, Page 21; deed from Charles E. Morey to Clayton Boyker dated November 6, 1920 and recorded in said Registry of Deeds in Book 305, Page 20; deed from Lois G. Walton to Annie C. Walton, dated November 17, 1932 and recorded in said Registry of Deeds in Book 568, Page 78. Said Delmer C. Boyker, a/k/a D. Clayton Boyker, a/k/a Clayton Boyker, deceased intestate on March 30, 1965, Androscoggin County Registry of Probate, docket #33905, survived by his wife, Blanche Viola Boyker, and Edwin K. Boyker, his son and sole heir_at_law. See deed from Edwin K. Boyker to Blanche V. Boyker dated August 24, 1965 and recorded in said Registry of Deeds in Book 946, Page 443. Annie C. Walton deceased intestate on January 24, 1970, said Registry of Probate docket #36430, survived by Blanche Viola Boyker as her sole heir_at_law. Blanche B. Boyker deceased intestate a widow on November 27, 1973, said Registry of Probate docket #38230 survived by Edwin K. Boyker as her sole heir_in_law. Edwin K. Boyker died testate February 5, 2006 and his estate was duly admitted to Probate on February 16, 2006 as shown by the probate records of the county of Androscoggin, State of Maine docket #2006-71.

BEING the same premises conveyed to Bowes Development, LLC, by Susan Chretien and Cindy Ellingwood, Co-Personal Representatives of the Estate of Edwin K. Boyker, Deed of Sale by Personal Representative dated September 12, 2006 and recorded on September 14, 2006 in the Androscoggin County Registry of Deeds at Book 6900, Page 79.

N O T N O T
A N A N
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C O P Y C O P Y

ARTICLE II
UNIT OWNERS' ASSOCIATION

1. Association. Poland Place Condominium Association, a Maine voluntary (non-profit) corporation, shall constitute the unit owners association as contemplated in the Act, and commonly called herein as referred to herein as the "Unit Owners Association" or the "Association." The Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the assessments for the Common Expenses, arranging for the management of the Condominium and performing all of the acts that may be required to be performed by the Unit Owners' Association by the Act. Except as to those matters which the Act, the Declaration or these Bylaws specifically require to be performed by the vote of the Owners, the administration of the Condominium shall be performed by the Board of Directors (as more particularly set forth in Article III).

2. Voting. Each Unit shall be entitled to cast a number of votes proportionate to its percentage of undivided interest in the Common Area. Since an Owner may be more than one person, if only one of such persons is present at a meeting of the Association, that person shall be entitled to cast the votes appertaining to that Unit. But if more than one of such persons is present, the votes appertaining to that Unit shall be cast only in accordance with the agreement of a majority of them, and such consent shall be conclusively presumed if any one of them purported to cast the vote appertaining to that Unit without protest being made forthwith by any of the others to the person presiding over the meeting. As applied to a person which is not a natural person, the word "person" shall be deemed for the purposes of this Section to include, without limitation, any one natural person having authority to execute deeds on behalf of such person which is not a natural person and which is, either alone or in conjunction with another person or persons, an Owner. Except where a greater number is required by the Act, the Declaration, or these Bylaws, a majority of the votes of Owners present, in good standing and entitled to vote is required to adopt decisions at any meeting of the Association. If the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Association to cast the votes to which such Unit is entitled.

3. Place of Meeting. Meetings of the Association shall be held at the principal office of the Condominium or at such other suitable place, as may be designated by the Board of Directors and stated in the notice of the meeting.

4. Annual Meeting. The first annual meeting of the Association shall be held on a date to be determined by the Declarant, which date shall be within one (1) year after the formation of the Association by the recordation of the Declaration. Notice of such meeting shall be given in accordance with the provisions of Section 6 of this Article II. Thereafter, the annual meetings of the Association shall be held on the same date of each succeeding year, or on such other date within a thirty (30) day period prior to such date, as may be designated by the board of Directors and reflected in the said notice. At such annual meetings the Board of Directors shall be elected by ballot of the Owners in accordance with the requirements of Section 4 of Article III. The foregoing notwithstanding, until three (3) years after the recordation of the Declaration or until Units representing three-fourths ($\frac{3}{4}$ ^{ths}) of the Undivided Percentage Interests appertaining

to submitted Units having been legally conveyed by the Declarant, whichever first occurs, the Declarant shall be entitled to elect all the members of the Board of Directors. The Association may transact such other business as may be properly brought before them at such meetings.

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5. Special Meeting. It shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by Owners having not less than 30% of the votes of all Owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

6. Notice of Meeting. It shall be the duty of the Secretary to mail, by United States mail, postage prepaid, a notice of each annual meeting or special meeting of the Owners, at least twenty-one (21) days in advance of such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Owner of record, at the address of their respective Units or at such other address as each Owner may have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided in this section shall be considered service of notice.

7. Voting Requirements. An Owner shall be deemed to be in good standing and entitled to vote at any annual meeting or at any special meeting of the Association if, and only if, he shall have fully paid all assessments made or levied and due against him and his Unit by the Board of Directors as hereinafter provided, together with all interests, costs, attorney's fees, penalties and other expenses, if any, properly chargeable to him and against his Condominium Unit, at least three (3) days prior to the date fixed for such annual or special meeting.

8. Proxies. The votes appertaining to any Unit may be cast pursuant to a proxy or proxies in accordance with the provisions of **Section 1603-110** of the Act where the Unit Owner is more than one person, by or on behalf of all such persons.

9. Quorum. A quorum shall be constituted as provided in **Section 1603-109** of the Act.

10. Order of Business. The order of business at all meetings of the Association may be as follows: (a) roll call; (b) recitation of proof of notice of meeting; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) report of Board of Directors; (f) reports of committees; (g) election of directors, if applicable; (h) unfinished business; and (i) new business, any of which may be waived.

11. Conduct of Meeting. The President, or his designate, shall preside over all meetings Association and the Secretary shall keep the minutes of the meeting and record in a Record Book all resolutions adopted by the meeting as well as a record of all transactions occurring thereat. The President or other presiding officer shall make and enforce the rules of the meeting, provided such rules are not in conflict with the Declaration, Bylaws or the Act.

applicable) and making, or contracting for the making of, repairs, additions, and improvements to, or alterations of, the Condominium and repairs to, and restoration of, the Condominium, in accordance with the other provisions of these Bylaws, after damage or destruction by fire or other casualty. C O P Y

G. Keeping books with detailed accounts of the receipts and expenditures affecting the Condominium, and the administration of the Condominium. The said books shall be available for examination by the Owners, their duly authorized agents or attorneys, during general business hours on working days, at the times and in the manner that shall be set and announced by the Board of Directors for the general knowledge of the Owners.

H. Enforcing the Elderly Housing Covenants set forth in Article 15 of the Declaration, undertaking the provision and administration of services, facilities and programs relating to or contemplated by so-called 55 or Over Housing provisions (whether under state or federal laws and regulations), maintaining the Condominium in compliance with applicable federal and state laws and regulations concerning so-called 55 or Over Housing, undertaking any and all actions relating thereto, directly or indirectly, and exercising all other powers and duties granted an association of condominium unit owners under Maine law.

I. Without limitation to the obligations in subparagraph (H) above, the Board shall take all actions required by Section 15.7 of the Declaration and by applicable federal laws and regulations to verify the ages of the occupants of Units.

J. To do such other things and acts not inconsistent with the Act and with the Declaration which it may be authorized to do by a resolution of the Association.

2. Managing Agent. The Board of Directors may employ, or contract with, a professional manager or management firm ("Manager") for a fee or compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including, but not limited to, the duties listed in Section 1 of this Article III. As may be consistent with the Declaration, the Board of Directors may delegate to the Manager all of the powers granted to the Board of Directors by these Bylaws; provided that any actions by the Manager with respect to the powers set forth in paragraphs (B) and (F), of Section 1 of this Article III shall require the written consent of the Board of Directors. The term of any employment contract for a Manager may not exceed two (2) years, and any such employment contract shall provide, inter alia, that such agreement may be terminated for cause.

3. Number of Directors and Initial Selection of Board. The Board of Directors shall be composed of three (3) persons. Anything in these Bylaws to the contrary notwithstanding, until three (3) years after the date of recordation of this Declaration at the Androscoggin County Registry of Deeds, all the members of the Board of Directors shall be selected and designated by the Declarant. During such period, Declarant shall have the right in its sole discretion to replace such Directors as may be so selected and designated by it, and to select and designate their successors. The Declarant may relinquish its rights hereunder at any prior time. Thereafter,

directors shall consist only of Owners or spouses of Owners, or, where a person which is an Owner is not a natural person, any natural person having authority to execute deeds in behalf of such person.

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4. Election and Term of Office. At the first annual meeting of the Association three (3) directors shall be elected, unless the Declarant exercises its right to select and designate such directors pursuant to Section 3 above. The term of office of two (2) directors shall be fixed at two (2) years and the term of the office of one (1) director shall be fixed at one (1) year. Subject to the provisions of Section 3 above, at the expiration of the initial term of office of each respective director, each successor shall be elected at subsequent annual meetings of the Association to serve a term of two (2) years. The directors shall hold office until their respective successors have been elected and hold their first meeting. No Director may be elected to the Board of Directors unless at the time of such election such unit owner has paid all condominium fees or other assessments with respect to all units owned or represented by such director.

5. Organization Meeting. The first meeting of the members of the Board of Directors following the annual meeting of the Association shall be held within ten (10) days after the annual meeting of such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present thereat.

6. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time, by a majority of the directors, but at least one (1) such meeting shall be held during each twelve month period after the annual meeting of the Association. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, telephone or telegraph, at least five (5) business days prior to the day named for such meeting, except that no notice shall be required for a regular meeting held immediately after, and at the same place as, the annual meeting of the Association.

7. Special Meetings. Special meetings of the Board of Directors may be called by the President on five (5) business days' notice to each director. Such notice shall be given personally or by mail, telephone or telegraph, and such notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) directors.

8. Waiver of Notice. Before or within ten (10) days after any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

9. Board of Director's Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of

the majority of the directors present at a meeting at which a quorum is present shall be acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

10. Vacancies. Vacancies in the Board of Directors caused by any reasons other than removal of a director by a vote of the Association shall be filled by vote of the majority of the remaining directors, at a special meeting of the Board of Directors, held for that purpose promptly after the occurrence of any such vacancy, even though the directors present at such meeting may constitute less than a quorum of the Board; and each person so elected shall be a director until the next annual meeting of the Association, at which time a successor shall be elected either to a full term, if the original term has expired, or to the balance of the existing term, if such term has not expired at the time of such meeting.

11. Removal of Directors. A director may be removed with or without cause, and his successor elected, at any duly called regular or special meeting of the Association at which a quorum is present, by an affirmative vote of a majority of the votes represented and voting. Any director whose removal has been proposed by the Owners shall be given at least ten (10) days' notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting. Notwithstanding anything in this Section to the contrary, no person selected and designated by the Declarant as a member of the Board of Directors may be removed without the consent of the Declarant and in such event the Declarant shall select and designate his successor.

12. Compensation. No director shall receive any compensation from the Condominium for acting as such.

13. Conduct of Meetings. The President, or, in his absence, a president pro tem elected by the Board, shall preside over all meetings of the Board of Directors and the Secretary shall keep the minutes of the meetings of the Board of Directors recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings.

14. Report of Board of Directors. The Board of Directors shall present at each annual meeting, and when called for by vote of the said Association at any special meeting of the Association, a full and clear statement of the business and condition of the Condominium.

15. Fidelity Bonds. The Board of Directors may require that all officers, agents (including the Manager) and employees of the Association handling or responsible for funds furnish adequate fidelity bonds. The premiums on such bonds shall constitute a Common Expense. The amount of such bonds shall be as determined by the Board of Directors, from time to time. The fidelity bond shall meet all other requirements of the FNMA pertinent to fidelity bonds for condominium officers, directors, trustees and employees of the Association and all other persons handling or responsible for funds of or administered by said Association.

16. Dispensing With Vote. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

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17. Condemnation Proceedings. The Association shall act on behalf of each unit owner in condemnation proceedings against the common areas of the Condominium.

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18. Agency. For the purposes of receipt of notification by municipality of a local land use board hearing, the officers of the Association shall serve as agents of the Owners.

ARTICLE IV

OFFICERS

1. Designation. The principal officers of the Condominium shall be a President, a Secretary, and a Treasurer, all of whom shall be elected by the Board. The Board may appoint such other officers as in its judgment may be necessary. With the exception of the President, no officer need be a member of the Board. The offices of Treasurer and Secretary may be held by the same person.

2. Election of Officers. The officers of the Condominium shall be elected annually by the Board of the organization meeting of each new Board and shall hold office at the pleasure of the Board. Any vacancy in any office shall be filled by the Board at a regular meeting or special meeting called for such purpose.

3. Removal of Officers. The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed with or without cause at any time by the affirmative vote of a majority of the whole Board, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

4. President. The President shall be the chief executive officer; he, or his designate, shall preside at meetings of the Association and, if present, at meetings of the Board of Directors and shall be an ex officio member of all committees; he shall have general and active management of the business of the Condominium and shall see that all orders and resolutions of the Board are carried into effect. He shall have all of the general powers and duties which are usually vested in or incident to the office of president of the stock corporation organized under the laws of the State of Maine.

5. Secretary. The Secretary shall attend all meetings of the Board of Directors and all meetings of the Association, shall record the minutes of all proceedings in the record book of the Condominium and shall perform like duties for committees when required. He shall keep the record book current and in his custody. He shall give, or cause to be given, notice of all meetings of the Association, the Board and committees and shall perform such other duties as

may be prescribed by the Board or President. The Secretary shall compile and keep current at the principal office of the Condominium, a complete list of the Owners and their last known post office addresses. This list shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days.

6. Treasurer The Treasurer shall have the custody of all funds and securities that are not under the control of the Manager, and, with the assistance of the Manager, shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall deposit all monies and other valuable effects in such depositories as may be designated by the Board. He shall disburse funds as ordered by the Board, and render to the President and directors, at the regular meetings of the Board, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the Condominium.

7. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium for expenditures or obligations shall be executed by such officer as is empowered to do so or by any other person or persons designated by the Board of Directors.

8. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as such.

ARTICLE V

OPERATION OF THE SUBMITTED LAND

1. Determination of Common Expenses and Assessments Against Owners.

A. Fiscal Year. The fiscal year of the Condominium shall consist of the twelve-month period commencing on January 1st of each year and terminating on December 31st of the same year, except that the first fiscal year shall begin at the date of organization and terminate on December 31st. The fiscal year herein established shall be subject to change by the Board of Directors should corporate practice subsequently dictate.

B. Preparation and Approval of Budget. Each year the Board of Directors shall adopt a budget for the Condominium containing an estimate of the total amount which it considers necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Area and any parts of the Units which it is the responsibility of the Board of Directors to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Act, the Declaration, these Bylaws or a resolution of the Association, and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Common Land and the rendering to the Owners of all related services. Such budget shall also include such reasonable reserves as the Board of Directors considers necessary to provide a general operating reserve, and reserves for contingencies and replacements. The Board of

Directors shall make reasonable efforts to send to each Owner a copy of the budget, in a reasonably itemized form which sets forth the amount of the Common Expense payable by the Owner, at least fifteen (15) days in advance of the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each Owner's contribution for the Common Expenses of the Condominium.

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C. Assessment and Payment of Common Expenses. Subject to and consistent with the terms of the Declaration, the total amount of the estimated funds required for the operation of the Condominium set forth in the budget for the fiscal year adopted by the Board of Directors shall be assessed against each Owner of a completed Unit in proportion to the number of votes in the Association appertaining to his Unit, and shall be a lien against each Owner's Condominium Unit in accordance with the Act. Initially, assessments shall commence on the date of the sale of the first Unit in each phase. The basis of the Assessment will be the projected budget. Unsold (but substantially complete) Units may temporarily be accorded a reasonably reduced assessment if not occupied. Units which have not yet begun or not yet substantially complete, shall not be assessed, notwithstanding any of the terms of these Bylaws or the Declaration. Thereafter, on or before the first day of each fiscal year, and the first day of each succeeding eleven (11) months in such fiscal year, each Owner shall be obligated to pay the Association one-twelfth (1/12) of the assessment for such fiscal year made pursuant to the foregoing provisions. Within ninety (90) days after the end of each fiscal year, the Board of Directors shall supply to all Owners an itemized income and expense statement. The amount accumulated in excess of the amount required for actual expense and budgeted reserves shall, in the discretion of the Board of Directors, either be rebated to the Owners in accordance with each Owner's votes in the Association by crediting same to the next successive monthly installments due from Owners under the then current fiscal year's budget, until exhausted, or shall be added to reserves. Any net shortage shall, if the Board of Directors deems it advisable, be added according to each Owner's votes in the Association to the installments due in the succeeding six (6) months after the rendering of the accounting.

D. Reserves. The Board of Directors shall build up and maintain an adequate operating reserve for replacement of the Common Area, which shall be funded by regular monthly payments as provided for the Subsection (C). At the end of each fiscal year, all funds accumulated during such year for reserves for replacement of Common Area shall be placed in a separate bank account, segregated from the general operating funds, and used only for such purposes. If for any reason, including nonpayment of any Owner's assessments, these services are inadequate, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Owners according to their respective votes in the Association and which may be payable in a lump sum or in installments as the Board of Directors may determine.

E. Initial Assessment. When the first Board of Directors takes office, it shall determine the budget, as defined in this section, for the period commencing upon the recording of this Declaration at the Hillsborough County Registry of Deeds and ending on the last day of the fiscal year in which their election occurs. Assessments shall be

levied against the Owners during said period as provided in paragraph (C) of this Section. The Board of Directors may establish an initial operating reserve through special assessments of each Owner upon purchase of his Condominium Unit from the Declarant.

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F. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of an Owner's obligation to pay his allocable share of the Common Expenses as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget, each Owner shall continue to pay the monthly charge at the then existing monthly rate established for the previous fiscal period until ten (10) days after the statement has been mailed or delivered, showing the monthly payment which is due under the new annual or adjusted budget.

G. Initial Working Capital Fund. A working capital fund will be established equal to at least two months' estimated common area charge for each Unit. Each Unit's share shall be collected at the close of the initial sale of such Unit and shall be maintained in a segregated account by the Owners' Association for the use and benefit of that Association. Such amounts are not to be considered as an advance payment of regular assessments.

2. Payment of Common Expenses. All Owners shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of Section 1 of the Article V. No Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or Unit. Subject to and in accordance with the provisions of Article 7 of the Declaration, the purchaser of the Unit or other acquiring Owner of virtue of any transfer or other conveyance shall be jointly and severally liable with the transferring Owner for all unpaid assessments against the latter for his proportionate share of the common Expenses up to the time of the conveyance without prejudice to the acquiring Owner's right to recover from the transferring Owner the amounts paid by the acquirer therefor. The unpaid share of Common Expenses assessed prior to the acquisition of title to a Unit by a mortgagee or similar purchaser pursuant to Article 7 of the Declaration shall be collectible from all Owners, including the purchaser or first mortgagee, in proportion to their respective votes in the Association.

3. Collection of Assessments. The Board of Directors shall take prompt action to collect any assessments for Common Expenses due from any Owner which remain unpaid for more than sixty (60) days from the due date for payment thereof.

4. Maintenance and Repair.

A. By the Association. Except as otherwise provided in the Declaration or in Section 4(B) below, the Association shall be responsible for the maintenance, repair and replacement (unless necessitated by the negligence, misuse or neglect of an Owner, or of a person gaining access with said Owner's actual or implied consent, in which case expense shall be charged to such Owner), of all of the Common Area, except the Limited

Common Area, whether located inside or outside of the Units, and whether now existing or hereafter established as a Common Expense. The Board of Directors shall not be responsible for the maintenance, repair and replacement of the Limited Common Area. Notwithstanding the foregoing or any other provisions of the Declaration or these Bylaws, the Board of Directors (for the Association) may charge as a Common Expense the costs to maintain (e.g. periodically pump) the septic tanks servicing Units and establish as an element of the reserves, funding towards the replacement of the leach fields servicing Units based on ordinary usage.

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B. By the Owner. Each Owner shall be responsible for the maintenance, repair and replacement, at his own expense, of his Unit, and any part thereof, including but not limited to, roofs, exterior walls, finished or unfinished surfaces or ceilings, floors, and interior walls and door frames; kitchen and bathroom fixtures and appliances, utility systems, including water, sewer, heating and air conditioning, plumbing and the electrical systems which serve his Unit. Each Owner shall be responsible for performing the maintenance, repair and replacement, at his own expense, of any Limited Common Area which is appurtenant to his Unit, including keeping it in a clean sanitary condition and free and clear of snow, ice and any accumulation of water. Each Owner shall keep the interior of his Unit and its equipment and appurtenances in good order, condition, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his Unit. In addition, each owner shall be responsible for all damages to the Common Area or to other Units caused by his failure to make any of the repairs required to be made by him by this section. Each Owner shall perform his responsibility in such manner as shall not unreasonably disturb or interfere with the other Owners. Each Owner shall promptly report to the Board of Directors, or the Manager, any defects or need for repairs for which the Board of Directors is responsible.

C. Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation, and shall be of first class quality.

5. Additions, Alterations or Improvements by the Board of Directors. Whenever in the judgment of the Board of Directors the Common Area shall require additions, alterations or improvements, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all Owners for the cost thereof as a Common Expense, except as may otherwise be covered by any reserve fund of the Association. If, in the opinion of a majority of the members of the Board of Directors, such additions, alterations or improvements are exclusively or substantially exclusively for the benefit of a limited number of the Owner or Owners requesting the same, such requesting Owners shall be assessed therefor in such proportions as the jointly approve, or, as determined by the Board of Directors.

6. Additions, Alterations or Improvements by Owners. No Owner shall make any structural addition, alteration or improvement in or to his Unit, or to his Limited Common Area, except as permitted in Article 4 of the Declaration. No Owner shall paint, decorate or otherwise change the external appearance of his Unit, including the doors and windows, or of any fence, or

of any exterior surface of the Building, without the prior written consent thereto of the Board of Directors. The Board of Directors shall be obligated to answer any written request by an Owner for approval of such proposed structural addition, alteration or improvement or such external change within forty-five (45) days after such request, and its failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed addition, alteration or improvement or change. The provisions of this Section shall not apply to Units owned by the Declarant until such Units have been initially conveyed by the Declarant.

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7. Rights of Access An Owner shall grant a right of access to it to the Board of Directors or the Manager, or to any other person authorized by the Board for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or Common Area, or for the purpose of performing installation, alterations or repairs to the mechanical or electrical services or other Common Area in his Unit or elsewhere in the building, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Owner. In case of any emergency, such right of entry shall be immediate whether the Owner is present at the time or not.

ARTICLE VI

INSURANCE

The Board of Directors shall take such actions as are necessary, from time to time, to implement the insurance provisions of Article VI of the Declaration.

ARTICLE VII

REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY

1. When Repair and Reconstruction are Required. Subject to and in accordance with the provisions of Article VI of the Declaration, in the event of damage to or destruction of all or part of the buildings in the Condominium as a result of fire or other casualty, the Board of Directors shall arrange for and supervise the prompt repair and restoration of the damaged or destroyed portion of the buildings.

2. Procedure for Reconstruction and Repair.

A. Except as required by an individual policy of insurance, immediately after a fire or other casualty causing damage to a building or Unit, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the damage to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary.

B. If the proceeds of insurance are not sufficient to defray the said estimated costs of reconstructions and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments in sufficient

amounts to provide payment of such costs shall be made against the Owners in proportion to their respective votes in the Association. A N

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C. Any such reconstruction or repair shall be substantially in accordance with the original plans and specifications under which the improvements were originally constructed. N O T N O T

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D. Encroachments upon or in favor of Units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Owner upon whose property such encroachment exists, provided that such reconstruction is substantially in accordance with original plans and specifications under which the damaged building was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the building (as reconstructed) shall stand.

E. Any restoration or repair of the Condominium, after partial condemnation or damage due to an insurable hazard, shall be performed substantially in accordance with the Declaration and the original plans and specifications, unless other action is approved by first mortgagees holding mortgages on at least fifty-one percent (51%) of the Units.

F. After substantial destruction of the Condominium, or after a substantial taking in condemnation of the property, an election to terminate the Condominium must have the approval of first mortgagees holding mortgages on at least fifty-one percent (51%) of the Units.

G. No reallocation of interests in the Common Area resulting from a partial condemnation or partial destruction of the Condominium may be affected without the prior approval of first mortgagees holding mortgages on at least fifty-one percent (51%) of the Units, whether existing in whole or in part.

3. Disbursement of Construction Funds.

A. The net proceeds of insurance collected on account of casualty and the funds collected by the Board of Directors from assessments against Owners on account of such casualty or otherwise collected shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair by the Board of Directors.

B. The construction fund shall be paid by the Board of Directors in appropriate progress payments, to such contractors, suppliers and personnel engaged in performing the work or supplying materials or services for the repair and reconstruction of the buildings as are designated by the Board of Directors.

C. It shall be presumed that the first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds and if there is a balance in the construction fund after the payment of all of the cost of the reconstruction and repair for which the fund is established, such balance shall be distributed to the Owners.

D. ~~When the~~ damage is to both Common Area and Units, the insurance proceeds shall, to the extent practical, be applied first to the cost of repairing the Common Area and the balance to the cost of repairing the Units.

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ARTICLE VIII

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SALES, LEASES AND ALIENATION OF UNITS

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1. ~~No Severance of Ownership.~~ No Owner shall execute any deed, lease, mortgage, conveying or mortgaging the title to his Unit without including therein the undivided interest of such Unit in the Common Area, it being the intention whereof to prevent any severance of such combined ownership. Any such deed, lease, mortgage, or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. Except to the extent otherwise expressly provided by the Declaration, these Bylaws or the Act, the undivided interest in the Common Area allocated to any Unit shall not be altered and any purported transfer, encumbrance, or other disposition of that interest without the Unit to which it appertains shall be void.

All Leases or rental agreements for any unit shall be in writing, shall be specified subject to the constituent documents, and shall be for a period not less than six (6) months.

2. Payment of Assessments. No Owner shall be permitted to convey, mortgage, sell, lease, give or devise his Unit unless and until he (or his personal representative) shall have paid in full to the Board of Directors all unpaid Common Expenses heretofore assessed by the Board of Directors with respect to this Unit, except as provided in Section 2 of Article V, and shall have satisfied all unpaid liens with respect to his Unit, except mortgages.

ARTICLE IX

AMENDMENT TO BYLAWS

1. Amendments. Except as otherwise provided or authorized in the Act and herein, these Bylaws may be modified or amended either (i) by a vote of at least seventy-five percent (75%) of the Owners cast in person or by proxy at a meeting duly held in accordance with the provisions hereof, provided that Notice of the proposed amendment shall have been given to each Owner simultaneously with the notice of such meeting, or (ii) pursuant to written instrument or instruments duly executed by at least seventy-five percent (75%) of the Owners; provided, however, that (A) Section 4 of Article II, and Section 3 of Article, insofar as they relate to the election of members of the Board of Directors by the Declarant, (B) Section 2 or Article II, insofar as it provides that the Declarant, so long as it is the Owner of one or more Units, may vote the votes appurtenant thereto, and (C), this Section 1 or Article IX, may not be amended without the consent in writing of the Declarant, so long as the Declarant shall be an Owner.

Furthermore, notwithstanding the foregoing, so long as the Declarant is the Owner of one or more Units, no amendment to the Bylaws or Rules and Regulations may be adopted which could interfere with the construction, display, sale, lease, or other disposition of such Unit or Units.

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2. Recording. A modification or amendment of these Bylaws shall become effective only when it has been duly evidenced in accordance with the provisions of Section 34 IV of the Act.

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3. Conflicts. No modification or amendment of these Bylaws may be adopted which shall be inconsistent with the provisions of the Declaration. A modification or amendment once adopted and recorded as provided for herein shall then constitute part of the official Bylaws of the Condominium and all Owners shall be bound to abide by such modification or amendment.

4. Approval of Mortgagees. These Bylaws contain provisions concerning various rights, priorities, remedies and interests of the mortgagees of Units. Such provisions in these Bylaws are to be construed as covenants for the protection of the mortgages on which they may rely in making loans secured by mortgages on the Units. Accordingly, except for amendments undertaken by the Declarant pursuant to the Declaration, all mortgagees, with respect to which the Board has received notice pursuant to Article X below, shall be given thirty (30) days notice of all proposed amendments, and no amendment or modification of these Bylaws impairing or affecting the rights, priorities, remedies or interests of a mortgagee, shall be adopted without the prior written consent of such mortgagee. If there is more than one mortgagee holding mortgages on the Units, it shall be sufficient for this purpose to obtain the written consent of the mortgagee or mortgagees holding first mortgages on sixty-seven percent (67%) or more of the Units encumbered by Mortgages.

ARTICLE X

MORTGAGES

1. Notice to Board. An Owner who mortgages his Unit shall notify the Board of the name and address of his mortgagee, and shall file a conformed copy of the mortgage with the Board. The Board shall maintain suitable records pertaining to such mortgages.

2. Notice to Mortgagee, Insurer or Guarantor of Mortgage. The Board, whenever so requested in writing by a mortgagee of a Unit, or the insurer or guarantor of such mortgage, shall promptly report any of the following:

A. Any unpaid assessments for Common Expenses due from, or any other default by, the Owner of the mortgaged Unit;

B. Damage to the mortgaged Unit in excess of One Thousand Dollars (\$1,000);

C. ~~Damage to or loss due to condemnation of Common Area which exceeds Ten Thousand Dollars (\$10,000);~~ ~~Any~~ ~~Other~~ ~~Notice~~ ~~of~~ ~~Common~~ ~~Area~~ ~~which~~ ~~exceeds~~ ~~Ten~~ ~~Thousand~~ ~~Dollars~~ ~~(\$10,000);~~

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D. ~~Any~~ ~~Other~~ ~~Notice~~ ~~of~~ ~~Common~~ ~~Area~~ ~~which~~ ~~exceeds~~ ~~Ten~~ ~~Thousand~~ ~~Dollars~~ ~~(\$10,000);~~ ~~Any~~ ~~Other~~ ~~Notice~~ ~~of~~ ~~Common~~ ~~Area~~ ~~which~~ ~~exceeds~~ ~~Ten~~ ~~Thousand~~ ~~Dollars~~ ~~(\$10,000);~~

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E. ~~Any~~ ~~Other~~ ~~Notice~~ ~~of~~ ~~Common~~ ~~Area~~ ~~which~~ ~~exceeds~~ ~~Ten~~ ~~Thousand~~ ~~Dollars~~ ~~(\$10,000);~~ ~~Any~~ ~~Other~~ ~~Notice~~ ~~of~~ ~~Common~~ ~~Area~~ ~~which~~ ~~exceeds~~ ~~Ten~~ ~~Thousand~~ ~~Dollars~~ ~~(\$10,000);~~

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3. Notice of Default. The Board shall give written notice to an Owner of any default by the Owner in the performance of any obligations under the Act, Declaration or Bylaws, and, if such default is not cured within thirty (30) days, shall send a copy of such notice to each holder of a mortgage covering such Unit of whose name and address has theretofore been furnished to the Board. No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to the Declaration or these Bylaws except after ten (10) days written notice to the holder of the first mortgage on the Unit which is the subject matter of such suit or proceeding.

4. Examination of Books. Each Owner and each mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but, with respect to Owners, not more often than once a month.

5. Audited Financial Statements. The holders, insurers or guarantors of first mortgages on at least fifty-one percent (51%) of the Units shall be entitled to have an audited financial statement of the books and records of the Owners' Association for the immediately preceding fiscal year prepared at their expense if one is not otherwise available. If such a statement is available, it shall be furnished within a reasonable time after written request.

ARTICLE XI

NOTICE

1. Manner of Notice. All notices, demands, bills, statements or other communications provided for or required under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by U.S. Mail, return receipt requested, first class postage prepaid, (i) if to an Owner, at the address of his Unit and at such other address as the Owner may have designated by notice in writing to the Clerk, or (ii) if to the Association, the Board of Directors or the Manager at the principal office of the Manager or at such other address as shall be designated by notice in writing to the Owners pursuant to this Section.

2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes, the Declaration or of these Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto, unless such waiver is ineffective under the provisions of the Act.

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 O F F I C I A L COMPLIANCE AND DEFAULT A L
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1. Relief. Each Owner shall be governed by, and shall comply with all of the terms of the Declaration, these Bylaws, and the Rules and Regulations and any amendments of the same. A default by an Owner shall entitle the Association acting through the Board of Directors or the Manager to the following relief:

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A. Legal and Equitable Proceedings. Failure to comply with any of the terms of the Declaration, these Bylaws and the Rules and Regulations of the grounds for relief, which may include without limiting the same, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in these Bylaws, or any combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association, the Board of Directors, the Manager, or if appropriate, by any aggrieved Owner. Each Owner accepts title to a Unit recognizing the special and unique nature of the Condominium, including its qualification under federal and state laws and regulations regarding so-called 55 or Over Housing. Each Owner also recognizes the special and unique nature of the Elderly Housing Covenants. As a result, and without limiting the availability of legal and injunctive relief in the event of any violation of the Elderly Housing Covenants, and recognizing the need of the Association, by and through the Board of Directors or otherwise, to ensure that the Condominium remains in compliance with the federal and state laws and regulations regarding so-called 55 or Over Housing, each Owner recognizes that his violation of the Elderly Housing Covenants, or any violation of federal and state laws and regulations concerning so-called 55 or Over Housing may necessitate the Association, by and through the Board of Directors, or otherwise, to seek equitable relief to cease and prohibit such violations, and ensure such compliance, which legal and equitable relief may include the eviction and dispossession of a Owner or any other person from a Unit and assurance that such Unit is occupied in compliance with the Elderly Housing Covenants and federal and state laws and regulations regarding so-called 55 or Over Housing. To that end, each Owner recognizes the legal and equitable rights and remedies available to the Association pursuant to Section 15.5 of the Declaration.

B. Additional Liability. Each Owner shall be liable for the expenses of all maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or the act, neglect or carelessness of any member of his family or his tenants, guests, employees, agents, business patrons, invitees or licensees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by an insurance company of its rights of subrogation.

C. Costs and Attorney's Fees. In any proceeding arising out of any alleged default by an Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorneys' fees as may be determined by the Court.

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D. No Waiver of Rights. The failure of the Association, the Board of Directors, or of an Owner to enforce any right, provision, covenant, or condition which may be granted by the Declaration, these Bylaws or the Rules and Regulations shall not constitute a waiver of the right of the Association, the Board of Directors, or any Owner to enforce such right, provision, covenants, or condition in the future. All rights, remedies and privileges granted to the Association, the Board of Directors, or any Owner pursuant to any term, provision, covenant, or condition of the Declaration or the Rules and Regulations shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by the Declaration, these Bylaws or the Rules and Regulations, or at law or in equity.

E. Interest. In the event of a default by any Owner against him which continues for a period in excess of thirty (30) days, such Owner shall be obligated to pay interest in the amounts due at the highest rate permitted by law, or at eighteen percent (18%), whichever is less, per annum from the due date thereof. In addition, the Board of Directors shall have the authority to impose a late payment charge on such defaulting Owners in an amount not to exceed \$15.00 or six cents (\$.06) per dollar on any amount so overdue, whichever is greater.

F. Abatement and Enjoinment of Violations by Owners. The violation of any Rule or Regulation adopted by the Board of Directors, or the breach of any Bylaw contained herein, or the breach of any provision of the Declaration, shall give the Board of Directors or the Manager the right, in addition to any other rights set forth in these Bylaws: (a) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of provisions hereof, and the Board of Directors or Manager shall not thereby be deemed guilty in any manner or trespass; (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; or (c) to suspend or limit the right of the Owner committing the violation to use any part of the Common Area during the continuance of such violation.

G. Cessation of Services. Following any Owner's failure to pay the Common Expenses assessed by the Board of Directors for fifteen (15) days after such payment is due, the Board of Directors may, upon thirty (30) days written notice to such delinquent Owner and that Owner's first mortgagee, cease supplying that Owner's Unit or Units with any and all services normally supplied or paid for by the Association. Any terminated services and privileges shall be restored upon payment in full of all assessments, including costs and attorney's fees as authorized in Article XII, Section 1C hereof and interest and late charges as authorized in Article XII, Section 1E hereof.

H. Collection of Unpaid Assessments from Tenants. The Association shall have the power to collect rents from tenants of Owners in accordance with the provisions of Maine law.

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2. Non-Compliance by Association. Failure by the Association to comply with any of the terms of the Declaration, these Bylaws, and the Rules and Regulations shall be grounds for relief which may include, without limiting the same an action to recover sums due for the money damages, injunctive relief, or any other relief provided for in these Bylaws, or a combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Board of Directors or any aggrieved Owner.

3. Lien for Assessments.

A. The Association shall have a lien upon each Unit and against each Owner for unpaid Assessments as set forth in Article VII of the Declaration and as permitted under the Act. In any case where an Assessment against an Owner is payable in installments, upon a default by such Owner in the payment of any single installment, which continues for ten (10) days after written notice of such default has been sent to such Owner, the balance of all unpaid installments of such Assessment may be accelerated and may become due and payable in full, immediately, at the option of the Board.

B. The lien assessments shall include interest, costs and attorneys' fees as provided in Section 1 of this Article XII and may be foreclosed in the manner provided by the laws of the State of Maine for the foreclosure of power of sale mortgages or by suit brought in the name of the Board of Directors, acting on behalf of the Association. During the pendency of such proceedings or suit, the Owner shall be required to pay a reasonable rental for the Unit for any period prior to sale pursuant to any judgment or order of any court having jurisdiction over such sale.

C. Suit to recover a money judgment for unpaid assessments may be maintainable without foreclosing or waiving the lien securing the same, and foreclosure shall be available without bringing suit to recover a money judgment.

ARTICLE XIII

RESALE BY PURCHASER

1. In the event of any resale of a Condominium Unit or any interest therein by any person other than the Declarant, the prospective Owner shall have the right to obtain from the Association, upon request, prior to the contract date of the disposition, the following:

A. A recordable statement setting forth the amount of unpaid assessment currently levied against that Unit.

B. A statement of any capital expenditures and major maintenance expenditures anticipated by the Association within the current or succeeding two (2) fiscal years; OFFICIAL OFFICIAL

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C. A statement of the status and amount of any reserve for the major maintenance or replacement fund and any portion of such fund earmarked for any specified project by the Board of Directors; AN

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D. A copy of the income statement and balance sheet of the Association for the last fiscal year for which such statement is available;

E. A statement of the status of any pending suits or judgments in which the Association is a party defendant;

F. A statement setting forth what insurance coverage is provided for all Owners by the Association and what additional insurance coverage would normally be secured by each individual Owner; and

G. A statement that any improvements or alterations made to the Unit, or the Limited Common Area assigned thereto, by the prior Owner are not known to be in violation of the Condominium Instruments.

2. The principal officer or Manager of the Association shall furnish the statements prescribed by this Article upon the written request of any prospective Owner within ten (10) days of receipt of such request.

ARTICLE XIV

ENFORCEMENT AND ADMINISTRATION OF ELDERLY HOUSING COVENANTS

1. Covenants. Article 15 of the Declaration establishes certain covenants regarding elderly housing to assure that the Condominium is in compliance with the Poland Zoning Ordinance and the site plan approval issued by the Poland Planning Board for the Condominium (the "Elderly Housing Covenants"). The covenants are binding upon all Owners.

2. Administration. The Board of Directors and the Manager are authorized hereby to undertake all actions necessary to promote, administer and implement the terms and conditions of the Elderly Housing Covenants. Without limitation thereto, the Board of Directors and the Manager may undertake such surveys on an annual or more frequent basis of the composition of the Owners and tenants of Units at the Condominium, may undertake inspections of the Units from time to time to determine who is residing thereat, may undertake a census from time to time of the Units and their Owners and residents, and in conjunction therewith, may require written responses from all Owners and residents of Units, including responses in the form of affidavits or otherwise under oath. The provisions of this authorization, and the provisions of the Declaration, the Bylaws, the Rules and Regulations and other documents regulating the

Condominium, are to be construed liberally, to grant to the Board of Directors and the Manager the broadest scope of power and authority to promote, administer, implement and enforce the Elderly Housing Covenants and to maintain the Condominium in compliance with federal and state law regarding the so-called 55 or Over Housing, including 42 U.S.C. §3601, et. seq., as such laws may be amended or supplemented from time to time, and the regulations promulgated pursuant to such laws, from time to time.

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3. Enforcement. The Board of Directors and the Manager, on behalf of the Association, shall undertake to enforce the Elderly Housing Covenants, by all rights and actions available at law and equity, including use of the means of enforcement permitted under Article XII hereof.

4. Maintenance of Records. The Board of Directors and the Manager shall maintain records of the information they obtain, from time to time, relative to the Units, including that obtained in connection with Section 2 above, and shall maintain the affidavits provided to it in connection with the initial sales and resales of Units, or the leasing of same.

ARTICLE XV

COMPLIANCE, CONFLICTS AND MISCELLANEOUS PROVISIONS

1. Compliance. These Bylaws are set forth in compliance with the requirements of the Act.

2. Severability. These Bylaws are set forth to comply with the requirements of the laws of the State of Maine. In case any of the Bylaws are in conflict with the provisions of the Declaration or the laws of the State of Maine, as the case may be, then the Declaration or the laws of the State of Maine shall control. If any provisions of these Bylaws or any action, sentence, clause, phrase, or word, or the application thereof in any circumstance is held invalid, the validity of the remainder of these Bylaws, shall not be affected thereby and to this end, the provisions hereof are declared to be severable.

3. Waiver. No restriction, condition, obligation or provision of these Bylaws shall be deemed to have been abrogated or waived by any reason of any failure or failures to enforce the same.

4. Captions. The captions contained in these Bylaws are for convenience only, are not part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws.

5. Gender, etc. Whenever in these Bylaws the context so requires, the singular number shall include the plural and the converse; the use of any gender shall be deemed to include both genders or neuter.

27 IN WITNESS WHEREOF, Declarant has caused these Bylaws to be executed this
day of January, 2007.
O F F I C I A L A N O F F I C I A L
C O P Y BOWES DEVELOPMENT, LLC

Stephanie Jackson
Witness
N O T A R Y P U B L I C
C O P Y

Gerard Bowes
Gerard Bowes, Member
N O T A R Y P U B L I C
C O P Y

STATE OF MAINE
COUNTY OF OXFORD

The foregoing instrument was acknowledged before me this 27 day of January, 2007, by Gerard Bowes of Bowes Development LLC, a Maine Limited Liability Company, on behalf of the corporation.

Stephanie Jackson
Notary Public
My Commission Expires:
STEPHANIE JACKSON
Notary Public, Maine
My Commission Expires January 24, 2009

SEAL

2. Definitions. Capitalized terms not otherwise defined herein or in the Declaration shall have the meanings specified in Section 1601 of the Act.

GENERAL USE PROVISIONS

B. No clothing, laundry, rugs or other objects shall be hung, shaken or thrown from any window or exterior portion of a Unit or otherwise left or placed in such a way as to be exposed to public view. All refuse and trash shall be placed in locations specifically designated by the Board, and no garbage or trash shall be permitted to remain in public view.

C. Except as permitted in the Declaration or Bylaws, no animal, other than common household pets with the consent of the Board, shall be kept or maintained at a Unit or on the Common Area, nor shall common household pets be kept, bred or maintained for commercial purposes. Pets shall not be permitted outside of Units unless they are accompanied by an adult person and carried or leashed. The Board of Directors may make further provisions for the control and regulation of household pets in the Condominium. The Owner of a Unit where a pet is kept or maintained shall be responsible and may be assessed by the Board of Directors for all damages resulting from the maintenance of said pet, and any costs incurred by the Association in enforcing the rules prescribed or to be prescribed by the Board of Directors for the control and regulation of pets in the Condominium and each such Owner shall be deemed to indemnify and hold the Board harmless against such loss or liability resulting from said pet.

D. No nuisance shall be allowed at the Condominium nor shall any use or practice be allowed which is source of annoyance to its residents or which interferes with the peaceful possession or property use of the Condominium by others.

E. No Owner, tenant or guest shall allow the installation of wiring for electrical or telephone use, telephone antennae, air conditioning unit or other machine or equipment, which protrudes through the walls or the roof of the building or is otherwise visible on the exterior of a building except as presently installed or as authorized by the Board.

F. No Unit or Common Area of the Condominium may be used for any unlawful, immoral or improper purpose.

G. Nothing shall be done in any Unit or in, on, or to the Common Area which may impair the structural integrity of the Submitted Land, or which would structurally change a building or improvements thereon except as provided in the Declaration or these Bylaws. Nothing shall be altered or constructed in or removed from the Common Area, except upon the written consent of the Board of Directors.

H. No Owner, tenant or guest shall direct or engage any employee of the Condominium on any private business, nor shall he direct, supervise or in any manner attempt to assert control over any such employee.

I. Except as used by or for the Declarant, no vehicles shall be parked outside a Unit, except for (i) personal cars or (ii) non-commercial vehicles owned by the Owner or tenant of a Unit, where such non-commercial vehicles do not exceed in size industry standard one (1) ton capacity vehicles with standard single, rear wheel configuration. No unregistered vehicles may be maintained at or outside of a Unit.

J. No activity shall be done or maintained in any Unit or upon any Common Area which will increase the rate of insurance on any Unit or the Common Area or result

in the cancellation of insurance thereon, unless such activity is first approved in writing by the Board of Directors. No waste shall be committed in the Common Area.

O F F I C I A L

O F F I C I A L

K. In the use of the Units and the Common Area of the Condominium, Owners shall obey and abide by all valid laws, ordinances and zoning and other governmental regulations affecting the same and all applicable Rules and Regulations. The Common Area shall be used only for the purposes for which they are reasonably suited and which are incident to the use and occupancy of the Units.

I C I A L

C O P Y

C O P Y

2. Improvements to Common Area Adjacent to Units. To enable Owners (of Units) to enjoy more fully their Units and to improve the exterior, aesthetic quality thereof, Owners may, with the approval of the Board of Directors, plant and maintain shrubs, flowers and other vegetation customarily planted at single family residences within five (5) feet of the exterior walls of their Units.

ARTICLE III

RESERVED

ARTICLE IV

GENERAL PROVISIONS

1. Amendments. These Rules and Regulations may be amended, from time to time, by the Declarant or the Board of Directors, as permitted and contemplated under the Declaration and Bylaws.

2. Enforcement. The Board of Directors may enforce these Rules and Regulations pursuant to the same means of enforcement as are authorized with respect to the enforcement of the By-laws as set forth in Section XII thereof.

3. Law. These Rules and Regulations shall be governed by the law of the State of New Hampshire.

4. Waiver. No restriction, condition, obligation or provision of these Rules and Regulations shall be deemed to have been abrogated or waived by any reason or failure to enforce the same.

5. Captions. The captions contained in these Rules and Regulations are for convenience only, are not part of these Rules and Regulations and are not intended in any way to limit or enlarge the terms and provisions of these Rules and Regulations.

6. Gender, etc. Whenever in these Rules and Regulations the context so requires, the singular number shall include the plural and the converse; the use of any gender shall be deemed to include both genders or neuter.

IN WITNESS WHEREOF, Declarant has caused these Rules and Regulations to be executed this 27 day of January, 2007.

Witness [Signature]

By: [Signature]
Gerard Bowes, Member

STATE OF MAINE
COUNTY OF OXFORD

The foregoing instrument was acknowledged before me this 27 day of January, 2007, by Gerard Bowes of Bowes Development LLC, a Maine Limited Liability Company, on behalf of the corporation.

[Signature]
Notary Public
My Commission Expires:
STEPHANIE JACKSON
Notary Public, Maine
My Commission Expires January 24, 2009

SEAL

ANDROSCOGGIN COUNTY
Tina K. Charnord
REGISTER OF DEEDS