

April 14, 2017

*Via Hand Delivery*

Gus Jack

84 Eastern Promenade, Unit 3

Portland, Maine 04101

Re: Unit #3, Victorian Terrace Condominium, 84 Eastern Promenade, Portland, Maine / Notice of Intent to Convert / Option to Purchase

Dear Gus,

As you know, I plan to establish a condominium to be known as "Victorian Terrace Condominium" at 84 Eastern Promenade, Portland, Maine. As part of the conversion process, I am required by Article VIII, Section 14-565 *et seq.* of the City of Portland's Code of Ordinances (the "Ordinance") and the Maine Condominium Act, 33 M.R.S.A. §1601-101 *et seq.* (the "Act"), to give you this notice, which not only memorializes my intention to convert 84 Eastern Promenade to Victorian Terrace Condominium, but also outlines certain other rights and protections that you are afforded by the City's Ordinance and the Act.

For a period of sixty (60) days' following the date of your receipt of this notice you shall have an exclusive and irrevocable right to purchase Unit #3 (the "Unit") of Victorian terrace Condominium for the sum of Six Hundred Fifty Dollars (\$650,000.00). Such right may be exercised by signing and returning to me, during the sixty (60) days' following the date of your receipt of this notice the Unit Purchase and Sale Agreement being delivered to you together with your Twenty-Five Thousand Dollar (\$25,000.00) deposit.

If you do not exercise your right to purchase the Unit during the next sixty (60) day period then please know that I may not convey or offer to convey the Unit to any other person during the following one hundred eighty (180) day period at a price or on terms more favorable than the price or terms that I offered to you, unless I first offer the more favorable price or terms first to you for an additional sixty (60) day period.

If you do not wish to purchase the Unit, you may continue to live in the Unit (even if your lease has expired) for a period of two hundred ten (210) days from the time you receive this notice. The terms of your tenancy, including rent, will not be altered during such two hundred ten (210) days period, except as expressly provided in any pre-existing written lease.

Additionally, if you choose not to purchase the Unit, I am obligated by Section 14-569 of the City's Ordinance, before I require you to vacate the Unit, to make a cash payment to you in an amount equal to the amount of rent paid by you for the immediately preceding two (2) months; provided that this requirement shall not apply to any tenant whose gross income exceeds eighty percent (80%) of the median income of the Portland SMSA, adjusted for family size, as determined by the U.S. Department of Housing and Urban Development at the time this notice is given to you. I am further obligated to, upon demand by you, to provide assistance in

the form of referrals to other reasonable accommodations and in determining your eligibility for relocation payments as provided by the Ordinance.

This notice must be either hand delivered to you or mailed by certified mail, return receipt requested, postage prepaid to you at the address of the Unit or such other address as you may provide. This notice shall be effective when actually received. You will not be required to vacate your Unit without having been given this notice as required under said Ordinance or Act, except for the reasons specified in the applicable law of forcible entry and detainer, and in accordance with the procedures thereof.

The enclosed Declaration of Condominium, Bylaws, Plat and Plans, and Rules and Regulations contain materials in order to help you make a decision as to whether you should purchase the Unit. You should review it before you make your decision.

Please let me know if you have any questions.

Very truly yours,



Victorian Terrace LLC  
Edmund S. Gardner III, Manager

#### REQUIRED NOTICE

*If you do not buy your apartment, the developer of this project is required by law to assist you in finding another place to live and in determining your eligibility for relocation payments. If you have questions about your rights under the law, or complaints about the way you have been treated by the developer, you may contact the Building Inspection Division, Department of Planning and Urban Development, City of Portland, 389 Congress Street, Portland, Maine 04101 (telephone: 874-8703).*

**UNIT PURCHASE AND SALE AGREEMENT**

THIS AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2017, by and between **VICTORIAN TERRACE LLC**, a Maine limited liability company (collectively "Declarant") and **GUS JACK** of Portland, Maine ("Purchaser").

WITNESSETH THAT:

1. Description of Unit. In consideration of the mutual promises expressed in this Agreement, Declarant agrees to sell and Purchaser agrees to purchase for the price and upon and subject to the terms and conditions set forth in this Agreement, Condominium **Unit(s) No. 3** at Victorian Terrace Condominium located at 84 Eastern Promenade, Portland, Maine, the plans and specifications for which have been delivered, receipt of which Purchaser hereby acknowledges, and which Unit is more particularly described in the proposed Warranty Deed attached hereto as Exhibit A, to be created pursuant to the provisions of the Maine Condominium Act. Purchaser acknowledges that said condominiums are to be created and this agreement is subject to his/her review and approval of said plans and specifications and the Declaration of Victorian Terrace Condominium as recorded or to be recorded in the Cumberland County Registry of Deeds, a copy of which, along with copies of the accompanying Site Plan and Diagrammatic Floor Plans, have been delivered to Purchaser.

2. Purchase Price.

The total purchase price is: **Six Hundred Fifty Thousand and 00/100 Dollars (\$650,000.00)** payable as follows:

(a) Twenty-Five Thousand and 00/100 Dollars (\$25,000.00) as a deposit (the "Deposit") to be held by Ocean Gate Realty, LLC ("Broker"), the receipt whereof is hereby acknowledged by Declarant and credited to the purchase price at Closing; and

(b) Six Hundred Twenty-Five Thousand and 00/100 Dollars (\$ 625,000.00) constituting the balance, at Closing in cash or by certified or bank check or wire transfer payable to Declarant upon delivery of the deed conveying the Unit.

3. Unit Deed. Declarant shall convey the Unit by Warranty Deed, conveying good and clear record and marketable title to the Unit, free of all liens and encumbrances, except and subject to:

- (a) Provisions of (i) the Maine Condominium Act (as that statute may be amended from time to time); (ii) said Declaration, as the same may be amended from time to time by instrument recorded in the Cumberland County Registry of Deeds;
- (b) Existing rights, easements, restrictions, licenses, covenants and conditions reserved or contained or referenced in the Declaration or of record.
- (c) Zoning, subdivision or other land use laws affecting the Condominium.

4. Closing Date. Unless otherwise agreed upon in writing, the Closing shall take place on or before \_\_\_\_\_, 2017, or substantial completion of the units, whichever shall occur first. Time is of the essence of this Agreement.
5. Possession. Declarant shall deliver full possession of the Unit, free and clear of all tenants and occupants, at Closing.
6. Closing Adjustments. Estimated taxes for the then current taxing period assessed against the Unit, estimated Common Expenses for the then current month, and other assessments, if any, on the Unit shall be prorated as of the Closing Date. Purchaser will pay, in addition to the purchase price, an initial Working Capital contribution to the Association, or reimbursement thereof to Declarant, in an amount equal to twice the monthly installment of the estimated Common Expenses attributable to the Unit, such payment to be in addition to and not in lieu of regular monthly installments of such expenses and charges as the same thereafter may become due and payable. Such payments are nonrefundable.
7. Limited Warranty. Declarant makes no warranties as to the condition of the structural components, waste disposal system, water system and mechanical and electrical installations or as to any appliances, equipment or fixtures, if any, sold with the Unit, except as may be required by the statutory warranties set forth in the Maine Condominium Act. Declarant shall not be responsible for performance under any manufacturer's warranties in any way. Purchaser hereby acknowledges that no warranties or representations have been made by Declarant or any of its principals, agents, or affiliates, with respect to the construction and/or improvement of common facilities, or any other amenities or services to be provided by the Declarant other than those contained in the Declaration. Purchaser agrees to execute a Limited Warranty Certificate limiting the period of limitations for any warranties to two years, a copy of said Certificate is attached hereto as Exhibits B and B-1.
8. Default. That in the case of the failure of the Purchaser to make either of the payments, or any part thereof, or to perform any of the covenants on his part made or entered into, this contract shall, at the option of the Declarant, be terminated and the Purchaser shall forfeit said Deposit and all right to the monies paid for Unit upgrades and all of the same shall be retained by the Declarant as liquidated damages.
9. Risk of Loss. The risk of loss or damage by fire or other casualty is assumed by Declarant until the Deed is delivered to Purchaser at Closing.
10. Miscellaneous.
  - (a) The acceptance of the delivery of the Deed by Purchaser shall be deemed to be full performance and discharge of every agreement and obligation herein contained or expressed, unless otherwise stated in writing signed by the parties at Closing.
  - (b) This Agreement is personal to Purchaser and Purchaser may not assign this Agreement



without the prior written consent of Declarant.

- (c) This Agreement shall inure to the benefit of and be binding upon the parties hereto, their personal heirs, personal representatives, successors and assigns.
- (d) This Agreement shall not be altered, modified or amended except by a written instrument signed by Declarant and Purchaser.
- (e) This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Maine.
- (f) Exhibit A and Exhibit B are attached hereto and are part of this contract.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as a sealed instrument as of the date first set forth above.

WITNESS:

DECLARANT/SELLER:

Victorian Terrace LLC

By: \_\_\_\_\_

Edmund S. Gardner III  
Title: Manager

PURCHASER:

\_\_\_\_\_  
Gus Jack

**EXHIBIT A**

**WARRANTY DEED**

KNOW ALL MEN BY THESE PRESENTS, THAT **VICTORIAN TERRACE LLC**, a Maine limited liability company with a principal place of business in Portland, Maine, in consideration of one dollar and other valuable consideration paid by **GUS JACK**, whose mailing address is \_\_\_\_\_, receipt whereof is hereby acknowledged, does hereby give, grant, bargain, sell and convey unto the said \_\_\_\_\_, as joint tenants, their heirs and assigns forever,

A unit known and designated as **Unit 3** in Victorian Terrace Condominium, located in the City of Portland, County of Cumberland and State of Maine, as shown on a “Condominium Plat of the Victorian Terrace Condominium” dated \_\_\_\_\_, 201\_\_ as updated through \_\_\_\_\_, 2017 prepared by \_\_\_\_\_ and recorded in the Cumberland County Registry of Deeds in Plan Book \_\_\_\_\_, Page \_\_\_\_\_ (the “Plat”). The Floor Plans of the Condominium are titled “Victorian Terrace Condominium” dated \_\_\_\_\_, 201\_\_ as updated through \_\_\_\_\_, 2017 prepared by \_\_\_\_\_ and recorded in the Cumberland County Registry of Deeds in Plan Book \_\_\_\_\_, Page \_\_\_\_\_ (the “Floor Plans”), as may be amended from time to time, to which reference is hereby made and the same is incorporated by reference herein (hereinafter called the “Declaration”).

Said unit is conveyed together with:

- 1) the allocated interest in the common areas and facilities of the condominium described in the Declaration attributable to the unit as stated in Exhibit D of the Declaration;
- 2) an exclusive right to use the limited common areas appurtenant to the unit as specified in the Declaration, and shown on said Condominium Plat and Floor Plans;
- 3) an easement in common with the owners of other units to use any pipes, wires, ducts, flues, cables, conduits, sewer, water and other public utility lines, driveway and recreation areas, and other common areas and open space, and facilities located in any of the other units or elsewhere on the property and serving the unit;
- 4) all rights and easements in common with other units owners as described in the Declaration, including the description of property attached as Exhibit A to the Declaration;
- 5) all fixtures of any kind now placed in or on said unit.

Said unit is conveyed SUBJECT to:

- a) all easements, covenants, obligations, conditions, restrictions, reservations and encumbrances contained in or referred to in the Declaration, including, but not limited to, those contained in the description of the property attached;
- b) an easement in favor of the other units to use the pipes, wires, ducts, flues, cables, conduits, sewers, water lines and other public utility lines, driveway and recreation areas, and other common areas, open space and facilities located in the unit or elsewhere on the property and serving such other units;
- c) exclusive rights in favor of the owner of any unit to use the limited common areas appurtenant to such unit;
- d) the provisions of the Declaration and appendices thereto, by-laws and floor plans of Victorian Terrace Association recorded and filed simultaneously with and as part of the Declaration, as the same may be amended or modified from time to time by instrument recorded or filed in the Cumberland County Registry of Deeds, which provisions, together with any amendments or modifications thereto, shall constitute covenants running with the land and shall bind any person having at any time any interest or estate in the unit, his family, servants and visitors, as if those provisions were recited and stipulated at length herein.

IN WITNESS WHEREOF, Edmund S. Gardner III, Manager of Victorian Terrace LLC has caused this instrument to be signed and sealed this \_\_\_\_\_ day of the month of \_\_\_\_\_, 2017.

SIGNED, SEALED and DELIVERED  
in presence of:

Victorian Terrace LLC

By: \_\_\_\_\_  
Edmund S. Gardner III  
Title: Manager

STATE OF MAINE  
COUNTY OF CUMBERLAND, ss.

\_\_\_\_\_, 2017

Personally appeared before me the above named Edmund S. Gardner III, Manager of Victorian Terrace LLC and acknowledged the foregoing instrument to be his free act and deed in his said capacity, and the free act and deed of Victorian Terrace LLC.

\_\_\_\_\_  
Notary Public  
Print Name \_\_\_\_\_  
Commission Expires \_\_\_\_\_

**EXHIBIT B**

**VICTORIAN TERRACE CONDOMINIUM  
LIMITED WARRANTY**

Condominium Unit No. 3, in Victorian Terrace Condominium

Declarant has sold to you a home designated above in the Victorian Terrace Condominium, located in the City of Portland, Maine. Your Unit has been constructed in accordance with the local building code of the City of Portland, Maine. This Limited Warranty Certificate describes Declarant's obligations to make such adjustments and outlines the methods for you to follow to obtain such adjustments.

**I. COVERAGE AND DURATION**

**A. Non-Consumer Products**

1. Declarant will correct any structural defect, which shall be those defects in components constituting any Unit which reduces the stability or safety of the Unit below accepted standards or which restricts the normal intended use of all or part of the structure and which requires repair, renovation, restoration or replacement, brought to Declarant's attention in writing within two years from the date hereof.
2. Declarant will correct any structural defect in the plumbing system, except operating fittings, which causes the system not to be in proper working order and which is caused by defective workmanship and materials, brought to Declarant's attention in writing within two years from the date hereof; provided that Declarant makes no representation or warranty with respect to the subsurface disposal system.
3. Declarant warrants that the Unit is, at the time of Closing, fit for habitation, and that the Unit was, at the time of construction, constructed in a workmanlike manner.

**B. Consumer Products**

1. Declarant gives no warranty on appliances or other equipment sold with the Unit except as may be required by the statutory warranty.
2. Declarant's sole obligation with respect to items not warranted by Declarant shall be to deliver to the Unit Owner at the time of closing any manufacturers' warranties covering such appliances and equipment in the Unit except insofar as the same may be Common Elements. Declarant is not responsible for performance under manufacturers' warranties in any way.

**C. Examples**

1. The following are examples of non-consumer products: ducts, doors, windows, wiring, water closet, bathtub, lavatory, etc.
2. The following appliances and other equipment which may be sold with the Unit are examples of consumer products: garbage disposal, range, refrigerator, trash compactor, garage door opener and/or dishwasher.

## II. DECLARANT'S RESPONSIBILITY

In the event of any defect in any item or component thereof covered by this Limited Warranty, Declarant, at its option, will repair or replace the affected item or component at no cost to the Unit Owner. Replacement items or components will be substantially comparable to those replaced, although identical colors and other features may not necessarily be available. Declarant will correct the defect in such manner as to restore the component to the condition which would have existed had the defect not been present.

## III. EXCLUSIONS

- A. As long as any of the following defects will not prevent the normal intended use of all or part of the Unit, this Limited Warranty does not include cracks, popping nails or other effects of normal settlement; nor expansion, contraction, shrinkage or warping of materials that may occur in walls, floors, ceilings, doors or any of the components of the Unit; nor drainage, seepage or other water problems.
- B. This Limited Warranty does not include defects or smudges in painted surfaces, chipping and/or cracking of marble, formica, fiberglass or tiles, defective or broken glass, or similar defects readily visible to the human eye which are not noted for correction at the time of inspection by the initial purchaser before Closing.
- C. This Limited Warranty does not cover normal maintenance items or conditions resulting from wear and tear and/or misuse or neglect. This Limited Warranty does not apply where use or maintenance was contrary to the condominium instruments or rules and regulations of the Condominium Association or where any defect results from damage by the Unit Owner or by negligence or unreasonable use (including failure to provide reasonable and necessary maintenance).
- D. Furniture, wall coverings, furnishings or the like as shown in or about any model Unit are for display purposes only and are not considered a part of the Unit. Further, the location of wall switches, thermostats, chases, plumbing and electrical outlets and similar items may vary from unit to unit and may not be as shown in any model unit. Any floor plans, sketches or sales drawings shown to Purchasers, other than those which are a part of the Condominium Plat or Plans or the Public Offering Statement, are for display purposes only and may and need not be exactly duplicated. The Unit is being sold unfurnished and will contain only the appliances and equipment set forth in the Purchase and Sale Agreement between Declarant and Purchasers.

**E. DECLARANT SPECIFICALLY DISCLAIMS ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL (SECONDARY) DAMAGE TO ANY PERSON, THE UNIT, OTHER COMPONENTS OR ANY OTHER REAL OR PERSONAL PROPERTY RESULTING FROM A DEFECT.**

**IV. LIMITATION OF IMPLIED WARRANTIES**

ON CONSUMER PRODUCTS FINALLY DETERMINED BY A COURT TO BE WITHIN THE STATUTORY WARRANTY DESCRIBED ABOVE, ALL IMPLIED WARRANTIES ARE LIMITED IN DURATION TO THE PERIOD OF THIS WRITTEN WARRANTY. This includes, without limitation, the implied warranties of merchantability and fitness created by Title 11 M.R.S.A. §§2-314 and 2-315 and the implied warranty of suitability created by §1604-113(b) of the Maine Condominium Act.

**V. WARRANTY PROCEDURES**

A. The following procedures have been established to permit maximum efficiency in administering work under warranty. Each Unit Owner had the opportunity to inspect his Unit prior to Closing. At that time a list of items needing correction in accordance with this Limited Warranty usually is prepared. Certain additional items may arise from time to time, as is normal in a new building. If any additional items arise, the procedure to be followed for correcting these items is as follows:

1. Ninety days after occupancy, if the Unit Owner has discovered defects that are covered by this Limited Warranty, in order to obtain performance of any of the Declarant's warranty obligations, a written statement of all warranty claims shall be sent to Declarant at the address shown on the attached "Warranty Inspection Form."
2. Upon receipt of the written statement, Declarant or its representative will meet the Unit Owner, inspect the Unit and list all warranted defects on the "Warranty Inspection Form," a copy of which is attached, to be signed by both the Unit Owner and Declarant or its representative.
3. Any latent defects that may be discovered subsequent to the completion of the "Warranty Inspection Form" during the period covered by this Limited Warranty will be handled individually upon written notice from the Unit Owner to Declarant sent to the address set forth in paragraph 1 above.

B. If the Unit Owner and Declarant fail to agree upon the defects to be noted on the Warranty Inspection Form or upon the correction of such defects, Declarant will,

within five days after the date of the Unit Owner's request therefore, submit the disagreement to the Project Architect for decision, and such decision shall be final and binding on Declarant and the Unit Owner. The Project Architect will render his decision based on the plans and specifications for the Unit, the Declaration and the Purchase and Sale Agreement. The charge by the Project Architect for this service will be paid one-half by Declarant and one-half by the Unit Owner prior to resolution. In the event that there is no Project Architect, then the parties agree to select an impartial, reputable, Maine licensed architect to serve in such role.

C. This Limited Warranty may be assigned by a Unit Owner to a subsequent owner of the Unit effective on the date that the subsequent owner notifies Declarant in writing of such assignment; this Limited Warranty Certificate is not otherwise transferable. No assignment of this Limited Warranty shall extend its duration or expand the scope or coverage hereof.

VI. INTERPRETATION

Nothing contained herein shall be deemed to be in derogation of the warranty required by §1604-113(b) of the Maine Condominium Act, as amended, as of this date. This Limited Warranty shall be read or used in conjunction with the Agreement to Reduce Period of Limitations of even date herewith executed by the Declarant and Purchasers. No action taken by Declarant to correct defects shall extend this warranty. This Limited Warranty shall be governed by the laws of the State of Maine.

Dated: \_\_\_\_\_

WITNESS:

Victorian Terrace LLC

By: \_\_\_\_\_  
Edmund S. Gardner III  
Title: Manager

\_\_\_\_\_  
Gus Jack

**VICTORIAN TERRACE CONDOMINIUM  
WARRANTY INSPECTION FORM**

Unit Number: 3

Inspection Conducted By: \_\_\_\_\_

Date of Inspection: \_\_\_\_\_

Listed below are all of the defects discovered to date in my (our) Unit in accordance with the terms and conditions of my (our) Limited Warranty Certificate.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Witness \_\_\_\_\_

Gus Jack \_\_\_\_\_

Declarant agrees to correct the items listed above in a workmanlike manner not later than \_\_\_\_\_.

Victorian Terrace LLC

By: \_\_\_\_\_  
Edmund S. Gardner III  
Title: Manager



**EXHIBIT B-1**

**VICTORIAN TERRACE CONDOMINIUM  
AGREEMENT TO REDUCE STATUTE OF LIMITATIONS**

**Unit No.: 3**, Victorian Terrace Condominium, Portland, Maine.

Declarant has sold the above Unit to the Purchaser(s) pursuant to a Unit Purchase and Sale Agreement between the Seller and the Purchaser(s). The Purchaser(s) agree with Seller, pursuant to the terms of such Agreement, as follows:

1. The six-year period during which a judicial proceeding for breach of any obligation arising under §§1604-112 and 1604-113 of the Maine Condominium Act must be commenced is hereby reduced to a period of limitations of two (2) years as permitted pursuant to §1604-115(a) of the Maine Condominium Act.
2. Except as modified hereby, the Unit Purchase and Sale Agreement between the Seller and the Purchaser(s) and any Limited Warranty Certificate issued to the Purchaser(s) by the Seller remain in full force and effect.

**WITNESS:**

Victorian Terrace LLC

\_\_\_\_\_

By: \_\_\_\_\_  
Edmund S. Gardner III  
Title: Manager

\_\_\_\_\_

Gus Jack

# DECLARATION OF VICTORIAN TERRACE CONDOMINIUM

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Prepared by: Nicholas J. Morrill, Esq.  
Jensen Baird Gardner & Henry  
10 Free Street, P.O. Box 4510  
Portland, Maine 04112-04510

## DECLARATION OF VICTORIAN TERRACE CONDOMINIUM

### ARTICLE 1

THIS DECLARATION OF the **Victorian Terrace Condominium** (“Declaration”) is executed by **Victorian Terrace, LLC**, a Maine limited liability company, formerly known as The Miles Standish, LLC (“Declarant”) pursuant to the Maine Condominium Act, chapter 31 of Title 33 of the Maine Revised Statutes of 1981, as amended (“Condominium Act”).

**§1.1 Declaration of Property.** The Declarant as the owner in fee simple of the land located at 84 Eastern Promenade in the City of Portland, County of Cumberland and State of Maine described in **Exhibit A**, the buildings and improvements located thereon and subject to and together with all easements, rights, privileges and appurtenances thereto (collectively the “Property”), HEREBY SUBMITS the Property to the Condominium Act in accordance with this Declaration, and hereby establishes a condominium as defined in Section 1601-103(7) of the Condominium Act (“Condominium”) known as the “Victorian Terrace Condominium”.

The name of the Unit Owners’ association is the **Victorian Terrace Condominium Association**, being a Maine nonprofit corporation (the “Association”).

The Condominium consists of the Property and four (4) Units known as Units 1, 2, 3 and 4.

As set forth in this Declaration, the Declarant reserves various Special Declarant Rights, Development Rights and easements, including without limitation the right subdivide Declarant owned Condominium Units, and to convert Declarant owned Units to Common Elements, to convert Common Elements to Declarant owned Units.

**§1.2 Applicability.** This Declaration shall govern the Property. All present and future owners, occupants and tenants, their guests, licensees, invitees, employees, agents, and any other person entering on the Property shall be subject to this Declaration, the Bylaws of the Association and to such Rules and Regulations of the Association, all of which shall be deemed to be covenants running with the land, and shall bind any person having at any time any interest in or entering upon the Property.

**§1.3 Defined Terms.** Capitalized terms not otherwise defined in this Declaration or on the Plat and Plans shall have the meanings specified in the Condominium Act.

#### **§1.4 Use Restrictions.**

(a) The Units are restricted to private residential use, including residential activities engaged in by Unit owners, members of the Unit owners, immediate family and the guests and other authorized occupants, licensees and visitors of the Unit owners. The Units may not be used for professional, business, commercial, industrial or manufacturing purposes, or primarily for storage.

- (b) No Unit owner may carry on any practice, or permit any practice to be carried on, that unreasonably interferes with the quiet enjoyment of the occupants of any other Unit. Each Unit owner shall maintain its Unit and the appurtenant Limited Common Elements in a clean and sanitary condition.
- (c) No Unit shall be used, occupied or kept in a manner that in any way would be deemed hazardous and/or result in an increase in the fire insurance premiums for a Unit beyond the standard rates for a dwelling in a multi-family structure, without the prior written permission of the Board of Directors.
- (d) No owner of a Unit may erect any sign on or in a Unit or any Limited Common Element that is visible from outside such Unit, without in each instance having obtained the prior written permission of the Board of Directors. This limitation shall not apply to standard signs used to advertise a Unit for sale or for lease.
- (e) A Unit owner shall be absolutely liable to the other Unit owners and family, guests, licensees and invitees of the other Unit owners for any damage to personal property caused by any pets or animals kept at the Condominium by such Unit owner; provided, however, nothing in this subparagraph (e) shall be construed or deemed to limit the right of the Association to regulate, restrict or prohibit pets in the Condominium pursuant to rules and regulations duly adopted from time to time.
- (f) A Unit owner may lease or sublease its Unit at any time and from time to time; provided that: (i) no Unit may be leased or subleased without a written lease or sublease; (ii) no Unit may be leased for a term of less than five (5) nights; and (iii) no Unit is leased in violation of any rules or regulations of the City of Portland, Maine. A copy of each such lease or sublease shall be furnished to the Board of Directors within ten (10) days after execution thereof. Each lease must provide expressly that the lessee or sublessee shall be bound by the covenants, conditions and restrictions set forth in this Declaration, the Bylaws and the Rules and Regulations, and that a default thereunder shall constitute a default under the lease or sublease. The Unit owner shall provide any lessee or sublessees of a Unit with a copy of the Rules and Regulations of the Condominium. The foregoing shall not impose any direct liability on any lessee or sublessees of a Unit to pay any common expense assessments on behalf of the owner of that Unit unless so provided for in said lease or sublease.
- (g) A Unit owner shall be responsible for the cleanliness of any Limited Common Element serving such Unit, at the expense of such Unit owner.
- (h) Each Unit owner shall comply strictly with the Bylaws and with the Rules and Regulations adopted and amended from time to time by the Board of Directors and with the covenants, conditions and restrictions set forth in this Declaration or in the deed to a Unit. Failure to so comply shall be grounds for an action to recover damages or for injunctive relief or both maintainable by the Association or any aggrieved Unit owner.

The Board of Directors may adopt rules and regulations implementing and interpreting the foregoing permitted and prohibited activities.

**§1.5 Interpretation.** In the event of any conflict or discrepancy between this Declaration, the Bylaws, the Rules and Regulations, and the Plat and Plans, the provisions of this Declaration shall govern.

## **ARTICLE 2 DESCRIPTION OF PROPERTY**

**§2.1 Description of the Property.** A legal description of the Property included in the Condominium is set forth in **Exhibit A**. The location and dimensions of the Property included in the Condominium are depicted on the Condominium Plat of the Victorian Terrace Condominium dated \_\_\_\_\_, 201\_\_ as updated through \_\_\_\_\_, 2017 prepared by \_\_\_\_\_ and recorded in the Cumberland County Registry of Deeds in Plan Book \_\_\_\_\_, Page \_\_\_\_\_ (the “Plat”), a reduced copy of which is attached hereto as **Exhibit B**

**§2.2 Location and Dimensions of Buildings and Units.** The term “Building” means the buildings now or thereafter located on the Property containing the Units, including fire escapes and other improvements comprising a part of or attached to the Buildings or intended to be used for purposes incidental to the use of a building. The location and dimensions of the Buildings, the Units, and other improvements on the Property, including Common Elements, are shown on the Plat and on the Floor Plans of the Victorian Terrace Condominium dated \_\_\_\_\_, 201\_\_ as updated through \_\_\_\_\_, 2017 prepared by \_\_\_\_\_ and recorded in the Cumberland County Registry of Deeds in Plan Book \_\_\_\_\_, Page \_\_\_\_\_ (the “Floor Plans”), reduced copies of which are attached hereto as **Exhibit C**.

**§2.3 Recorded Plat and Plans.** The Plat and Plans and any amendments thereto shall be recorded in the Cumberland County Registry of Deeds.

**§2.4 Condominium Documents.** “Condominium Documents” means this Declaration, the Plat, the Plans, the Bylaws of the Association, and the Rules and Regulations adopted by the Board of Directors, and any amendments to any of the foregoing adopted from time to time.

## **ARTICLE 3 CONDOMINIUM UNITS**

**§3.1 Creation of Units.** Four (4) Units known as Units 1, 2, 3 and 4 are created hereby.

The Declarant reserves the rights to subdivide and combine Units, to convert Units to Common Elements and/or Limited Common Elements, to assign Limited Common Element areas not previously expressly assigned to specified Unit(s), to convert Common Elements designated on the Plat or Floor Plans as being subject to Development Rights into additional Units and/or Limited Common Elements, and (ii) other Units and their Limited Common Elements that have been sold to third parties who are not successor Declarants.

For each resulting Unit subsequently created, consolidated or subdivided pursuant to this Declaration, its Allocated Interests shall be set forth in an amendment to **Exhibit D**, and a description of such Unit including each Unit’s identifying number, the locations and

dimensions of the vertical boundaries and horizontal boundaries of each Unit, the Common Elements to which the Unit has direct access, and any other information necessary to identify the Unit shall be shown on the Condominium Plat and Plans.

**§3.2 Description of the Units and Easements.** “Unit” means a part of the Property designated for separate ownership or occupancy which has a direct exit to the Common Elements. For each Unit created from time to time pursuant to this Declaration, the identification number and approximate area are shown on the Plat and Plans of the Property as amended from time to time. Any internal room configuration shown on the Plans is illustrative only, and is not binding on an owner except that the structural support of the Building must be preserved.

Each Unit includes the following items:

- (a) All interior partitions (excepting those portions thereof which are load-bearing), interior doors located entirely within a Unit including without limitation their frames, locking systems, hinges and sills, and interior halls and stairways located wholly within the Unit;
- (b) Finish floorings, floor coverings, carpeting and the like, and finish walls and ceilings and coverings including the paint, wallpaper, furring, gypsum board, moldings, the panels, framework, lighting, and acoustical tile ceilings if any, and any other materials constituting any part of the finished surfaces thereof which are nonstructural), but excluding exterior masonry or brick walls, exterior windows and excluding interior or exterior doors providing access to the Common Elements or public streets;
- (c) Plumbing, electrical, sewer, heating, air conditioning, air handling and ventilating pipes, lines, chimneys, vents, flues, ducts, Unit specific security and door access systems, controls and components thereof serving a single Unit, even if located outside of a Unit’s general boundaries;
- (d) Electrical wiring, equipment, outlets and lighting devices from the point where the feed wire enters the Unit’s meter box inwards, and telecommunication and data wiring and equipment serving only a single Unit;
- (e) Fuel, gas, electric, water and utility lines, pipes and equipment serving only a single Unit from the meters inwards if any, even if located outside of a Unit’s general boundaries; and

A Unit generally does not include the exterior walls, the roofs, rafters, floor joists, subfloors, foundations, land, sidewalks, and parking areas, nor does a Unit include the pipes, wires, conduits, flues, ducts, pipes, heating, flues, chase ways, roof drains, fuel, telecommunications, data and utility lines running through a Unit which serve more than one Unit, which serve the Common Elements or which serve another Unit.

Provided however that the subdivision of an original Unit created hereby into multiple Units or into Common Areas shall not alter the Unit boundaries except through the exercise of the rights otherwise established herein.



Each Unit and the Common Elements shall have an easement for lateral and adjacent support from every other Unit and the Common Elements, and shall have the easement for encroachments established under Section 1602-114 of the Condominium Act.

Subject to such security and card/keypad access restrictions as the Association may establish from time to time, each Unit has an perpetual right of ingress and egress: to such Unit; to emergency egress areas, and stairs; and to the Limited Common Elements which are appurtenant to such Unit, all of which rights shall automatically transfer with a transfer of title to the Unit. Any conveyance, encumbrance, judicial sale, or other transfer (whether voluntary or involuntary) of an interest in the Common Elements shall be void unless the Unit to which that Common Element interest is allocated is also transferred.

If any Unit components or any Common Elements, including without limitation as utility, heating, ventilation, fuel, life safety and sprinkler systems, electrical, telecommunications and data wiring, equipment, ducts, chases and the like which service other Units or the Common Elements extend into or are accessible only through another Unit, then such other Unit is subject to an easement for reasonable access upon prior notice except in an emergency but the other Unit may relocate such items or alter the access at its expense so long as the functionality of such items or access are maintained and any disruption of the use of such items or access is minimized.

**§3.3 General Unit Boundaries.** Subject to Section 3.2 above, the general boundaries of each Unit created under this Declaration are generally shown on the Plat and Plans, and consist of:

(a) *Horizontal Boundary:* The upper and lower boundaries of each Unit are generally the following boundaries extended to an intersection with the vertical (perimeter) boundaries:

1. **Upper Boundaries:** The lowest level planes at the lowermost surfaces of: the upper side of any gypsum board or acoustical tiles of the ceiling and any other materials constituting any part of the finished ceiling surfaces; if there is no finished ceiling, then upper boundary is the lowermost surfaces of the floor joists and structural members supporting each Unit and/or Common Elements above; or if there is no floor above, the lowermost surfaces of rafters and structural members supporting the roof above, extending to the intersection with the vertical boundaries.
2. **Lower Boundary:** The horizontal plane at the upper surface of the undecorated upper surface of the sub-floor or of any concrete or masonry floor slab extending to the intersection with the vertical boundaries.

The subsequent alteration of the Property (e.g. to add an acoustical tile ceiling) shall not alter the initial Unit boundaries hereunder.

(b) *Vertical Boundaries:* The vertical boundaries of each Unit shall be the vertical planes at the interior surfaces of exterior masonry or concrete walls or the stud line at the exterior or outer-most surface of the gypsum-board, sheetrock or other wall materials forming

its exterior or common walls, extended to the intersections with each other and with the horizontal boundaries.

(c) *Interior Finishes.* The Unit shall include all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, acoustical tiles, grids and supports, finished flooring, carpeting and any other materials constituting any part of the finished surfaces thereon located within the boundaries of the Unit.

(d) *Interior Space/Other.* All other spaces, interior partitions and other fixtures and improvements within the boundaries of a Unit are a part of the Unit except as otherwise provided herein.

(e) *Relocation and Subdivision.* Relocation of boundaries between Units is permitted by amendment to the Declaration in compliance with the provisions of the Condominium Act. The subdivision of Units is prohibited.

**§3.4 Allocated Interests.** The term “Allocated Interests” means the Common Element Interest, the Common Expense Liability and the voting rights in the Association allocated to each Unit pursuant to this Declaration. The term “Common Element Interest” means the percentage of undivided interest in the Common Elements appurtenant to each Unit. The term “Common Expense Liability” means the allocation to each Unit of the respective liability for Common Expenses. Generally the Common Expense Liability allocated to a Unit is a percentage equal to the Common Element Interest appurtenant to such Unit. The Allocated Interests of each Unit shall be initially set forth in **Exhibit D**.

The percentage of each Unit’s Common Element Interest, Common Expense Liability and voting rights is allocated by a formula represented by a fraction wherein the numerator is the number of interior square feet of each Unit located within a Building measured at the boundaries with the Common Element as shown on the Plans, and the denominator is the total such square footage of all the Units subject to rounding in order to permit ease of administration, provided however that the percentage stated in **Exhibit D** (as it may be amended) shall control in any event. Such square footage measurements may differ from leasing square footage calculations.

The Association shall have the express power to separately assess “Service Charges” against a Unit and the Owner thereof for services rendered by the Association to or for the benefit of that Unit as set forth herein.

**§3.5 Alterations by Unit Owner.** Subject to this Declaration, the Bylaws and the Rules and Regulations of the Association as amended from time to time, a Unit Owner may make nonstructural improvements and alterations within the interior of the Unit in compliance with all applicable governmental requirements and in a good and workmanlike manner, but using reasonable efforts to mitigate disturbance to other Units, even if increased costs result. Any expenses of Americans with Disabilities Act, Maine Human Rights Act, life safety code, building code or other governmental compliance required as a result of such improvements shall be born by the Unit Owner, even if the required improvements are to be made to the Common Elements but such work shall be subject to approval by the Board of Directors.

The Association shall have the right to require that: (i) copies of the plans and specifications and evidence of compliance with all governmental requirements be submitted to the Board of Directors prior to commencing any work within the interior of the Unit and (ii) to approve all work that takes place in or affects Common Elements upon such terms and conditions as the Board may reasonably require, including without limitation the submission of plans, specifications and permits, evidence of insurance for all contractors, peer review of plans and specifications performed by professionals engaged the Board and the reasonable mitigation of the impact of such construction on other occupants of the Property. The Board may regulate and grant temporary licenses for construction parking, dumpsters and storage of construction materials and waste and other similar activities on the Property and adjacent public areas.

No Unit Owner may make any improvements or alterations or do any work whatsoever which would materially impair the structural integrity or mechanical systems or the walls separating Units, impair life safety or sprinkler systems of the building, lessen the support of any portion of the Condominium, or jeopardize the soundness, noise control components or safety of the Property, all without prior Board consent. All work shall reasonably mitigate any disturbance on other occupants of the Property even if additional costs would result.

All Unit Owner work shall be completed promptly and in a good and workmanlike manner and shall be performed in such a manner that no mechanics, materialmen or other similar liens shall attach to the Property. No Unit Owner shall permit, suffer or authorize any such liens or other claims to be asserted against the Association, other Units or the Common Elements, other than the allocated interest in the Common Elements appurtenant to a Unit. At the completion of all work each Unit Owner shall obtain waivers of mechanics and materialmen's liens from all persons performing work on or furnishing material and upon request provide the Association with copies.

No Unit Owner shall alter any of the Common Elements or paint or otherwise change the appearance of the Common Elements (including without limitation the Limited Common Elements, except for rights to alter Limited Common Element signage as provided in this Declaration) or paint or otherwise change the exterior appearance of the Unit in violation of this Declaration (including, but not limited to, signage or the exterior surfaces of doors or windows leading to a Common Element or a Limited Common Element) or any other portion of the Condominium, without first obtaining: (i) the prior written approval of the Board of Directors of the Association, which shall not be unreasonably withheld, but the applicant shall comply with such standards of general application as may then be established in the Rules and Regulations; and no such approval is required for improvements made pursuant to the exercise of Special Declarant and Development Rights or for changes in signage located in signage Limited Common Areas, (ii) all required approvals from the City of Portland and the Maine Department of Public Safety including any approvals required under the City of Portland's Historic Preservation Ordinance, if applicable, and Building-Life Safety Codes.

**ARTICLE 4**  
**COMMON ELEMENTS, LIMITED COMMON ELEMENTS**

**§4.1 Common Elements.** The term “Common Elements” means the entire Property other than the Units, and includes:

- i. The land, guest parking areas, if any, designated on the Plans, and drives together with the benefit of and subject to all the accompanying rights and easements described in Exhibit A;
- ii. The foundations, roofs, exterior walls, exterior windows, doors and doors providing access to the Common Elements or another Unit, fire escapes, chimneys, chase ways, sub-floors, utility lines and conduits, roof drains and all joists, rafters, structural and load bearing portions of the Buildings;
- iii. Elevators, hallways, vestibules, and stairways serving more than one Unit;
- iv. All utility, heating, air conditioning and ventilating, drainage, and life safety system chases, lines, pipes, conduits, ducts, transmission wires, distribution boxes, utility and lines, pipes, conduits and equipment which serve more than one Unit (excepting lines and equipment owned by public and municipal utilities, or which service only a single Unit and are defined as a part of the Unit in Section 3.2 above), utility chase areas, roof drains, and all fire sprinklers and alarms and life safety and security access systems; and
- v. All other parts of the property necessary or convenient to its existence, maintenance and safety or normally in common use, except as otherwise expressly provided in this Declaration.

**§4.2 Limited Common Elements.** The term “Limited Common Elements” means those portions of the Common Elements where the exclusive use is reserved to one or more, but fewer than all, of the Units in accordance with this Declaration. Limited Common Elements, consist of the following:

- i. All utility, heating, air conditioning and ventilating equipment, controls, chases, lines, pipes, wires, distribution boxes, ducts, conduits and related accessories if any located outside of a Unit’s boundaries (excepting lines and equipment owned by public and municipal utilities) which are not a defined part of a Unit but designed to serve one or more but less than all Units are Limited Common Elements allocated exclusively to such Unit(s) [*note that HVAC and radiant heat units and equipment located outside of the Unit boundaries are Limited Common Elements*];
- ii. The areas shown and designated as Limited Common Elements on the Plans including, without limitation, the circle patio allocated to Unit 4; deck allocated to Unit 1, deck allocated to Unit 2, and widow’s walk allocated to Unit 3, all being more particularly shown on the Plans.

- iii. Two (2) parking spaces shall be allocated to each Unit as Limited Common Elements. The Declarant shall initially allocate two (2) parking spaces to each Unit; and thereafter the Board of Directors may reallocate the parking spaces as they reasonably see fit, provided that no Unit may be allocated less than two (2) parking spaces.
- iv. All doors, steps, stoops, thresholds and windows, including without limitation their glass, frames, hinges, locks, bolts, handles and sills and any other similar fixture which are not a defined part of a Unit but designed to serve one or more but less than all Units are Limited Common Elements allocated exclusively to such Unit(s);
- v. The HVAC systems, radiant flooring and associated pipes, lines, ducts vents, flues and controls located outside of the general boundaries of the Units servicing one or more but less than all Units, including without limitation those designated as “LCE” on the Plat and/or Floor Plans are Limited Common Elements allocated exclusively to the Unit(s) serviced thereby,
- vi. The stairways, hallways, and any associated common lobby, vestibules, entranceways, bathrooms, fire escapes, and access ways located in a Building including without limitation those designated as “LCE” on the Plat and/or Floor Plans are Limited Common Elements allocated exclusively to the Units located in the Building serviced thereby;
- vii. The portions of the Property shown on the Plat and Plans or as described as Limited Common Elements pursuant to Section 1602-102(2) and (4) of the Condominium Act.
- viii. Units 2 and 3 shall have as a Limited Common Element the area shown on and designated as “Elevator Pad Area” on the Plan, which is located where the bulkhead and fire escape are currently situated and extends upward to reach the apex of the third floor. Until such time as the owners of Units 2 and 3 elect to install, and commence installation of, an elevator, and appurtenances, on the Elevator Pad Area, the Elevator Pad Area, and the bulkhead and fire escape located thereon, shall be Common Elements. Upon the owners of Units 2 and 3 electing to install, and commencing installation of, an elevator, and appurtenances, the Elevator Pad Area shall be a Limited Common Element allocated to Units 2 and 3, the use of which is solely for the purpose of installing, maintaining, repairing and replacing an elevator, and necessary appurtenances, to be used to access the second and third floors of the Condominium; and the owners of Units 2 and 3 shall relocate, at their sole cost and expense, the fire escape to a location suitable to and approved by the Association, and the City of Portland. The installation of such elevator, and appurtenances, and the relocation of the fire escape shall be made in accordance with all applicable state, local and federal laws, rules or regulations and in accordance with any applicable historic preservation regulations. Prior to construction, architectural and structural engineering plans detailing the elevator construction and fire escape relocation and being acceptable to and in

conformance with applicable law, rule and regulation, as aforesaid, shall be submitted to and approved by the Association. The Association shall have the right to limit the size, location, style and manner of attachment of such elevator, and appurtenances, and the relocated fire escape to the Condominium, all in the sole but reasonable discretion of the Association. Any damage to Common Elements or other Units caused by the installation of the elevator or relocation of the fire escape shall be repaired at the sole cost of the respective owners of Units 2 and 3.

The Association, in its discretion, may require the owner of Units 2 and 3 to reimburse the Association for any increase in the premium amount for the Association's master liability insurance policy that is reasonably attributable to the installation and operation of the elevator. The owners of Units 2 and 3 shall be responsible for the performance of maintenance, and repair for the elevator, and appurtenances; however, if said owners fail or refuse to regular maintain and repair the elevator, and appurtenances, at the sole discretion of the Board of Directors, the Association may maintain and repair the same, and all such expenses shall be billed to and paid by the owners of Units 2 and 3 as a Limited Common Expense.

The Declarant reserves the right to assign Common Elements as additional Limited Common Elements to a specific Unit pursuant to an amendment to this Declaration, a deed conveying a Unit, or an instrument executed in the same manner as a deed assigning such areas. The allocation of existing Limited Common Elements cannot be altered except in compliance with the Condominium Act, and with the written consent of the affected Owners and Mortgagees of record of the Units affected by the reallocation of Limited Common Elements.

**§4.3 Common Elements to Remain Undivided.** The Common Element interest of a Unit shall be inseparable from each Unit, and any conveyance, lease, devise or other disposition and any mortgage or other encumbrance of any Unit shall include the Common Element Interest, whether or not expressly referred to in the instrument making such transfer. The Common Elements shall remain undivided and no action for partition or division of any party shall be permitted, unless otherwise provided by law and permitted by this Declaration.

**§4.4 Connection of Adjoining Units.** If the record owners of the subject Unit(s) affirmatively elect, with the written approval of the Board of Directors of the Association based on each owner's compliance with the standards set forth hereinafter, all to be evidenced by a recorded instrument duly executed and acknowledged, that portion of the Common Elements located between the boundary lines of adjoining Units or located between a Unit and an adjoining Unit (with the consent of any other Units sharing the same), may be thereby subjected to an easement in favor of each such Unit respectively running to the midpoint of the space between each Unit or to the Limited Common Element for the removal and alteration of any intervening partition and the creation of apertures therein for passage back and forth between the two Units or to the Limited Common Element, and for the installation of stairs, doors, windows and frames appurtenant thereto. The Unit Owners shall be strictly liable for any resulting damage. At all times after such election each Unit Owner: shall preserve and maintain the structural integrity and architectural style, the mechanical and utility systems, and

the support of all portions of the Property; and shall strictly comply with all fire, building code and other governmental laws, ordinances and requirements. Any such Unit Owner or his respective heirs, mortgagees or assigns, may at any time revoke such election by instrument duly executed and acknowledged served on the other such owners and duly recorded, and thereafter may seal up passageways and/or remove the stairs, doors and their frames, and/or install a permanent wall, floor ceiling or other partitions, at all times preserving the structural integrity, the mechanical and utility systems and support of all portions of the Property. Nothing contained herein shall be deemed to merge or otherwise affect the separate identity, configuration or the boundaries of said Units; and each Unit shall continue to pay its allocated share of the Common Expenses.

**§4.5 Alteration of Common Elements by the Declarant.** Until all Units have been sold and the Declarant's obligations under purchase and sale agreements and warranties for all Units have been satisfied, the Declarant reserves the right to modify, alter, repair or improve portions of the Common Elements, including without limitation, any equipment, fixtures and appurtenances, and further reserves an easement over the Common Elements in order to discharge its obligations and to exercise any Declarant Rights, whether arising hereunder or under the Condominium Act without need for approval by the Board of Directors; provided, however, that such modification or alteration shall not impair pedestrian or vehicular access in the parking lots or corridors and hallways of the Building or utility service to Units previously conveyed to third-party buyers.

## **ARTICLE 5 DECLARANT'S RIGHTS**

**§5.1 Development Rights.** The Declarant reserves the rights:

- (a) Until the construction, marketing and sale of all Units is completed, including any future Units which may be created hereunder, and any rights to withdraw real estate have expired, to locate in the Common Elements and Units of the Condominium Property, even though not depicted on the Condominium Plat and Plans, and grant and reserve easements and rights-of-way for the installation, maintenance, repair, replacement and inspection of public utility lines, wires, pipes, conduits and facilities servicing or burdening the Condominium Property including, but not limited to, water, electric, telephone, cable television, fuel, sewer, and surface and subsurface drainage, provided however that no such easement shall be effective until of record, that no such easements may be granted through Units sold by Declarant to third party who is not a successor Declarant and that the Common Elements shall be promptly restored upon installation and repair;
- (b) Until the construction, marketing and sale of all Units is completed, including any future Units which may be created hereunder, and any rights to convert real estate have expired, to connect with and make use of utility lines, wires, pipes and conduits located on the Condominium Property for construction and sales purposes, provided that the Declarant shall be responsible for the cost of services so used;

(c) Until the construction, marketing and sale of all Units is completed, including any future Units which may be created hereunder and any rights to withdraw real estate have expired, to use the Common Elements for ingress and egress, for the construction, reconstruction, maintenance, repair, renovation, replacement or correction of the Units or Common Elements including without limitation the movement and temporary storage of construction materials and equipment, the right of vehicular and pedestrian access, the right to park motor vehicles (except if such activities would impair the Limited Common Element rights established under this Declaration), and for the installation of signs and lighting for sales and promotional purposes;

(d) Until the construction, marketing and sale of all Units is completed, including any future Units which may be created hereunder, and any rights to withdraw real estate have expired, to operate and relocate construction, sales, leasing and management offices; permit prospective tenants, purchasers, lenders, appraisers, and others to visit the offices and use the Common Elements and unsold Units for construction, sales, leasing and display purposes;

(e) Appoint and remove members of the Board of Directors and Officers of the Association in accordance with Section 6.2 of this Declaration;

(f) Until the construction, marketing and sale of all Units and the Common Elements is completed including any future Units which may be created hereunder, and any rights to withdraw real estate have expired, to approve of the creation of easements and improvements in accordance with Sections 3.5, 4.4 and 4.5 of the Declaration in accordance with the standards set forth therein; and

(g) Until the expiration of any applicable warranty established by law or agreement, the Declarant, its contractors, agents and employees shall have the right of entry into a Unit and the Common Elements to perform warranty-related work, whether for the benefit of that Unit or any other Unit; provided, however, that the Unit owner shall be provided with reasonable advance notice of such entry and such entry will be coordinated with the Unit owner to reasonably mitigate disruption to the business being conducted in the Unit.

(i) Those rights established under the Condominium Act.

With respect to the exercise of any of the reserved development rights and special declarant rights, Declarant shall use reasonable efforts to mitigate disruption to the use of the Units owned by third-parties, and their related Limited Common Elements, and to residential occupants residing in such Units, as applicable.

**§5.2 Reserved.**

**§5.3 Reserved.**

**§5.4 Restrictions.** The exercise of Development Rights shall be subject to the following restrictions:



- i) No changes shall be made by the Declarant or any other person, unless any applicable approvals are obtained pursuant to the City of Portland's and State of Maine's statutes, laws, ordinances and rules to the extent applicable; and
- ii) Any construction shall be at the sole expense of the Declarant and such construction shall reasonably minimize any disruption to the other Units during business hours in a manner consistent with the exercise of such rights, even if extra costs would result.

**§5.5 Assignment.** All or any portion of the rights, powers or reservations of Declarant contained in this Declaration, the Bylaws or otherwise may be assigned by Declarant to any person or entity which will assume the duties and obligations of Declarant related to the rights, powers or reservations assigned. Upon the recording of an assignment of such rights, powers or reservations pursuant to which the assignee assumes the duties and obligations of Declarant related thereto, the assignee shall become a successor Declarant as to such rights, powers or reservations assigned and shall have the same rights and powers and be subject to the same duties and obligations as are given to and assumed by Declarant herein, and Declarant shall be relieved from all liability with respect to the rights, powers, reservations, duties and obligations hereunder which are assumed by the assignee.

#### **§5.6 Amendment, Waiver, Etc.**

ARTICLE 5 and Sections 4.4 and 4.5 shall not be amended or waived nor shall any Bylaws or Rules and Regulations be adopted or amended which may infringe on the foregoing without the consent of the Declarant duly recorded in said Registry of Deeds.

The Declarant shall have the right to waive the Development and Special Declarant Rights reserved hereunder in whole or part from time to time by an written instrument provided that such waiver shall only be effective upon recording in said Registry of Deeds and such waiver shall be subject to the limitations of Section 1603-103(d) of the Act regarding Declarant Control of the Association.

### **ARTICLE 6 CONDOMINIUM ASSOCIATION**

**§6.1 The Association.** The term "Association" means the association of the Unit Owners organized pursuant to Section 1603-101 of the Condominium Act as a nonprofit corporation under the Maine Non Profit Corporation Act. The membership of the Association at all times shall consist exclusively of all Unit Owners, or in the event of a termination of the Condominium as provided in the Condominium Act, of all former Unit Owners entitled to distributions of proceeds, or their heirs, successors or assigns. Persons having an interest in a Unit solely as security for an obligation shall not be considered members.

Each Unit Owner shall automatically become a member of the Association, which membership shall continue as long as she or he continues as a Unit Owner, and upon the termination of the interest in the Condominium, his or her membership and any interest in the assets of the Association shall be automatically transferred and inure to the next Unit Owner or Owners succeeding him in interest.

The Association shall have all the powers granted pursuant to its Bylaws, the Condominium Act and the Maine Non Profit Corporation Act.

**§6.2 Board of Directors Powers; Declarant Control Period.** Except as otherwise provided in Section 1603-103(b) of the Condominium Act, the Board of Directors may act on behalf of the Association and shall have all of the powers necessary or appropriate for the administration of Association.

During the Declarant Control Period, the Board of Directors shall be composed of three (3) natural persons. The term “Declarant Control Period” means the period which extends from the date of the recording of this Declaration until the earlier of (a) seven (7) years following the conveyance of the first Unit to a Purchaser or (b) sixty (60) days after the conveyance of seventy-five percent (75%) of all existing and future Units that may be created hereunder, other than a conveyance to a successor Declarant, or (c) at such earlier date as the Declarant in its sole discretion shall specify. The Declarant shall have the right during the Declarant Control Period to appoint, remove and replace from time to time three (3) members of the Board of Directors. During such period the officers of the Association shall be elected by Directors. The directors appointed by the Declarant need not be Unit Owners.

Following the expiration of Declarant Control Period, the affairs of the Association shall be governed by a Board of Directors initially composed of three (3) natural persons but may be increased by amendment to the Declaration and Articles of Incorporation to allow up to five (5) directors. The number of directors may only be changed by amendment to the Articles of Incorporation, the Bylaws and this Declaration.

A majority of the members at the Board of Directors shall be Unit Owners or spouses of Unit Owners or the immediate family members of Unit Owners or in the case of a Unit Owner which is a corporation, limited liability company, partnership, trust or estate or other legal entity, a designated agent thereof.

Upon the expiration of the Declarant Control Period, a transition meeting of the Association and a transition election shall be held at which all of the members of the Board of Directors and officers of the Association appointed by the Declarant shall resign, and the Unit Owners, including the Declarant if the Declarant owns any Units, shall thereupon elect a Board of Directors to act in the place and stead of those resigning.

By written notice duly recorded in said Registry of Deeds specifically referring to this Section, the Declarant may voluntarily surrender the right to appoint and remove officers and members of the Board of Directors prior to the termination of the Declarant Control Period, but in that event the Declarant may require, for the duration of the Declarant Control Period that specified actions of the Association or Board of Directors, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before such action can become effective.

**§6.3 Bylaws.** The initial Bylaws of the Association are attached hereto as **Exhibit E**.

**§6.4 Rules and Regulations.** The Board of Directors shall have the power from time to time to adopt, amend and enforce Rules and Regulations relative to the operation and occupancy of the Units and the Common Elements, consistent with the provisions of this Declaration, Bylaws and the Condominium Act including, but not limited to, the appointment of such committees and the enactment and enforcement of such enforcement procedures and penalties for violations as the Board of Directors shall deem appropriate. Any such Rules and Regulations shall be adopted or amended, by means of appropriate resolutions duly approved by a minimum of the greater of three (3) Directors or two-thirds of all Directors then serving. Notice of such Rules and Regulations and any amendment thereto shall be sent to each Owner or occupant of a Unit promptly after the adoption thereof, and shall bind all Owners, their heirs and assigns, any all tenants, invitees, guests and other persons entering upon the Property.

Any Rule and Regulation adopted by the Board of Directors may be altered, amended or revoked at a duly called meeting of the members of the Association by vote of a majority in percentage interest of all Unit Owners, not just those present and voting, which vote shall be binding on the Association and Board.

## **ARTICLE 7 FINANCIAL MATTERS**

**§7.1 Common Expenses and Service Charges.** The term “Common Expenses” include, but are not limited to, such costs and expenses established by the Condominium Act, by this Declaration, by the Bylaws, or by the Board of Directors in connection with the administration, operation, maintenance and repair of the Condominium and the Property and the rendering to Unit Owners of all related services.

The term “Limited Common Expenses” mean the Common Expenses associated with the maintenance, repair or replacement of a Limited Common Element, which shall be assessed against the Units to which the appurtenant Limited Common Element is assigned in proportion to the relative Common Expense Liabilities of such Units, as the Board of Directors may periodically establish and determine.

If all Units have similar Limited Common Elements as the Board of Directors may periodically establish and determine, then all Units shall pay such expenses in accordance with their Common Expense Liabilities, but notwithstanding the foregoing or any other provisions of this Declaration, (i) all the expenses associated with all Limited Common Elements shall be allocated to all Units generally as general Common Expenses and (ii) the routine expenses of maintenance of Limited Common Element HVAC systems shall be allocated to all Units generally as general Common Expenses, but the capital expenses of major renovations and repairs and of replacements thereof shall be allocated to the Units to which such Limited Common Elements are assigned.

The term “Service Charges” shall mean charges for services benefiting fewer than all the Units, which area assessed exclusively against the Unit or Units benefited in accordance with the use of such services as permitted by Section 1603-115(c) of the Condominium Act and the Bylaws.

All expenses for the administration, operation, maintenance and repair of the Condominium and the Property shall be borne by the Unit Owners by means of assessments as set forth herein, provided that notwithstanding any other provisions of this Declaration to the extent certain electrical and HVAC services are provided through systems connected to individual Units then such Units shall continue to provide such connections and services at the expense of such Units.

**§7.2 Allocation and Payment of Assessments of Common Expenses.** The total amount of common expenses shall be assessed to the Units as follows.

- (a) The Common Expenses that are not otherwise assessed as Limited Common Expenses or Service Charges shall be assessed against all the Units in proportion to the relative Common Expense Liabilities as set forth herein.
- (b) If the Board of Directors determine that a Limited Common Expense benefits less than all Units in a manner which is not uniform among all Units, then such Limited Common Expense shall be assessed solely against the benefited Units benefited in proportion to the relative Common Expense liabilities of such Units as between themselves, all as the Board of Directors may periodically determine. If a Limited Common Expense only benefits a single Unit, that Limited Common Expense shall be assessed solely against the Unit benefited, as the Board of Directors shall determine.
- (c) For electricity, natural gas, telephone and cable television services, and, if separately metered, water and sewer, each Unit Owner shall promptly pay the bills for such services consumed or used in his or her Unit. Any electricity serving the Common Elements, and water and sewer if not separately metered shall be assessed to each Unit as a Common Expense, subject of the right of the Association to submeter and then separately charge for water and sewer services supplied to the Units as Service Charges.

Fuel supplied by a public utility to each Unit and separately billed to each Unit. All heating systems shall be operated and maintained by the owner of the Unit benefited by such heating system in accordance with the requirements of the supplier, the City of Portland and the State of Maine and such rules and regulations as may be established from time to time by the Association.

- (d) Each Unit is subject to a lien in favor of the Association for the unpaid Common Expenses, Limited Common Expenses, Service Charges and penalties, fines, interest and costs of collection including reasonable attorneys' fees, all as provided in the Condominium Act, the Declaration, the Bylaws and the Rules and Regulations.

- (e) In any event no later than 60 days after the first Unit is conveyed, all Units owners including the Declarant shall commence paying monthly common charges to the Association for all Units which have been legally created and submitted to the Condominium.

**§7.3 Service Charges.** The Association shall have the express power to separately assess a Unit and the owner thereof as a "Service Charge" for services rendered to that Unit.

Such Service Charge assessments shall constitute a lien on the Unit with the same status as a lien for Common Expense liability assessments under the Condominium Act, this Declaration and Bylaws, which lien for service charges may be foreclosed in like manner as a mortgage on real estate. The recordation of this Declaration constitutes record notice of the lien. Service Charges shall include without limitation:

- (i) If a Unit Owner, guests or tenants requests the Association or its agent to perform repair and maintenance work on his Unit, or damages the Common Elements or safety systems or fails to perform maintenance and repair work required, the expense thereof as determined by the Board of Directors or its designee may be assessed as a Service Charge.
- (ii) Fees, if any, which may be established by the Board of Directors for the use and maintenance of water, sewer, fuel/heat and/or other utility services and equipment not billed directly to the Unit by the supplier. Likewise, water and sewage services and fuel/heat if supplied to each Unit may be measured separately by such methods and systems established by the Board of Directors in their discretion. The expense of public utility charges for water and sewer services, of associated equipment maintenance and repair and reasonable reserve allowances may also be calculated by the Board of Directors in their discretion and assessed monthly as a service charge to each Unit. For budgeting and working capital purposes, the Board of Directors may charge Unit Owners monthly in advance for such expenses based on its reasonable estimate thereof, subject, however, to such periodic reconciliation as the Board in its discretion may deem appropriate based on the measuring system adopted by the Board. At the election of the Board of Directors, the expense of capital improvements, major repairs or renovations to the water and sewer supply systems may be assessed either as a common expense or as a service charge. The expense of water and sewer services for the Common Elements may be assessed as a common expense or as a service charge at the election of the Board of Directors.
- (iii) Insurance premiums for permanent improvements to Units installed by Unit Owners and insured by the request of the Unit Owner with the Association's hazard insurance carrier, which insurance coverage has been confirmed in writing by the Board of Directors and the Association's insurance carrier.

**§7.4 Payment of and Lien for Assessments, Service Charges, Fines, Etc.**

- (a) Each Unit Owner shall pay to the Association or its designee the following amounts: (i) on the first day of each month or on such other date that the Board of Directors may determine, one-twelfth (1/12<sup>th</sup>) of the common charges for Common Expenses including Limited Common Expenses, and Service Charges and revised Common Expenses including revised Limited Common Expenses, assessed against his Unit; (ii) all special assessments and any other sums duly levied against the Unit pursuant to this Declaration, the Bylaws, the Rules and Regulations or the Condominium Act which are assessed against Unit Owners; and (iii) fines, penalties and fees as provided by this Declaration, the Bylaws or the Condominium Act, all interest and late charges and legal fees and other costs of collection thereof.

If for any reason the Association shall revise its annual budget and as a result the Common Expenses or Limited Common Expenses are increased, then commencing on the next day assessments are due each Unit Owner shall pay to the Association such revised annual Common Expenses, including Limited Common Expenses, assessed against his Unit.

(b) The total annual assessment levied against each Unit for Common Expenses, Limited Common Expenses, Service Charges, any special assessment, other sums duly levied against the Unit pursuant to this Declaration, the Bylaws, the Rules and Regulations, or the Act, interest at the rate of 18% per annum or such other rate as may be established by the Board of Directors, and late charges as may be established by the Board of Director, all legal fees and other costs of collection, enforcement and foreclosure, and all fines, penalties and fees as provided in this Declaration or the Bylaws: (i) shall constitute the personal liability of the Owner of the Unit so assessed; and (ii) shall, until fully paid, constitute a lien against the Unit in favor of the Association as provided in Section 1603-116 of the Condominium Act.

Such lien is prior to all other liens and encumbrances on a Unit except (a) liens and encumbrances recorded before the recordation of this Declaration, (b) a first priority mortgage recorded before or after the date on which the assessment sought to be enforced becomes delinquent, and (c) statutory liens for real estate taxes and other governmental assessments or charges against the Units.

If any assessment is payable in installments, upon a default by such Unit Owner in the timely payment of any two (2) installments in any fiscal year, the maturity of the remaining total of the unpaid installments may be accelerated at the option of the Board of Directors, and the entire balance of the assessment may be declared due and payable in full.

(c) The lien for assessments described in subparagraph (b) may be enforced and foreclosed by the Association in like manner as a mortgage on real estate as provided in the Condominium Act, or by any other means presently or hereafter provided by law or in equity. A suit to recover a money judgment for unpaid assessments, interest, fines, penalties, and costs of collection may be maintained against the Unit Owner personally without foreclosing or waiving the lien securing such assessments, and a foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment.

(d) Upon a default in the payment of any amount due the Association or a violation of any provision of the Condominium Act, this Declaration, the Bylaws, or the Rules and Regulations of the Association, which violation continues after reasonable notice from the Association to the Unit Owner, then that Unit and its occupants may be excluded from the use and enjoyment of any and all of the Common Elements not essential to access to the Unit, in addition to all other remedies available to the Board of Directors.

(e) The Association shall have the power to pledge, assign and grant a security interest covering regular or special assessments made for the purpose of raising funds for repairs, renovations, and improvements and associated costs and expenses.

**§7.5 Liability.** Multiple owners of a Unit shall each be jointly and severally liable for all Common Expenses, Limited Common Expenses, special assessments, Service

Charges, interest, fees, penalties and costs of collection. A grantee shall not be prevented from exercising any right to recover from the grantor such amounts paid for those assessments, common charges, etc. arising prior to the conveyance. A grantee or proposed purchaser for a Unit under a purchase and sale contract may obtain a statement from the Association setting forth the amount of unpaid common charges, assessments and service charges, late fees, interest and costs of collection against the Unit and such other items required by the Condominium Act, upon payment of such fee therefor as may be established from time to time by the Board of Directors,. The grantee shall not be liable for, and the Unit conveyed shall not be subject to a lien for any unpaid amounts due from the grantor before the statement date in excess of the amount set forth in the statement except interest, late fees and costs of collection accruing thereafter.

**§7.6 Budget.** A budget adopted by the Association's Board of Directors shall be deemed ratified unless rejected by a sixty percent (60%) in interest vote of all Unit Owners at a duly-held meeting for considering the budget.

**§7.7 Working Capital Fund.** A working capital fund for the Association shall be established in an amount equal to two (2) months common charges per Unit, to be paid by each Unit purchaser at the initial transfer of title by the Declarant to the purchaser, and shall be paid to the Association. Such fund shall be held in the name of the Association, established at a Maine financial institution insured by the Federal Deposit Insurance Corporation or other equivalent federally sponsored insurance and used in accordance with the budget approved by the Board of Directors, which may include the funding of any operational deficits. No purchaser shall be entitled to a refund of such monies from the Association upon any subsequent transfer of a Unit.

## **ARTICLE 8 MAINTENANCE AND USE**

**§8.1 General Maintenance Responsibilities.** The Units and Common Elements shall be maintained and repaired by each Unit Owner and the Association generally in accordance with the provisions of Section 1602-107(a) of the Condominium Act except as otherwise set forth herein.

**§8.2 Maintenance of Common Elements.** Generally the Association shall be responsible for the maintenance, repair and replacement of the Common Elements in a good, functional, and working condition, all as determined by the Board of Directors. If any uninsured repair or replacement of the Common Elements shall be necessitated by the negligence, neglect or misconduct of fewer than all of the Unit Owners, such cost shall be assessed to the Unit Owners responsible as a Service Charge.

Since the Common Elements are historic in nature, in the event of casualty or loss, the Association is may require the replace or repair the Common Elements to their exact prior state, or a state which is compliant with City of Portland Historic District requirements.

**§8.3 Maintenance of Limited Common Elements.** Generally the Association shall maintain, repair and replace the Limited Common Elements, all as determined by the Board of Directors, *provided however* that each Unit Owner shall maintain, repair and replace in good condition and repair:

- i) The Limited Common Element doors and windows if any servicing only one Unit and their glass, plate glass, frames, hinges, locks and other components.

The Association shall assess Limited Common Expenses applicable to particular Unit(s) to such Unit(s) if the Limited Common Element giving rise to the expense shall be uniquely for the benefit of such Unit(s) only.

The Association may elect to arrange for the washing of exterior windows and assess the Unit therefore as a Service Charge based on the number of windows serving a Unit.

If such repair to the Limited Common Elements shall be necessitated by the negligence, neglect or misconduct of one or more but fewer than all of the Unit Owners then such cost shall be assessed to the Unit Owners responsible as a Service Charge.

**§8.4 Maintenance /Repair Responsibility.** Each Unit Owner shall keep and maintain and insure her or his Unit and its equipment, appliances and appurtenances in good order, condition and repair and in a clean and sanitary condition, whether such maintenance and repair shall be structural or non-structural. Each Unit Owner shall do all redecorating, painting and varnishing which at any time may be necessary to maintain the good appearance and condition of such Unit from outside of the Unit. The Unit Owner shall provide ordinary maintenance of the interior surfaces of windows in the Unit, including periodic washing. No Unit Owner shall deposit any trash, dirt, debris or other substance from the Unit onto the Common Elements or Limited Common Elements, except in designated trash disposal areas.

The Board of Directors may adopt Rules and Regulations requiring the Unit Owners periodically to replace water heaters servicing within a Unit but not materially prior to the expiration of the stated manufacturers' warranty period.

Each Unit Owner shall be responsible for all damage to any other Units, the Common Elements or Limited Common Elements resulting from his failure or negligence to make any of the repairs required by this Article. Each Unit Owner shall perform his responsibility in such manner as shall not unreasonably disturb or interfere with the other Unit Owners. Each Unit Owner shall promptly report to the Board of Directors or the managing agent any defect or need for repairs for which the Association is responsible.

To the extent that any casualty to the Property, the Unit Owner shall be responsible for any uninsured damage to any Common Element or Unit for which the Unit Owner is otherwise responsible due to the fault or negligence of the Unit Owner or occupant, including without limitation any insurance deductible for damage to a Unit or Common Element.

**§8.5 Liability of Owner.** Each Unit Owner shall be liable, and the Association shall have a lien against his Unit for, all costs of maintaining, repairing or replacing any portion of



another Unit or of the Common Elements including Limited Common Elements to the extent that such costs are caused by or attributable to such Unit Owner's act, neglect or carelessness or by that of such Unit Owner's guests, employees, agents, lessees, invitees, or their pets. The Association shall have the right to repair any damage so caused, to cure or correct the cause of the damage and to maintain or replace such damaged Unit or Common Element to the extent the Association deems necessary and appropriate. Such liability shall include any insurance deductible and any increase in insurance rates occasioned by uses, misuse, occupancy, or abandonment of any Unit or its appurtenances. Nothing herein contained, however, shall be construed to modify any waiver of an insurance companies rights or subrogation against such Unit Owner.

**§8.6 Use and Occupancy Restrictions on Units.** Each Unit shall be occupied and used subject to the following restrictions:

(a) *Insurance.* No activities shall be carried on or materials used or kept in any Unit or any in the Common Elements that will materially increase the rate of insurance for the Property or any part thereof, without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the property, or any part thereof, or which would be in violation of any law, regulation or administrative ruling. No waste may be committed on or to the Common Elements.

(b) *Nuisance/Hazard.* No Unit, Common Element or Limited Common Element shall be used so as to create a nuisance or an unreasonable interference with the peaceful possession or proper use of any other Unit or the Common Elements.

No owner or occupant of any Unit shall carry on, or permit to be carried on, any practice which unreasonably interferes with the quiet enjoyment and proper use of another Unit or the Common Elements by the Owner or occupant of any other Unit, or which creates or results in a hazard on the Property.

(c) *Pets and Animals.* Except for household pets permitted below, the maintenance, keeping, boarding and/or raising of animals, including without limitation laboratory animals, livestock, poultry or reptiles of any kind, regardless of number, is prohibited within any Unit or upon the Common Elements. A Unit Owner may maintain orderly and well behaved dogs, cats and a reasonable number of other ordinary household pets in a Unit subject to the Rules and Regulations as established from time to time by the Board of Directors. In any event all pets and animals shall be restrained so as not to become noisome, bothersome or offensive to other persons, as determined by the Board of Directors. No dogs, cats or other pets shall be permitted outside of a Unit except on a leash attended by a responsible person. Pet owners shall promptly clean up the droppings left by their pets.

The Association shall have the power to further regulate pets and animals under the Bylaws or Rules and Regulations of the Association as promulgated or amended from time to time. Upon notice and opportunity to be heard, the Board of Directors may expel any offending pets and animals from the Property.

- (d) *Fire Safety and Noise Control.* No person shall impair nor remove the any acoustical, sound-deadening, or fire-resistant material from the walls, floors or ceilings of a Unit without replacing the same with materials of equal or greater such qualities.
- (e) *Trash.* Trash, garbage and other waste shall be kept only in sanitary containers and shall be disposed of in such manner as may be prescribed in Rules and Regulations established by the Board of Directors. No articles of personal property belonging to any Unit Owner shall be stored in any portion of the Common Elements, except for vehicles in Limited Common Element parking spaces.
- (f) *Utility Systems.* No Unit owner shall overload the electrical, water, sewage or surface water disposal system servicing the Property. No Unit owner shall operate any machinery, appliances, accessories or equipment in such a manner as to cause, in the judgment of the Board of Directors, as appropriate, an unreasonable disturbance or make any alterations, repairs or modifications to or any new connection with the Common Element electrical, sewage, storm water, plumbing systems unless first approved by the Association. Certain of the existing HVAC systems appurtenant to each Unit also service the Common Elements due to the difficulty of providing independent service runs, and such Unit Owners shall continue to provide the ventilation, heating and cooling services as currently provided; provided, however, if the Unit Owner can demonstrate to the Board by reasonably reliable evidence the amount of such HVAC service to the Common Elements, the Association shall provide for reasonable and fair credit for such HVAC service to the Unit Owner in the Common Expense allocation to Unit Owner.
- (g) *Governmental Requirements.* All Unit Owners, their families, guests and invitees shall comply with and conform to all applicable laws and regulations of the State of Maine, and all ordinances, rules and regulations of the City of Portland. The violating Unit Owner shall hold the Association and other Unit Owners harmless from all fines, penalties, costs and prosecutions for the violation thereof or noncompliance therewith.
- (h) *Hazardous Materials.* Each Unit Owner covenants and agrees that, with respect to any hazardous, toxic or special wastes, materials or substances including without limitation asbestos, waste oil and petroleum products, other than normal office products and substances such as copier and printer toner, and the like (the “Hazardous Materials”) which the Owner, its tenants, agent or employees may use, handle, store or generate in the conduct of its business at the Property, the Unit owner: (i) shall comply with all applicable laws, ordinances and regulations which relate to the treatment, storage, transportation and handling of the Hazardous Materials; (ii) will in no event permit or cause any disposal of Hazardous Materials in or on the Common Elements or Limited Common Elements and in particular will not deposit any Hazardous Materials in or on the floor or in any drainage system or in the Association provided trash containers; (iii) shall, with respect to any off-site disposal, shipment, storage, recycling or transportation of any Hazardous Materials, properly package the Hazardous Materials and shall cause to be executed and duly filed with the appropriate agencies all necessary forms and documentation, and the Unit owner shall retain all records required by all federal, state or local laws; (iv) will at all reasonable times permit the Association or its agent or employees to enter the Unit to inspect the same for compliance with the terms of this Section and will further provide upon thirty (30) days notice from the Association copies of all records which the Unit

owner may be obligated to obtain and keep in accordance with the terms of this Section; (v) will at its expense remove all Hazardous Materials introduced by the Unit owner from the Premises and comply with applicable Maine and federal law applicable to the Unit owner as the same may be amended from time to time; and (vi) further agrees to maintain the Common Elements and Limited Common Elements free of all pollutants, contaminants, special wastes, underground storage tanks, asbestos and waste oil petroleum and any other hazardous, pathological, radioactive, dangerous or toxic substances, materials or wastes introduced by the Unit owner. The terms used in this subsection shall include, without limitation, all substances, materials, etc., designated by such terms under any laws, ordinances or regulations, whether federal, state or local. The Unit owner further agrees to (a) hold harmless and (b) indemnify the Association and all other Unit owners for and against any and all claims, loss, injury, harm, costs, damages and expenses, including reasonable attorney's fees, which may arise in the event that the Unit owner breaches any of the provisions contained in this Subsection.

(h) *Outside Storage.* No articles of personal property shall be stored in any portion of the Common Elements or Limited Common Elements, other than construction and storage in connection with the exercise of Special Declarant and Development Rights and maintenance of each Unit in accordance with Section 8.4 above.

(i) *Governmental Requirements.* All Unit owners, their tenants, visitors, guests and invitees shall comply with and conform to all applicable laws and regulations of the State of Maine, and all ordinances, rules and regulations of the City of Portland. The violating Unit owner shall hold the Association and other Unit owners harmless from all fines, penalties, costs and prosecutions for the violation thereof or noncompliance therewith.

(j) *Parking.* Without limiting the foregoing, upon any subsequent change in the use of a Unit, the Unit shall be responsible for providing all required parking under applicable zoning ordinance.

**§8.7 Use of Common Elements.** Subject to this Declaration, the Bylaws or by the Rules and Regulations adopted from time to time by the Board of Directors pursuant to its powers, each Unit Owner, occupant, tenant, guest, visitor and invitee may use the Common Elements in common with all other Unit Owners and their occupants, tenants, guests, visitors and invitees, in accordance with the residential purposes for which they are intended, without hindering or encroaching upon the lawful rights of the other Unit Owners, upon the following terms:

(a) *Exterior Alterations.* Except with the written consent of the Board of Directors and of City of Portland or as otherwise permitted pursuant to the exercise of Declarant and Special Development Rights by the Declarant, no person shall (i) construct or maintain any antennas, dishes, wires, cables, fences, decks, steps, canopies, or other structures, nor (ii) plant, trim, cut or remove vegetation, trees or shrubs, nor (iii) materially alter the landscaping, nor (iv) do any other thing which affects the appearance from the exterior of the Common Elements or Limited Common Elements other than permitted signs.

(b) *Obstruction/Storage.* No Unit Owner shall obstruct any of the Common Elements nor shall any Unit Owner place or store anything on any of the Common Elements except as permitted by the Board of Directors.

(c) *Responsibility.* Neither the Board of Directors, the Association, any Unit Owner, nor the Declarant shall be considered a bailee of any personal property stored on the Common Elements (including vehicles parked on the Common Elements), whether or not exclusive possession of the particular area is given to a Unit Owner for storage or parking purposes. None of them shall be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence, except to the extent covered by insurance in excess of any applicable deductible.

### **§8.8 Leasing and Rentals.**

(a) The Declarant shall have the right to operate any Units (even if not then created as Units) owned by the Declarant as a rental property, and may establish and maintain offices, signs and other accouterments normally used in the operation of rental properties in the Declarant's discretion. Such rental operations shall be for the benefit of the Declarant; neither the Association nor any Unit Owner shall have any interest or right in the profits and losses from such operations.

(b) No Unit owner shall rent or lease a Unit other than in accordance with a written form of lease which contains the following provisions:

- (i) The tenant and all other occupants must comply with the Declaration, the Bylaws, and Rules and Regulations, and a failure to comply constitutes a default under the lease;
- (iii) The Board of Directors has the power to terminate the lease or to bring summary proceedings to evict the tenant or any other occupant of the Unit in the name of the Unit owner after thirty days prior written notice to the Unit owner in the event of a default by the lessee or other occupant in the performance of the lease or the Condominium Documents which remains uncured; and
- (iv) In the event that the payment of Common Charges, Assessments, Service Charges and/or other amounts due to the Association becomes more than 30 days past due, the Association may require the tenant or occupants of the Unit to pay directly to the Association the rent and other charges due on the Unit in an amount of up to the balance of current and delinquent Common Charges and other unpaid amounts outstanding, subject to the rights of any recorded first mortgage or Eligible Mortgage Holder which has exercised an assignment of rents. The Association's notice to the tenant or occupant shall be conclusive and binding on the Tenant or occupant as to the tenant's or occupant's obligation to pay the rent directly to the Association and as to the amount of Common Charges and other fees due. The Unit owner shall have ten days after such notice is sent to file any objection with the Board of Directors, which objection must be in writing and signed under oath under the pains and penalties of perjury, must contain a short and plain statement

of any alleged errors by the Association, and shall include copies of cancelled checks or other written evidence of objection or miscalculation of the amounts due. The Unit owner must state what amounts, if any, which the owner admits is owed to the Association.

The foregoing provisions shall be deemed to be automatically incorporated into any lease and into the terms of any tenancy or other agreement for the occupancy of a Unit.

Each Unit owner shall, promptly following the execution of any written lease of a Unit, forward a true copy thereof to the Board of Directors.

(c) In the event a guest or tenant or occupant of a Unit fails to comply with the provisions of this Declaration, the Bylaws, Rules and Regulations or the lease, then, in addition to all other remedies which it may have, the Association may notify the Owner of such violation(s) and demand that the same be remedied through the Owner's efforts within a reasonable time after such notice in the judgment of the Directors.

If such violation(s) is(are) not remedied within said period, then the Owner shall thereafter, at his own cost and expense, immediately institute and diligently evict his tenant, guest or occupant on account of such violation(s). In the event the Owner fails to so act promptly, then the Board shall have the right, but not the duty, to institute and prosecute such eviction as attorney-in-fact for the Owners and at the Owner's sole cost and expense, including all legal fees incurred. Said costs and expenses shall be due and payable upon demand by the Association and shall be deemed to constitute a lien on the particular Unit involved, and collection thereof may be enforced by the Board of Directors in the same manner as the Board is entitled to enforce collection of Service Charges and Common Expense and all other amounts due to the Association.

**§8.9 No Liability of Association.** The Association shall not be liable for the failure or surges or back ups of water supply, sewage systems, electricity, telephone, or other services to be obtained by the Association or paid for out of the Common Expense or Service Charge funds, or for injury or damages to persons or property caused by the elements or by the owner of any Unit or by any other person or public utilities, or resulting from electricity, water, sewage, snow or ice which may leak, fall or flow from, back up, or settle on any portion of the Common Elements or Limited Common Elements or from any roof, wire, pipe, drain, conduit, appliance or equipment, even if due to the alleged fault or negligence of the Association. The Association shall not be liable to the owner of any Unit for loss or damage, by theft, or otherwise, of property which may be stored upon or in any individual Unit or in any of the Common Elements or facilities, even if due to the alleged fault or negligence of the Association.

No set-off, diminution or abatement of assessments for common expenses or Service Charges, shall be claimed or allowed for the expense, damage or discomfort arising from the making of repairs or improvements to the Common Elements or facilities or to any Unit, or from any action taken by the Association to comply with any law, ordinance, or order of any other governmental authority.

## **ARTICLE 9 EASEMENTS**

**§9.1 Utilities, Pipes and Conduits.** Each Owner shall have an easement, in common with all other Unit Owners, to use, maintain, repair and replace pipes, wires, ducts, cables, conduits, public utility lines and other similar items and related Limited Common Elements serving his Unit and located in any of the other Units, which easement shall include a right of access to such other Unit with workers and equipment, provided that the interference with the use and enjoyment of the Units in which such items are located shall be minimized. Each Unit shall be subject to an easement in favor of other Unit Owners to use the pipes, ducts, cables, wires, conduits, public utility lines and other Limited Common Elements serving such other Units and located in such Unit. The Association shall have the right to grant to third parties additional permits, licenses and easements over and through the Common Elements for utilities, ways, and other purposes reasonably necessary or useful for the proper maintenance and operation of the Condominium.

**§9.2 Access.** Subject to the terms of this Declaration, the Bylaws and the Rules and Regulations, each Unit Owner shall have an easement in common with all other Unit Owners to use the Common Elements as a means of access to and from his Unit and for access to the fire escapes and other emergency means of egress.

**§9.3 Association and Board of Directors Access.** The Association and its officers and directors and such persons as may be authorized by the Board of Directors shall have the right of access to each Unit, as provided in Section 1603-107(a) of the Condominium Act for the inspection, maintenance, repair or replacement of the Common Elements and Limited Common Elements located in the Unit or accessible from the Unit or for making any addition or improvements thereto; or to make repairs to any Unit, the Common Elements or the Limited Common Elements if such repairs are reasonably necessary for public safety or to prevent damage to any other Unit, the Common Elements or the Limited Common Elements; or to abate any violation of law, orders, rules or regulations of the Association or of any governmental authorities having jurisdiction thereof; or to make necessary improvements for the benefit of another Unit. In case of an emergency, such right of entry shall be immediate whether or not the Unit Owner, tenant or occupant is present at the time. Upon request of the Association, each Unit Owner shall provide the Association with a copy of each key to the Unit.

**§9.4 Encroachments.** Each Unit and the Common Elements are subject to an easement for structural and lateral support in favor of every other Unit. If any portion of the Common Elements or Limited Common Elements hereafter encroach upon any Unit, or if any Unit hereafter encroaches upon any other Unit or upon any portion of the Common Elements or Limited Common Elements, as a result of settling or shifting of any Building in which they are located, other than as a result of the willful or negligent act or omission of the owner of the encroaching Unit or of the Association in the case of encroachments by the Common Elements or Limited Common Elements, then a valid easement for the encroachment and for the maintenance of the same shall exist. In the event that a Building is partially destroyed as a result of fire or other casualty or as a result of a taking by eminent domain or by deed in lieu of

condemnation and is subsequently rebuilt, encroachments due to such rebuilding shall be permitted, and valid easements appurtenant thereto shall exist.

**§9.5 Ancillary Easements through Common Elements.** The Common Elements (including, but not limited to, the Limited Common Elements) are subject to the following easements in favor of the adjacent Units:

- (i) For the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, heating and air conditioning systems, electrical, cable television, telephone and other communication wiring and cables and all other Limited Common Elements which are a part of or serve any Unit and which pass across or through a portion of the Common Elements.
- (ii) For the installation, repair, maintenance, use, removal and/or replacement of lighting fixtures, electrical receptacles, panel boards and other electrical installations which are a part of or serve any Unit but which encroach into a part of a Common Elements adjacent to such Unit; provided that the installation, repair maintenance, use, removal or replacement of any part of the Common Elements, shall not adversely affect either the thermal, fire safety or acoustical character of the Buildings or impair or structurally weaken the Buildings.
- (iii) For driving and removing nails, screws, bolts and other attachment devices into the Unit side surface of the studs which support the sheet rock or plaster or brick perimeter walls bounding the Unit, the bottom surface of joists above the Unit and the top surface of the floor joists below the floor of a Unit to the extent such nails, screws, bolts and other attachment devices may encroach into a part of a Common Element adjacent to such Unit; provided that any such action will not unreasonably interfere with the common use of any part of the Common Elements or any other Unit, adversely affect either the thermal, safety, or acoustical character of the Buildings or impair or structurally weaken the Buildings.

## **ARTICLE 10 RIGHTS OF MORTGAGE LENDERS ON UNITS**

**§10.1 Right to Mortgage.** Each Unit Owner shall have the right to mortgage or encumber his own respective Unit together with its appurtenant Allocated Interests. Except as provided by Section 1603-112 of the Condominium Act, a Unit Owner may not mortgage or encumber the Common Elements in any manner except as a component of the Allocated Interests appurtenant to his Unit.

**§10.2 Identification of Mortgagee.** A Unit Owner who mortgages his Unit shall notify the Board of Directors in writing of the name and address of his Mortgagee(s).

**§10.3 Mortgage Foreclosure and Dispositions.** Any holder of a first mortgage covering a Unit which obtains title to the Unit pursuant to a foreclosure or other exercise of the remedies provided in the Mortgage or through deed in lieu of foreclosure after written notice of

default which deed identifies the circumstances classifying it as such a deed shall take title to the Unit with its appurtenant Allocated Interests, free of any claims for unpaid assessments for Common Expenses, Service Charges, late fees, interest and costs levied against such Unit which accrued prior to the acquisition of title to such Unit by the Mortgagee, other than the proportionate share of the Common Expenses which become due and payable from and after the date on which the Mortgagee shall acquire title to the Unit through a completed foreclosure or deed in lieu of foreclosure.

In the event the Association adopts any right of first refusal or purchase option arising in the event of the sale or transfer of a Unit, it shall not impair the right of an institutional mortgage lender to foreclose its mortgage, to accept a deed in lieu of foreclosure after written notice of default which deed identifies the circumstances classifying it as such a deed, or to dispose of or lease a Unit so acquired.

**§10.4 Eligible Mortgage Holder.** “Eligible Mortgage Holder” means the holder of record of a recorded first Mortgage encumbering a Unit (a “Mortgage”) which has delivered written notice to the Association, by prepaid United States Mail, return receipt requested, or by delivery in hand securing a receipt therefore, stating: (a) the name and address of the holder of the Mortgage, (2) the name and address of the owner of the Unit encumbered by such Mortgage, (3) the identifying number of such Unit, and (4) containing a statement that such Mortgage is a recorded first mortgage. The Secretary or manager of the Association shall maintain records of such information.

Eligible Mortgage Holders shall have all rights specified in the Condominium Act. Furthermore after the filing of the request by an Eligible Mortgage Holder, the Board shall cause notice to be sent to the Eligible Mortgage Holders (and any insurers or guarantors of such mortgages identified in the request) of any one or more of the following events affecting the mortgaged Unit(s), if so requested.

- i. Default in the payment of Common Charges, Assessments, Service Charges, or other amounts due the Association which continues for Sixty (60) days or as required by the Condominium Act;
- ii. Default or violation of the Condominium Documents, or any proceedings by the Association relating thereto;
- iii. The expiration, cancellation or material modification of insurance required to be maintained under the Declaration or Bylaws of the Association;
- iv. A material amendment to the Declaration requiring the consent of Eligible Mortgage Holders;
- v. Termination of the Condominium pursuant to Section 1602-118 of the Condominium Act;
- vi. Change in the Allocated Interests of a Unit, voting rights, a change in Unit boundaries or the subdivision of a Unit;



- vii. The merger or consolidation of the Condominium with another condominium;
- viii. The conveyance or subjection to a security interest of any portion of the Common Elements; and
- ix. The lapse, cancellation or material modification of any insurance policy maintained by the Association or any use of any hazard insurance proceeds other than for repair or restoration of the Property.
- x. Such other events specified in the Condominium Act.

If in said request to the Association forwarded by an Eligible Mortgage Holder the mortgage is identified as being subject to the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Veterans' Administration, the Federal Housing Administration or other recognized institutional mortgage programs, then the Association shall maintain such hazard and other insurance policies and coverage required under said mortgage programs and identified in said notice from the institutional mortgage holder, to the extent such insurance is available to the Association.

**§10.5 Mortgage Approval Rights.** For a material amendment to the Declaration or any of the actions specified below but subject in any event to the provisions of the Condominium Act, approval must be obtained from Eligible Mortgage Holders representing in the aggregate at least Fifty-One percent (51%) of the votes of Units subject to mortgages held by Eligible Mortgage Holders. An amendment affecting any of the following is considered material:

- i. Voting rights in the Association;
- ii. Change in percentage liability for common expenses, assessment liens for common expenses, priority of assessment liens, or the subordination of assessment liens, or increases in the assessments of more than 25% over the prior year;
- iii. Material or unsubstantiated reduction in reserves for maintenance, repair and replacement of Common Elements;
- iv. Responsibility for maintenance and repairs;
- v. Reallocation of pro rata interests in the Common Elements, the Limited Common Element or rights to their use;
- vi. Alteration of the definitions of the boundaries of any Unit, including the partition or subdivision of a Unit;
- vii. Convertibility of Units into Common Elements or vice versa;

- viii. Expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominium, except pursuant to the exercise of Declarant's reserved Special Declarant and Development Rights;
- ix. Hazard insurance or fidelity bond requirements;
- x. Imposition of any restrictions on the leasing of Units;
- xi. Imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit;
- xii. Restoration or repair of the Property (after damage or destruction, or partial taking by eminent domain or condemnation) in a manner other than that specified in the Declaration or the Act;
- xiii. Any action to terminate the Condominium after substantial damage destruction or condemnation occurs;
- xiv. Any provisions of this Article and any other provision of this Declaration that expressly benefits mortgage holders, insurers or guarantors; or
- xv. Any provisions of this Article.

When Unit Owners are considering termination of the Condominium for reasons other than substantial damage, destruction or taking by eminent domain of the Condominium, the Eligible Mortgage Holders representing at least Sixty-Seven percent (67%) of the votes of Units subject to mortgages held by Eligible Holders must approve such action.

Approval shall be presumed when an Eligible Mortgage Holder is sent a written request for approval of a proposed amendment by registered or certified mail, return receipt requested, and then fails to submit a response within 30 calendar days after the notice is received.

**§10.6 Mortgage Priority.** No provision of the Condominium Documents shall be deemed or construed to give a Unit Owner, or any other person, priority over the rights of any Mortgage Holder under its mortgage in the case of a distribution of insurance proceeds or condemnation awards for losses to or taking of Units, Common Elements, or both.

**§10.7 Records.** An Eligible Mortgage Holder may examine the books, records and accounts of the Association at reasonable times. The Association shall maintain current copies of this Declaration, the Association's articles of incorporation, Bylaws, and other Rules and Regulations concerning the Condominium as well as its own books, records, and financial statements available for inspection by Unit Owners or by any Eligible Mortgage Holder, insurers, and guarantors of first mortgages that are secured by Units available during normal business hours. Upon written request, any Eligible Mortgage Holder may obtain an audited statement of the Association's fiscal affairs prepared by an independent certified public accountant once the Condominium has been established for a full fiscal year, which preparation shall be prepared at the Eligible Mortgage Holder's expense.

## ARTICLE 11 INSURANCE

**§11.1 General.** No later than the date of the first conveyance of a Unit to a person other than the Declarant, the Association, shall obtain and maintain as a Common Expense, the policies of insurance described below to the extent such policies shall be reasonably available. If such insurance is not maintained, then the Association shall give written notice thereof to the Unit Owners and the Eligible Mortgage Holders. To the extent that such insurance subsequently becomes unavailable, the Association shall obtain as a substitution the most comparable insurance available. The Board of Directors is hereby irrevocably appointed as attorney-in-fact for each Unit Owner and for each Mortgagee and Eligible Mortgage Holder and for each owner of any other interest in the Property, for purchasing and maintaining the insurance, for the collection and disposition of any insurance, including distribution pursuant to Section 1603-113(c) of the Condominium Act, for the negotiation of losses and execution of releases of liability, and for the execution of all documents, and performance of all other acts necessary to accomplish these purposes.

**§11.2 Property and Casualty Insurance.** The Association shall obtain and maintain in effect an “extended coverage” fire and casualty insurance policy covering the Units and Common Elements (including the Limited Common Elements) with vandalism, malicious mischief, windstorm, debris removal, cost of demolition and water damage endorsements, issued by an insurance company authorized to do business in the State of Maine, excluding the land, foundations and excavations and other similar items customarily excluded from property insurance policies, excluding risks customarily excluded from residential property insurance policies as determined by the Board of Directors, and excluding furniture, furnishings, inventory, equipment and other personal property supplied or installed by Unit Owners. The policy shall cover the interests of and benefit as insureds the Association, the Board of Directors, and all Unit Owners and their Mortgagees as their insurable interests may appear.

The Association’s blanket or master insurance policy shall be in an amount equal to one hundred percent (100%) of the then current fair market value of such insured Units and Common Elements (exclusive of the land, excavations, foundations and other similar items customarily excluded from such coverage) without deduction for depreciation, which insurance coverage may be “replacement cost” coverage if the Board of Directors determines such coverage is reasonably available and shall be subject to the exclusions and limitations as set forth therein. Such insurance policy may, at the option of the Board of Directors, contain such further deductible and exclusions as the Board of Directors shall reasonably deem appropriate or are customary but the deductible shall not to exceed one (1) percent of the policy’s face amount, unless approved by a majority vote of the Owners.

Provided however that each street level Unit shall be responsible for maintaining plate glass insurance on any plate glass Limited Common Element windows servicing such a Unit.

Unless otherwise established under Rules and Regulations adopted by the Board of Directors from time to time, a Unit Owner shall pay the expense of repair of damage to its Unit,

to the Common Elements or to another Unit if caused by the neglect of the Unit Owner in the amount of the Association's insurance deductible (or such greater amount as may be established by the Rules and Regulations adopted by the Board of Directors from time to time); the Association shall not be responsible to such Unit Owner for the costs of such repair or damage. In the event of a casualty affecting both the Common Elements and Unit(s) the Board of Directors may allocate responsibility for the insurance deductible among the Common Elements and Unit(s).

Notwithstanding the foregoing, each Unit Owner shall procure "builder's risk" insurance coverage on a Unit while the Unit is undergoing construction or significant repairs and renovations such that the Unit is not otherwise covered by the Association's policy, and the Association shall have no responsibility for any design error, faulty workmanship or defective construction carried on by or at the request of a Unit Owner

Since the Common Elements are historic in nature, the Association shall be required to carry "Ordinance or Law Coverage" or similar casualty insurance for the replacement or repair of the Common Elements to their exact prior state.

Such casualty insurance policy shall also include the following provisions:

- (i) The following endorsements or their equivalent: (a) "no control," meaning that coverage shall not be prejudiced by any act or neglect of any occupant or Unit Owner or their agents, when such act or neglect is not within the control of the insured, or the Unit Owners collectively, nor by any failure of the insured, or the Unit Owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the insured, or the Unit Owners collectively, have no control; (b) "Construction Code Endorsement" or "increased cost of construction," (c) "agreed amount" or elimination of co-insurance clause; and (d) "inflation guard," when it can be obtained.
- (ii) That any "no other insurance" clause shall expressly exclude individual Unit Owners' policies from its operation, so that the physical damage policy purchased by the Board of Directors shall be deemed primary coverage and any individual Unit Owners' policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder provide for or be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees;
- (iii) The recognition of any Insurance Trust Agreement whereby the Board of Directors may designate in writing an Insurance Trustee to hold any insurance proceeds in trust for disbursement, as provided in Section 11.3 below; and
- (iv) A standard "mortgagee clause" which shall: (a) provide that any reference to a mortgagee in such policy shall mean and include all holders of mortgages of any Unit, in their respective order and preference, whether or not named therein; (b) provide that such insurance as to the interest of any mortgagee shall not be invalidated by any act or neglect of the Association or owners or any persons under

any of them; and (c) waive any provision invalidating such mortgage clauses by reason of the failure of any mortgagee to notify the insurer of any hazardous use or vacancy, and requirement that the mortgagee pay any premium thereon, and any contribution clause.

**§11.3 Casualty Losses, Adjustment and Payment; Insurance Trustee.** Any loss covered by the insurance policy described in Section 11.2 above shall be adjusted with the Association acting through its Board of Directors, but the insurance proceeds shall be payable to the Insurance Trustee designated for that purpose by the Board of Directors, if any, as provided in the Condominium Act and otherwise to the Association, and not to any Mortgagee. Any affected Unit Owner shall have ten (10) business days after receiving notice of the Association's proposed settlement with an insurance carrier in which to dispute the amount and terms of settlement with respect to his or her Unit; if the Unit Owner objects then the Association may elect to assign such Unit damage claim to the objecting Unit Owner and its mortgagee without further liability to the Unit Owner so that the Association may settle the balance of the claim and fund repairs for the benefit of the non-objecting Unit Owners.

The Insurance Trustee or the Association as applicable shall hold any insurance proceeds in trust for Unit Owners, Mortgagees and other lien holders as their interests may appear. The Board of Directors shall cause the Insurance Trustee or the Association to obtain a surety bond in 100% of the amount of the insurance proceeds for the faithful performance of the duties as insurance trustee before it shall be entitled to receive such proceeds. Subject to the provisions of this Article, the Bylaws and Section 1603-113(e) of the Condominium Act, the proceeds shall be disbursed first for the repair or restoration of the damage to the Common Elements and then to the Units forming a part of the Property. If only Units are affected by the insured casualty or if the insurance proceeds are insufficient to cover all damages to the Units, then the available insurance proceeds shall be divided in proportion to the total loss among the affected Units. Unit Owners, Mortgagees and other lien holders are not entitled to receive payment of any portion of the proceeds, unless either (i) there is a surplus of proceeds after the damaged Units and Common Elements have been repaired or restored, or (ii) the decision has been made not to repair or restore the damage as provided in Section 1603-113(h) of the Condominium Act, or (iii) the Condominium is terminated in whole or part.

**§11.4 Liability Insurance.** The Board of Directors shall obtain and maintain, as a Common Expense, comprehensive general public liability insurance (including medical payments insurance) and property damage insurance in such limits as the Board may from time to time determine, insuring each Board of Directors member, the managing agent, each Unit Owner and the Declarant against any liability to the public or to the Unit Owners (and their invitees, agents and employees) covering all occurrences commonly insured against for death, bodily injury or property damage, arising out of the maintenance, ownership or use of the Common Elements, and for any legal liability resulting from suits or actions related to employment contracts to which the Association is a party. Such insurance shall be issued on a comprehensive liability basis and shall contain: (a) a cross liability endorsement, under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured; (b) hired and non-owned vehicle coverage; (c) a "severability of interest" endorsement, which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts of the Association or of another Unit Owner; and (d) a broad

form liability extension endorsement including “personal injury,” contractual liability, and other coverage commonly included in such broad form endorsement. The Board of Directors shall review such limits once each year, but in no event shall such insurance be less than two million dollars (\$2,000,000.00) covering all claims for bodily injury or property damage arising out of one occurrence.

**§11.5 Additional Required Provisions.** All insurance policies required to be carried by the Association under this Article shall in addition contain the following provisions or features:

- i. The insurer waives any right to claim by way of subrogation against the Declarant, the Association, the Board of Directors, the managing agent or the Unit Owners, and their respective agents, employees, guests and, in the case of the Unit Owners, the members of their households;
- ii. The Declarant, so long as the Declarant shall own any Unit, shall be protected by all such policies as a Unit Owner.
- iii. Each Unit Owner is an insured person under the policy with respect to liability arising out of the ownership of an undivided interest in the Common Elements or membership in the Association;
- iv. The insurer waives its right to subrogation under the policy against any Unit Owner, its principles, managers, officers, employees or directors or members of his household;
- v. No act or omission by any Unit Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and
- vi. If at the time of a loss under the Association’s policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association’s policy provides primary insurance except with respect to any applicable deductible or excluded perils and special coverage limitations.

**§11.6 Other Insurance.** The Board of Directors shall obtain and maintain as a Common Expense:

- (i) To the extent reasonably available, “directors’ and officers’” liability insurance, to satisfy the indemnification obligations of the Association;
- (ii) Workers’ compensation insurance, if and to the extent necessary to meet the requirements of law;
- (iii) Flood insurance if any or all of the Property is located in a special flood hazard area equal to the greater of 100% of the insurable value of the Property or the maximum coverage available under the appropriate national Flood Insurance Administration program. A blanket or master policy shall be obtained which includes a maximum deductible of one percent (1.00%) of the policy face amount; and

- (iv) Such other insurance as the Board of Directors may determine, as may be requested by a majority of the Unit Owners (including, without limitation, “fidelity bond” or employee dishonesty coverage).

**§11.7 Memoranda and Cancellation.** All insurers that shall issue an insurance policy or policies under this Article shall issue certificates or memoranda of insurance to the Association, and, upon request, to any Unit Owner or Mortgagee.

All such insurers issuing the policy may not cancel (including cancellation for non-payment of premium), substantially modify, or refuse to renew such policy or policies until twenty (20) days (10 days notice for non-payment of premiums) after notice of the proposed cancellation of non-renewal has been mailed to the Association, the managing agent, each Unit Owner and each Mortgagee to whom a certificate or memorandum of insurance has been issued at their respective last known addresses.

**§11.8 Separate Insurance Maintained by Owners.** Each Unit Owner should obtain at his own expense, a condominium insurance policy (for example, form type HO-6 as established by Insurance Services Office, Inc.) for damage to his Unit not insured through the Association, and all personal property located in a Unit for his own benefit and for his personal liability, as well as upon any improvements made by him to his Unit under coverage normally called “improvements and betterments coverage;” provided, however, that no Unit Owner shall be entitled to exercise its right to acquire or maintain such insurance coverage which would decrease the amount which the Association on behalf of all Unit Owners may realize under any insurance policy maintained by the Association, or to cause any insurance coverage maintained by the Association to be brought into contribution with insurance coverage obtained by a Unit Owner.

All such Unit Owner's policies must contain waivers of subrogation in favor of the Association.

The Association shall have no responsibility for ascertaining whether or not the Unit Owner maintains such insurance in effect.

Each Unit Owner shall notify the Board of Directors in writing of all structural improvements made by the Unit Owner to his Unit; provided, however, that this sentence shall not be construed as an authorization to Unit Owners to make structural improvements to Units otherwise than in accordance with this Declaration, the Bylaws and Rules and Regulations promulgated by the Board of Directors. Any premium increase caused by such improvements as determined by the Board of Directors may be assessed to the Owner of the improved Unit. No Unit Owner shall be entitled to receive insurance proceeds for the repair, restoration or rebuilding of any such improvements not so reported to the Board of Directors and not insured by the Association, unless otherwise consented to by vote of the Board of Directors.

At the request of the Association, any Unit Owner who obtains an individual insurance policy covering any portion of the Condominium shall file a certificate or copy of such individual policy or policies with the Board of Directors within thirty (30) days after the

purchase of such insurance but failure to request or provide such certificate or insurance copies shall not impair any terms of this Declaration.

## **ARTICLE 12 DAMAGE OR DESTRUCTION.**

**§12.1 Repair.** Except as otherwise provided in this Declaration, any portion of the Common Elements or Units damaged or destroyed shall be repaired or replaced promptly by the Association unless:

- i. The Condominium is terminated;
- ii. Repair or replacement would be illegal under any state or local health or safety statute or ordinance; or
- iii. One Hundred percent (100%) in interest of the Unit Owners vote not to rebuild, including every owner of a Unit or Limited Common Elements which would not be rebuilt, and including the consent of the Eligible Mortgage Holders as required herein.

The cost of repair or replacement in excess of insurance proceeds and reserves or not covered by any deductible shall be a common expense, provided that Unit which damaged the Common Elements or Units shall be responsible for the insurance deductible and for any uninsured damage and related costs.

**§12.2 Application of Insurance Proceeds.** If the entire Property is not completely repaired or replaced:

- i. the insurance proceeds attributable to the damaged Units and Common Elements shall be used to restore the damaged areas to a condition compatible with the remainder of the Condominium;
- ii. the insurance proceeds attributable to Units which are not rebuilt, including without limitation the interest in the Common Elements and in the Limited Common Elements, shall be distributed to such Unit Owners and their mortgagees; and
- iii. the remainder of the proceeds shall be held in trust to be distributed to the Unit Owners and their mortgagees in accordance with the Condominium Act.

Any loss covered by such insurance shall be adjusted with the Association, which shall exclusively represent all Unit Owners in any proceedings, negotiations, settlements or agreements. The insurance proceeds shall be paid to the Association as trustee for the Unit Owners and lien holders as their interests may appear. Mortgagees' liens shall transfer in order of priority to the insurance proceeds. Notwithstanding the provisions of this Section, Article 13 of the Declaration governs the distribution of insurance proceeds if the Condominium is terminated. Unless a Unit Owner has requested and received written confirmation from both the Association and the Association's hazard insurance carrier that optional insurance coverage for the Unit and owner's permanent improvements and



betterments within the Unit, the Unit Owner shall be responsible for the expense of repair or replacement or any uninsured damage.

If the Unit Owners vote not to rebuild any Unit, that Unit's percentage interest in the Common Elements shall be automatically reallocated to the then remaining Units in proportion to their percentage interests prior to the reallocation, and the Association shall promptly prepare, execute and record an amendment to the Declaration reflecting the reallocation

### **ARTICLE 13 TERMINATION OF CONDOMINIUM**

**§13.1 Termination.** In accordance with Condominium Act, the Condominium may be terminated in whole or part with the agreement of the Owners of Units to which one hundred (100) percent of the Votes in the Association are allocated, and that percentage of Eligible Mortgage Holders required herein and the Condominium Act. Termination shall not bar the subsequent resubmission of the Property to the Condominium Act.

**§13.2 Effect of Termination.** Upon removal of the Property from the Condominium Act, the Unit Owners shall hold the Property and any proceeds thereof as tenants in common in accordance with the Condominium Act and subject to the Condominium Act with any mortgages or liens affecting a Unit to attach in order of priority against the resulting interest.

### **ARTICLE 14. EMINENT DOMAIN.**

**§14.1 Acquisition of Unit(s).** If a Unit is acquired by eminent domain, to the extent the award is paid to the Association or is controlled by this Declaration or the Association, the award shall be applied to compensate the Unit Owner and his mortgagee(s), if any, for the Unit and its percentage interest in the Common Elements, whether or not any Common Elements are acquired. Upon acquisition of the Unit, its Allocated Interests shall be automatically reallocated to the remaining Units in proportion to their respective Allocated Interests before the taking, and the Association shall promptly prepare, execute, and record an instrument reflecting the reallocations.

If part of a Unit is acquired by eminent domain, to the extent the award is paid to the Association or is controlled by this Declaration or the Association, the award shall be applied to compensate the Unit Owner and his mortgagee(s), if any, for the reduction in value of the Unit and its interest in the Common Elements, whether or not any Common Elements are acquired. Upon such acquisition, (i) that Unit's Allocated Interests shall be reduced in proportion to the reduction in the size of the Unit, and (ii) the portion of the allocated interest divested from the partially acquired Unit shall automatically be reallocated to that Unit and the remaining Units in proportion to their respective Allocated Interests, with the partially acquired Unit participating in the reallocation on the basis of its reduced Allocated Interests

provided however, that each Unit shall continue to have one vote to permit equality among Units and the rights of Unit 3 to appoint directors shall not be changed.

**§14.2 Acquisition of Common Elements.** If part of the Common Elements are acquired by eminent domain, the Association shall be entitled to payment of the award, subject, however, to the Condominium Act; generally the portion of the award attributable to the Common Elements taken shall be distributed to the Unit Owners and their mortgagee(s) in accordance with the Condominium Act, unless the Association rebuilds or acquires comparable elements. Any portion of an award attributable to the acquisition of a Limited Common Elements or as may otherwise benefit the Condominium as determined by a Court of competent jurisdiction must be equally divided among the owners of the Units to which that Limited Common Element was allocated at the time of acquisition in proportion to their interests in the Common Elements.

**§14.3 Rights of the Association and Mortgage Holders.** In the event of a proposed acquisition by eminent domain, the Association shall have the right but not the obligation to act and to intervene on behalf of Unit Owners. Nothing contained in this Declaration, the Bylaws or any rule or regulation adopted by the Association, however, shall entitle any Unit Owner or other person to priority over a first mortgagee of a Unit pursuant to its mortgage instrument in the right to receive eminent domain awards for the taking of Units and/or Common Elements.

## **ARTICLE 15 AMENDMENTS**

**§15.1 General.** Certain amendments to this Declaration may be made unilaterally by the Declarant in accordance with this Declaration and the Condominium Act. In addition, certain amendments may be unilaterally executed and recorded by the Association as described in Condominium Act Sections 1601-107, Eminent Domain, 1602-108(c), Allocation of Limited Common Elements, 1602-112(a), Relocation of Boundaries Between Adjoining Units, 1602-113, Subdivision of Units and 1602-117(a), Amendment of Declaration, and certain amendments to this Declaration may be made by certain Units in Sections 1602-108(b), Reallocation of Limited Common Elements, 1602-112(a), Relocation of Boundaries Between Adjoining Units, 1602-113(b), Subdivision of Units, or 1602-118(b) of the Condominium Act.

Otherwise, subject to the other provisions of this Declaration and of the Condominium Act, the Declaration and the accompanying Plats and the Plans may be amended as follows:

- (a) *Before Any Conveyance.* Prior to the conveyance of any Unit by the Declarant to a third party purchaser (other than as security for an obligation), the Declarant shall have the right to unilaterally amend and re-amend this Declaration in any manner that the Declarant may deem appropriate.
- (b) *After First Conveyance.* After the first conveyance of Unit by a Declarant to a third party purchaser, the terms of the following procedures shall apply to an amendment of this Declaration:

(i) *Development and Special Declarant Rights.* Notwithstanding any other provision of this Declaration, the Declarant acting unilaterally may record amendments to this Declaration which result from the exercise of Development and Special Declarant Rights pursuant to this Declaration and/or the Act.

(ii) *Proposal and Notice.* An amendment to the Declaration may be proposed by either the Board of Directors or by Unit Owners holding at least twenty (20) percent of the votes in the Association. Notice of the subject matter of a proposed amendment, including the proposed text thereof, shall be included in the notice of any meeting in which a proposed amendment is to be considered, and such notice shall be given to all Unit Owners and all eligible Mortgage Holders.

(ii) *Approval.* The amendment shall be adopted if it receives the affirmative vote or written consent of Sixty seven percent (67%) or more of the total percentage in interest of all votes in the Association in all cases and such Eligible Mortgage Holders as may be required herein. Unit Owners and mortgagees may express their approval in writing or by proxy. Provided however that no amendment may further restrict the uses to which a Unit may be put without the unanimous consent of the owners of all Units. Except as specifically provided to the contrary in this Declaration or the Act, no amendment may alter the boundaries of a Unit or the Allocated Interests allocated to a Unit without the unanimous consent of all affected owners.

(iii) *By Written Agreement.* In the alternative, an amendment may be made by an agreement signed by the record Owners of Units to which are allocated one hundred percent (100%) of the Units in the manner required for the execution of a deed and acknowledged by at least one of them, together with any required approval by Eligible Mortgage Holders, and such amendment shall be effective when certified and recorded as provided below.

**§15.2 Proviso; Consent of Declarant.** No amendment of this Declaration shall make any change which would in any way affect any of the rights, privileges, powers and options of the Declarant, its successors or assigns, unless the Declarant shall approve such amendment.

**§15.3 Notice, Execution and Recording.** After each amendment to this Declaration adopted by the Association pursuant to this Article has been recorded, notice thereof shall be sent to all Unit Owners and to all Eligible Mortgage Holders, but failure to send such notices shall not affect the validity of such amendment. A certificate of each such amendment shall be executed and acknowledged by such officer(s) or director(s) of the Association designated for that purpose by the Bylaws. The amendment shall be effective when such certificate and copy of the Amendment are recorded.

**§15.4 Notice and Challenge.** No action to challenge the validity of an amendment to this Declaration adopted by the Association may be brought more than one (1) year after such amendment is recorded.

**ARTICLE 16**  
**GENERAL PROVISIONS**

**§16.1 Enforcement.** The failure to comply with the terms of this Declaration, the Bylaws and the Rules and Regulations adopted pursuant thereto shall entitle the Association to (a) take court action, including without limitation suit for injunctive relief, and/or (b) take such further action as permitted under the Bylaws, and/or (c) enter the Unit or Common Elements in which such violation or breach exists and summarily to abate and cure the violation at the expense of the defaulting Unit Owner, and the Board of Directors shall not be deemed guilty in any manner of trespass when enforcing these terms. The exercise of any one remedy shall not preclude the exercise of other remedies provided by law, the Condominium Act, this Declaration or in the Bylaws. In any such enforcement action or proceeding, the Association shall be entitled to recover the costs of the proceeding, including reasonable attorney's fees and costs, with interest.

The failure of the Board of Directors to enforce any covenant, restriction or other provision of the Condominium Act, the Bylaws or the Rules and Regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

With respect to any decision requiring Board of Director's consent or approval under this Declaration, the Bylaws, or the Rules and Regulations, the Board shall not unreasonably withhold, condition or delay such consent or approval.

**§16.2 Units Not Yet Separately Assessed.** In the event that for any year real estate taxes are not separately taxed and assessed to each separate Unit Owner but are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective Common Expense Liabilities.

**§16.3 Conflict.** If any provision of this Declaration, the Bylaws or the Rules and Regulations conflicts with any applicable laws, including, but not limited to, the Condominium Act, then the laws shall be deemed controlling; but the validity of the remainder of this Declaration, the Bylaws and Rules and Regulations, and the application of any such provision, section, clause, phrase, or word in other circumstances shall not be affected thereby.

**§16.4 Severability.** The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

**§16.5 Waiver.** No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches which may occur.

**§16.6 Captions.** The headings in this Declaration are for purposes of reference only, and shall not limit or otherwise affect the meaning hereof. The table of contents is attached to this Declaration for purposes of reference and convenience only, and shall neither limit nor

otherwise affect the meaning of this Declaration. References in this Declaration to Articles, and Schedules without references to the document in which they are contained are references to this Declaration. Schedules are attached to and incorporated by reference into this Declaration.

**§16.7 Gender, Number, Etc.** The use of the singular number in this Declaration shall be deemed to include the plural, the plural the singular, and the use of any one gender shall be deemed applicable to all genders.

**§16.8 Power to Interpret.** Any dispute or disagreement with any person other than the Declarant with respect to interpretation or application of this Declaration or the Bylaws or the Rules and Regulations initially shall be considered by the Board of Directors, which consideration shall be advisory only and not binding on the parties.

**§16.9 Disputes with Declarant and Arbitration.** In any dispute between one or more Unit Owners and the Declarant regarding the Common Elements, the Board of Directors shall act for the Unit Owners unless the Board is controlled by Declarant, and any agreement with respect thereto by the Board of Directors shall be conclusive and binding upon the Unit Owners.

All claims, disputes and other matters in question between the Declarant, on the one hand, and the Association or more than one Unit Owner(s), on the other hand, arising out of or relating to Units, the Common Elements, the Limited Common Elements, this Declaration, the Bylaws, the Rules and Regulations, or the deeds to such Units or the breach thereof, or the course of dealing between such Unit Owners, the Association and the Declarant, except for claims which have been waived by the acceptance of a deed, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise in writing. This agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law. The award rendered by the arbitrators shall be final, and judgment may be entered upon it in accordance applicable law in any court having jurisdiction thereof.

**§16.10 Arbitration re: Association Disputes.** In the event that the Directors or Unit Owners, including, but not limited to, any Mortgagee who acquires said Units pursuant to foreclosure or deed in lieu of foreclosure, and/or the Board of Directors of the Association, either (i) are unable to agree upon the expenses, budget or the performance of the maintenance, repair and replacement of the Common Elements, Limited Common Elements or Units in accordance with the terms and provisions of the Declaration, which deadlock continues for thirty (30) days after a three or more of the members of the Board of Directors send written notice to the other members of the Board of Directors indicating the decisions in dispute, or (ii) are so divided that the affairs of the Association and the Condominium are suffering or will suffer irreparable injury, then in either such event the Board of Directors shall promptly select an independent professional property manager to handle such duties in dispute.

If the Board of Directors cannot agree on the selection of such a manager, then a manager shall be selected by arbitration in accordance with the procedures and with the powers specified below:

The members of the Board of Directors who initiated the request shall give notice to the other Board of Directors members specifying in said notice the name and address of the person designated to act as an arbitrator on its behalf. Within twenty (20) days after the service of such notice, the other Directors shall give notice specifying the name and address of the person designated to act as an arbitrator on its behalf. If the other Board of Directors members fails to notify the initiating Board members of the appointment of its arbitrator within the time above specified, then the appointment of the second arbitrator shall be made by the first arbitrator. The two arbitrators so chosen shall meet within ten (10) days after the second arbitrator is appointed and if, by thirty (30) days after the date of the appointment of the second arbitrator, the two arbitrators shall not agree upon the independent professional manager, they shall together appoint a third arbitrator. In the event of their being unable to agree upon such third arbitrator within thirty (30) days after the latest date for agreement, the third arbitrator shall be selected by the Board of Directors members themselves if they can agree thereon within a further period of ten (10) days. If the Board of Directors members do not so agree, then any three members of the Board of Directors, on notice to the other Board of Directors members, may apply to the Maine Superior Court or District Court for an appointment of such third arbitrator. It shall not be an objection to the nomination that the arbitrator nominated is not neutral, but the third arbitrator shall be a disinterested person. The decision of the arbitrators shall be final and the expenses of arbitration shall be assessed as a Special Assessments in accordance with their relative Common Expense Liability. All arbitrators appointed must be employed or active in the real estate industry, including without limitation, as managers, real estate brokers, bankers, attorneys, developers, investors or otherwise. Unless the Board of Directors members agree to limit the scope of the manager's duties, the independent property manager shall have full power to administer the Association, on its behalf, including (i) establishing the budget of the Association, (ii) calculating, assessing, allocating and collecting Common Expenses and charges, (iii) management and administration of the Condominium, (iv) establishing reserves, and (v) appointment and dismissal of personnel and agents for the maintenance of the Condominium. The manager's term shall continue for a minimum of one (1) year, renewable annually, unless a majority of both classes of the Board of Directors agree in writing to cancel thirty (30) days prior to the anniversary date. The manager shall be paid a reasonable fee for such manager's services, which fee shall be a Common Expense among all Units in proportion to their relative Common Expense Liabilities. In the event of dispute, the manager's fee amount shall be determined by the arbitrators as set forth above.

## **ARTICLE 17 NOTICES**

### **§17.1 Notices.**

(a) *To Unit Owners.* All notices, demands, bills and statements or other communications affecting the Condominium shall be given to Unit Owners by the Association in writing and shall be delivered in hand, delivered to the Unit, or sent by United States mail, postage prepaid. Regular monthly common dues statements may be electronically mailed and do not need to be sent by United States mail. If such notification is of a default or lien, then it shall be sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the Unit Owner at the address which the Unit Owner shall designate in

writing and file with the Secretary of the Association, or if no such address is so designated, the address of the Unit of such Unit Owner who is the record owner thereof. Such notices of a default or lien may be sent to mortgagees of record and shall be sent to Eligible Mortgage Holders.

(b) *Notice to the Association.* All notices, demands, statements or other communications affecting the condominium given by the Unit Owners to the Association shall be in writing, and shall be deemed to be delivered personally, securing a written receipt therefore, or sent by United States mail, postage prepaid, return receipt requested, addressed to the Association at the principal office of the managing agent, if any, and to the secretary of the Association at the Secretary's address.

(c) *Notice to Eligible Mortgage Holder.* All notices, demands, statements or other communications affecting the Condominium required to be given by the Association to any Eligible Mortgage Holder shall be in writing and shall be delivered personally, securing a written receipt, or sent by United States mail, postage prepaid, addressed to the Eligible Mortgage Holder at the address identified pursuant to the notice given to the Association when it became an Eligible Mortgage Holder.

[Here ends this page]

WITNESS its hand and seal as of \_\_\_\_\_, 2017.

**VICTORIAN TERRACE, LLC,**  
a Maine limited liability company

Witness \_\_\_\_\_  
By: \_\_\_\_\_  
Edmund S. Gardner III, its Manager

STATE OF MAINE  
COUNTY OF CUMBERLAND, ss. \_\_\_\_\_, 2017

Personally appeared before me the above-named Edmund S. Gardner III in his/her said capacity and acknowledged the foregoing Declaration to be his/her free act and deed, and the free act and deed of said Victorian Terrace, LLC.

Name: \_\_\_\_\_  
Attorney at Law/Notary Public

- Exhibit A    Legal Description of Land
- Exhibit B    Condominium Plat
- Exhibit C    Condominium Floor Plans
- Exhibit D    Allocated Interests
- Exhibit E    Condominium Association Bylaws

Declaration of Condominium.docx



**EXHIBIT A**  
[Legal Description of Land]

A certain lot or parcel of land, with any and all buildings and improvements thereon, situated at the northeasterly street line corner formed by the easterly sideline of Morning Street and the westerly sideline of the Eastern Promenade in the City of Portland, County of Cumberland and State of Maine, being more particularly described as follows:

Beginning at the aforementioned street line corner of Morning Street and the Eastern Promenade, said point of beginning found South 41° 15' 14" West, a distance of 21.26 feet from an eight inch by inch granite City of Portland street line monument; thence by and along the aforementioned easterly side line of Morning Street, North 46° 52' 39" West, a distance of 125.32 feet to the land now or formerly of R. John Wuesthoff and Betty J. Wuesthoff as described in a deed recorded in the Cumberland County Registry of Deeds in Deed Book 15160, Page 135; thence by and along the land of said Wuesthoff North 42° 57' 21" East a distance of 45.00 feet; thence North 73° 07' 21" East a distance of 7.22 feet; thence South 46° 52' 39" East a distance of 9.40 feet; thence North 42° 59' 21" East a distance of 57.10 feet to the aforementioned westerly sideline of the Eastern Promenade; thence by and along said sideline of the Eastern Promenade South 31° 01' 46" East, a distance of 35.33 feet to an angle in the sideline of said Eastern Promenade, South 02° 02' 16" East a distance of 109.84 feet to an eight inch by inch granite City of Portland street line monument; thence continuing by and along said sideline of the Eastern Promenade, South 41° 15' 14" West a distance of 21.26 to the point of beginning.

The bearings recited herein are based upon a magnetic bearing observed during the year 2006.

The above description is based upon a plan entitled "84 Eastern Promenade, Portland, Maine for Casco Bay Ventures", prepared by Robert T. Greenlaw, PLS #2303, dated November 2, 2009 and recorded at the Cumberland County Registry of Deeds in Plan Book 209, Page 382.

Subject to and together with the benefit of a certain Easement Deed between Anthony Salem and Casco Bay Ventures recorded in the Cumberland County Registry of Deeds in Book 27459, Page 197.

Subject to and together with the terms of a Boundary Modification Agreement between Anthony Salem and Casco Bay Ventures dated December 4, 2009 and recorded in the Cumberland County Registry of Deeds in Book 27459, Page 194.

**EXHIBIT B**  
[Condominium Plat]

**EXHIBIT B**  
[Condominium Floor Plans]

**EXHIBIT D**  
[Allocated Interests]

<u>Unit #</u>	<u># of Votes</u>	<u>Common Expense %</u>	<u>Common Element %</u>
1	1	25%	25%
2	1	25%	25%
3	1	25%	25%
4	<u>1</u>	<u>25%</u>	<u>25%</u>
<b>Totals</b>	<b>4</b>	<b>100%</b>	<b>100%</b>

The percentage of each Unit's Common Element Interest, Common Expense Liability and voting rights is allocated by a formula represented by a fraction wherein the numerator is the number of interior square footage of each Unit located within a Building measured at the boundaries with the Common Elements as shown on the Plans, and the denominator is the total such square footage of all the Units which have been created in the Condominium subject to rounding in order to permit ease of administration, provided however that the percentage stated in Exhibit D (as it may be amended) shall control in any event.

In the event a Unit is subsequently divided or additional units are created or expanded, then its percentages and the percentages of all units shall be allocated based on the resulting interior floor areas of the Units.

**EXHIBIT E**  
[Condominium Association Bylaws]

**BYLAWS OF VICTORIAN TERRACE CONDOMINIUM ASSOCIATION**

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# BYLAWS OF VICTORIAN TERRACE CONDOMINIUM ASSOCIATION

## ARTICLE I CREATION AND APPLICATION

Section 1.01 Creation. This corporation is organized under the Maine Nonprofit Corporation Act in connection with the submission of Property known as the Victorian Terrace Condominium (the “Condominium”) located in the City of Portland, Maine to the Maine Condominium Act pursuant to the Victorian Terrace Condominium Declaration (the “Declaration”) as recorded in the Cumberland County Registry of Deeds. The name of the corporation is the Victorian Terrace Condominium Association (the “Association”).

The term “Property” as used herein shall include the lands, buildings and all other improvements thereon (including the Units, the Common Elements, and all easements, rights and appurtenances belonging thereto) and all other property, real, personal or mixed, intended for use in connection therewith now or hereafter submitted to or governed by the Declaration.

Capitalized terms not otherwise defined in these Bylaws shall have the meanings as specified in the Condominium Act or the Declaration.

Section 1.02 Application. All present and future Unit Owners, mortgagees, lessees, licensees and occupants of the Units, their employees, guests, invitees, agents and customers, and any other persons who may enter upon the Property in any manner are subject to these Bylaws and to the Rules and Regulations, all as adopted, amended or altered from time to time by the Board of Directors of the Association (the “Board of Directors”).

Section 1.03 Office. The principal office of the Association shall be located at the Condominium.

Section 1.04 Interpretation. In the event of any conflict or discrepancy among the Declaration including the Plat and Plans, the Bylaws, and the Rules and Regulations, the provisions of the Declaration shall govern.

## ARTICLE II PURPOSES AND POWERS OF THE ASSOCIATION

Section 2.1 Purposes. The purposes of the Association are to establish a nonprofit corporation pursuant to the Declaration, the Maine Nonprofit Corporation Act and the Maine Condominium Act for the government, funding, operation, regulation and maintenance of the Condominium established under the Declaration.

Section 2.2 Powers. In addition to all the powers, authority and responsibilities granted to or imposed upon this Association by the Declaration and the laws of the State of Maine, specifically including those set forth or referred to in the Maine Condominium Act or the Maine Nonprofit Corporation Act all of which the Association shall have to the extent permitted by law and by the Declaration, the Association shall have the specific powers to, subject to the reserved rights of the Declarant:

- A. Adopt and amend Bylaws and Rules and Regulations;
- B. Adopt and amend budgets for revenues, expenditures and reserves, and to collect assessments for Common Expenses and Service Charges from Unit owners;

- C. Hire and terminate managers and other employees, agents, and independent contractors;
- D. Institute, defend, or intervene in litigation, arbitration, or administrative proceedings in its own name on behalf of itself or two (2) or more Unit owners on matters affecting the Condominium, and the Association shall be deemed to be the attorney-in-fact of each Unit owner for such purposes;
- E. Make contracts, borrow money and incur liabilities;
- F. Regulate the use, maintenance, repair, replacement and modification of Common Elements, provided, however, that the use and allocation of the Limited Common Elements may not be changed without the consent of those Unit owners affected;
- G. Cause additional improvements to be made as a part of the Common Elements, subject to the restrictions set forth herein;
- H. Acquire, hold, encumber and convey in its own name any right, title, or interest to real or personal property;
- I. Grant easements, leases, concessions, and licenses for public utilities and other facilities servicing or benefiting the Property through or over the Common Elements upon notice to the Owners as set forth in Section 9.1;
- J. Impose and receive payments, fees, or charges for the use, rental, or operation of facilities located on the Common Elements;
- K. Impose charges and interest for late payment of Common Expense Assessments, Service Charges, fees and, after notice and an opportunity to be heard, impose reasonable penalties and fines for violations of the Declaration, Bylaws, and Rules and Regulations of the Association;
- L. Impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid Common Expense assessments and Service Charges or resale certificates furnished in accordance with the Maine Condominium Act;
- M. Provide for the indemnification of its officers and directors, and maintain directors' and officers' liability insurance;
- N. Pledge, assign and grant a security interest covering all revenues including regular and special assessments and service charges for the purpose of raising funds for repairs, renovations, improvements and associated costs and expenses with respect to the Common Elements, subject to the approval of a majority in interest vote of the Unit Owners;
- O. Exercise any other powers conferred by the Declaration or these Bylaws;
- P. Exercise all other powers that may be exercised pursuant to the Maine Nonprofit Corporation Act.

The Board of Directors of the Association shall manage the Condominium and exercise all such powers on behalf of the Association, subject to the terms of these Bylaws, the Declaration and the Maine Nonprofit Corporation Act and the Maine Condominium Act.



Section 2.3 Nonprofit Status. The Association is not organized for profit and no property or profit thereof shall inure to the benefit of any person except in furtherance of the non-profit-making purposes of the Association or in the course of acquiring, constructing or providing management, maintenance and care of the Condominium Property, or by virtue of a rebate of excess membership dues, fees, Common Expense assessments, or Service Charges.

ARTICLE III.  
ASSOCIATION OF OWNERS.

Section 3.1 Membership. The members shall consist exclusively of all owners of Units in the Condominium created in accordance with the Declaration or, following termination of the Condominium, of all former Unit owners entitled to the distribution proceeds or their heirs, successors and assigns. Membership is transferable only as provided in the Declaration or these Bylaws. The membership of a Unit owner shall terminate upon the conveyance, transfer or other disposition of his or her interest in the Unit accomplished in accordance with the Declaration, whereupon his or her membership and any interest in the assets of the Association shall automatically transfer to and be vested in the successor in ownership. Membership is otherwise non-transferable. A mortgage of a Unit or the grant of a security interest therein as security for an obligation shall not operate to transfer membership until a foreclosure of the mortgage or security agreement. The Association may but is not required to issue certificates of membership.

Section 3.2 Annual Meeting. Meetings of the Unit Owners shall be held annually each successive year on the first Tuesday of November or if that day is a legal holiday, then on the first day thereafter which is not a holiday, provided that the Board of Directors shall have the authority to alter the annual meeting date in its discretion from time to time if it determines that another meeting date is more convenient or appropriate. The annual meeting and any special meetings shall be held at the Condominium's principal office or such other place as may be designated in the Notice of Meeting.

Section 3.3 Special Meetings. Special meetings of the Unit Owners may be held at any time upon the call of the Board of Directors, or upon the call of twenty percent (20%) or more in voting interest of the Unit Owners, which call shall state the purpose of the meeting. Upon receipt of such call, the Secretary shall promptly cause notices of the meeting to be sent to all Unit Owners of the Association.

Section 3.4 Notice of Meetings. A written notice of each meeting of the Association, stating whether it is an annual meeting or special meeting, the authority for the call of the meeting, the place and time of the meeting, and the items on the agenda (including the general nature of any proposed declaration or bylaw amendment(s), any budget proposal(s) or change(s) and any proposal(s) to remove an officer or director) shall be sent at the direction of the Secretary, if any, at least Ten (10) days, but not more than Sixty (60) days, before the date set for the meeting, accompanied by a mailing of the budget summary if so required by Section 1603-102(c) of the Condominium Act as it may be amended. Such notice shall be given to each Unit Owner listed with the records of the Association as set forth below and to each Eligible Mortgage Holder, if any, and as required by the Declaration:

- A. By hand delivering it to him or her, or
- B. By mailing it, postage prepaid, addressed to the Unit Owner at the address of the Unit or any other address designated in writing by that Unit Owner with the records of the Association, or
- C. Notice may be given by email only if the Maine Nonprofit Act or the Maine Condominium Act is amended to permit email notices in the relevant circumstances and any conditions precedent are complied with.

If notice is given pursuant to the provisions of this section, the failure of any Unit Owner to receive actual notice of the meeting shall not invalidate the meeting.

Section 3.5 Waiver of Notice. The presence of all the Unit Owners in person or by proxy, at any meeting shall conclusively establish the meeting's validity, unless any Owner shall object at the meeting to the non-compliance with this Article. Any meeting so held without objection shall be valid for all purposes, and at any annual meeting any general business may be transacted and any action may be taken.

Section 3.6 Order of Business. The order of business at all meetings of the Unit Owners shall be generally as follows, if applicable:

- A. Roll call.
- B. Proof of proper notice of meeting or waiver of notice.
- C. Review and approval of the minutes of preceding meeting.
- D. Reports of Officers.
- E. Report of Board of Directors.
- F. Report of committees.
- G. Election of the Board of Directors.
- H. Unfinished business.
- I. New business.
- J. Adjournment.

Section 3.7 Parliamentary Procedure. At all meetings of the Unit Owners or of the Executive Board, Robert's Rules of Order as then amended or any similar provisions as may be adopted by the Rules and Regulations shall be followed, except in the event of conflict these Bylaws or Declaration or any applicable provisions of the Rules and Regulations, as the case may be shall prevail.

Section 3.8 Quorum. The presence at the beginning of any meeting of the Association, in person or by proxy of the Unit Owners whose aggregate voting interest constitutes not less than Fifty Percent (50%) of the total voting interest therein shall constitute a quorum for the transaction of all business.

The Unit Owners present at a duly called or held meeting at which a quorum was once present may continue to do business at the meeting or at any adjournment thereof, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 3.9 Voting.

A. Any person, partnership, limited liability company, corporation, trust, or other legal entity or a combination thereof, owning any Unit (other than an interest held as security for an obligation) duly recorded in his or her or its name, which ownership shall be determined from the records of said Registry of Deeds, shall be a member of the Association, and either, in person or by proxy, shall be entitled to vote for each Unit so owned at all meetings of the Association.

B. Multiple owners of a Unit shall be deemed one member. If only one of the multiple owners of a Unit is present in person or by proxy at a meeting of the Association, he or she is entitled to cast all the votes allocated to that Unit. If more than one of the multiple owners are present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the owners. There is presumed to be a majority agreement if any one of the multiple owners present casts the votes allocated to that Unit unless any of the other owners of the Unit promptly protests to the person presiding over the meeting.

C. Votes allocated to a Unit may be cast pursuant to a written and dated proxy signed by a Unit owner and filed with the Secretary or the Secretary's designee. If a Unit is owned by more than one person, each owner of the Unit may vote or register protest to the casting of votes by the other owners of the Unit through a duly executed written proxy. A Unit owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is not valid if it is not dated or purports to be revocable without notice as determined by the Secretary of the Association. A proxy shall automatically terminate eleven (11) months after its date, unless it specifies a shorter term. Facsimile or scanned and emailed copies of a properly signed and dated proxy shall be valid, but emailed text proxies are not permitted.

Written proxies, ballots and other records pertaining to voting by owners shall be retained for one year after the election, action or vote to which they relate.

D. An executor, administrator, personal representative, guardian, or trustee may vote in person or by proxy at any meeting of the Association with respect to any Unit owned or held by him or her in such a capacity, whether or not the same shall have been transferred of record by a duly recorded conveyance. If the Unit has not been so transferred, he or she shall satisfy the secretary that he or she so holds the Unit.

E. The Declarant may exercise the voting rights pertaining to any Unit to which it retains title. No vote pertaining to a Unit owned by the Association may be cast, and the voting interest of such a Unit shall not be deemed to be outstanding in determining the presence of a quorum or the percentage of approval needed to act.

F. Each Unit shall have the percentage vote in the Association specified in the Declaration. Any specified percentage vote refers to the aggregate percentage of such votes.

G. At any meeting at which a quorum is present, the affirmative vote of a majority of the voting interest of those present shall determine any question except the election of Directors, unless a greater percentage vote is required by law, by the Declaration or by these Bylaws. In the election of Directors, those receiving the greatest number of votes, though less than a majority, shall be elected. For the purposes of amending the Declaration or these Bylaws, the percentage in interest shall be measured against the total voting interest regardless of whether or not such Unit owners are present.

H. Upon reasonable advance notice, Unit Owners may elect to attend any meeting of the Association via a telephonic speakerphone at which they may hear and be heard by other Unit Owners, but Unit Owners wishing to attend in this manner shall be responsible for the costs of providing speakerphone services. The Association shall provide reasonable cooperation in arranging such services. The Executive Board's decision as to such matters shall be binding.

Section 3.10 Adjournment. Any meeting of the Association may be adjourned from time to time to such place and time as may be determined by the President subject to change by majority vote of the Unit Owners present, whether a quorum be present or not, without further notice of the time and place of adjournment beyond that given at the meeting if adjourned to a date which is less than thirty (30) days from the date of the meeting and if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken. When any meeting is adjourned, for whatever reason, for thirty (30) days or more, notice of the adjourned meeting must be given. At the adjourned meeting, the Association may transact any business that might have been transacted at the meeting at which the adjournment was taken.

Section 3.11 Unanimous Action by Unit Owners without a Meeting. Any action required or permitted to be taken at a meeting of the Unit Owners (to the extent not otherwise precluded by law)

may be taken without a meeting if written consents, setting forth the action so taken, are signed by all the Unit Owners entitled to vote on such action and are filed with the Secretary of the Association as part of the corporate records. Such written consents shall have the same effect as a unanimous vote of the Unit Owners.

#### ARTICLE IV. BOARD OF DIRECTORS.

Section 4.1 Number and Qualifications. During the Declarant Control Period as defined in the Declaration, the Board of Directors shall be composed of three (3) natural persons. The Declarant shall have the right during the Declarant Control Period to appoint, remove and replace from time to time three (3) members of the Board of Directors. During such period the officers of the Association shall be elected by Directors. The directors appointed by the Declarant need not be Unit Owners.

Following the expiration of Declarant Control Period, the affairs of the Association shall be governed by a Board of Directors initially composed of three (3) natural persons but may be increased by amendment to the Declaration and Articles of Incorporation to allow up to five (5) directors. The number of directors may only be changed by amendment to the Articles of Incorporation, the Bylaws and this Declaration.

A majority of the members at the Board of Directors shall be the owner or the spouse of an owner of a Unit, or if a Unit owner is a corporation, limited liability company, partnership, trust or estate, then an officer, Director, Member, manager, partner, trustee, beneficiary or appointed representative thereof, provided that no Declarant appointed Director need be a Unit Owner or Agent thereof unless required by the Act.

Section 4.2 Election and Term of Office and Resignation. At the expiration of the initial term of office of each director, his or her successor shall be elected to serve a term of two (2) years; provided, however, that a director shall hold office until his or her successor has been elected and has taken office. A Director who replaces a Director before his or her term expires shall serve out the remaining term of such Director, with the intent and purpose being that the term of office of at least one-half of the Directors shall expire annually.

Section 4.3 Powers and Duties. The Board of Directors shall generally act on behalf of the Association, shall have all powers and duties necessary or appropriate for the administration of the affairs of the Association, and shall have all powers referred to in the Declaration, the Bylaws or otherwise provided under the Maine Condominium Act or the Maine Nonprofit Corporation Act, as either may be amended from time to time, except those matters which by law, by the Declaration or by these Bylaws are specifically reserved to the Unit Owners.

In accordance with the Maine Nonprofit Corporation Act, a Director shall discharge his or her duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and in a manner the Director reasonably believes to be in the best interests of the Association.

In discharging the Director's duties, a Board Member is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by one or more officers or employees of the Association or its management company whom the Director reasonably believes to be reliable and competent in the matters presented; legal counsel or a public accountant or a manager or other person as to matters the director reasonably believes are within the person's professional or expert competence; or a committee of the Board of Directors of which the

director is not a member, as to the matters within its jurisdiction, if the director reasonably believes the committee merits confidence.

Section 4.4 Other Duties. In addition to other duties imposed by these Bylaws or by duly adopted resolutions of the Unit Owners of the Association, the Board of Directors shall be responsible for the following:

- A. Election of the officers of the Association;
- B. Management and administration of the Condominium, the Association's property and the Common Elements, including the maintenance, repair and replacement thereof;
- C. Subject to the Declaration the determination and collection of assessments for Common Expenses, Limited Common Expenses, Special Assessments and Service Charges from the owners and the regulation of its fiscal affairs;
- D. Establishment of reserves for the maintenance, repair and replacement of Common Elements (including without limitation the Limited Common Elements) and for contingencies.
- E. Appointment and dismissal of the personnel and agents for the maintenance and operation of the Condominium, including without limitation the Common Elements, and to fix the terms of their engagement and their compensation and authority; and
- F. Designation of executive and other committees and appointment of committee members to serve at the pleasure of the Board.

Section 4.5 Manager or Management Agent, Employees, Generally. The Board of Directors may employ on behalf of the Association a management agent or manager at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Sections 4.4 and 6.2 of these Bylaws. All management contracts entered into during the Declarant Control Period shall permit termination without a penalty on thirty days notice at any time with or without cause after the expiration of such period.

Section 4.6 Appointment and Vacancies. Until the expiration of the Declarant Control Period, the Declarant shall appoint replacement directors in the event of vacancies in the Board of Directors. Thereafter, a vacancy caused by the expiration of a Director's term, resignation, or the removal of a Director by a vote of the Unit Owners, or by the expiration of the Declarant Control Period shall be temporarily filled by vote of the remaining directors until the replacement is elected by the Unit Owners at the then or next annual meeting and then takes office, and the replacement shall serve for the remainder of the unexpired term of the former Director. If a Director is absent from three (3) consecutive regular meetings of the Board of Directors, his or her position shall be considered vacant. Vacancies may be temporarily filled by vote of the remaining directors even though a quorum is lacking, all until the next annual meeting of the Members, at which time the Unit Owners shall elect a replacement Director for the balance of the unexpired term of his predecessor in office.

Section 4.7 Removal of Directors. At any regular meeting or special meeting duly called, any one or more of the Directors may be removed with or without cause by a two thirds (2/3) in interest vote of the members, with or without cause. Any director whose removal has been proposed shall be given an opportunity to be heard at the meeting, but the Unit Owners' decision shall be final.

Section 4.8 Compensation. No compensation shall be paid to Directors or officers for their services as Directors or in any other capacity, unless a resolution authorizing such remuneration shall have been adopted by the Unit Owners before or after the services are undertaken. Directors and

officers shall be reimbursed for their out of pocket expenses reasonably incurred in connection with their services on the Board, as approved by vote of the Board

Section 4.9 Annual Meeting. The annual meeting of the Board of Directors shall be held immediately following or within ten (10) days after the annual meeting of the Association; no further notice shall be necessary in order legally to constitute such meeting.

Section 4.10 Regular Meetings. Regular meetings of the Board of Directors (other than the annual meeting) may be held at such time and place as shall be determined, from time to time, by the Board. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by delivery to his or her Unit or by telephone or by email, at least three (3) days prior to the day named for such meeting.

Section 4.11 Special Meetings. Special meetings of the Board of Directors may be called by the President or upon the written request of a majority of the Directors then in office. Three (3) days' notice of special meetings shall be given to each Director personally or by delivery to his or her Unit, or by telephone or by email, which notice shall state the time, place and purpose of the meeting.

Section 4.12 Waiver of Notice by Board Members. Before or 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 without objection 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.

Section 4.13 Required Notice of Board Meetings to Unit Owners. In accordance with the Maine Condominium Act, the Board of Directors shall give timely notice reasonably calculated to inform unit owners of the date, time and place of and topics proposed to be discussed at meetings of the Board, including without limitation the general nature of any proposed amendment to the Declaration, the Bylaws, or the Rules and Regulations, any budget changes and any proposal to remove an officer. The notice may be given by a posting in a prominent place in the Common Elements or elsewhere, by e-mail or by other means, but actual notice need not be delivered to each unit owner. Failure of a unit owner to receive notice does not invalidate any action taken by the Board of Directors at a meeting.

Section 4.14 Attendance at Board Meetings by Unit Owners. Unit Owners have the right to attend meetings of the Board of Directors, subject to reasonable rules established by the Board of Directors. In the discretion of the presiding officer and on such terms as he or she may establish, individual Unit Owners may speak at meetings of the Directors.

The Board of Directors may restrict or prohibit attendance by Unit Owners and others during executive sessions. An executive session may be held only to:

- (i) Consult with the Association's attorney concerning legal matters;
- (ii) Discuss existing or potential litigation or mediation, arbitration or administrative proceedings;
- (iii) Discuss labor or personnel matters;
- (iv) Discuss contracts, leases and other transactions to purchase or provide goods or services currently being negotiated, including the review of bids or proposals, if premature general knowledge of those matters would place the association at a disadvantage; or
- (v) Prevent public knowledge of the matter to be discussed if the Board of Directors determines that public knowledge would violate the privacy of any person.

A final vote or action may not be taken during an executive session.

Section 4.15 Board of Directors' Quorum/Attendance by Telephone/Internet. At all meetings of the Board of Directors, at the presence at the beginning of a meeting of at least three (3) Directors or of the majority of directors then in office, whichever is less, shall constitute a quorum for the transaction of business. The acts of the majority of the Directors present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, a quorum is not 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.

Directors may attend any meeting via a telephonic or internet speakerphone at which they may hear and be heard by other Directors, but directors wishing to attend in this manner shall be responsible for initiating the arrangement of such services reasonably in advance. The Association shall provide reasonable cooperation in arranging such services for Directors at its expense.

Section 4.16 Unanimous Action. Unless otherwise expressly provided by law, any action which may be taken at a meeting of the Directors may be taken without a meeting if all of the Directors sign written consents, setting forth the action taken or to be taken, at any time before or after the intended effective date of such action. Such consents shall be filed with the minutes of Directors' meetings and shall have the same effect as a unanimous vote.

## ARTICLE V. OFFICERS.

Section 5.1 Designation. The principal officers of the Association shall be a President, a Secretary and a Treasurer, of whom only the President need be elected from among the Directors. The Directors may in their discretion appoint a Vice President, an Assistant Treasurer, and an Assistant Secretary, and such other officers, none of whom need be Directors, as in their judgment may be appropriate.

Section 5.2 Election of Officers and Standard of Care. The principal officers of the Association shall be elected annually by the Board of Directors at the annual meeting and shall hold office until the first meeting of the Board of Directors following the next annual meeting of Unit Owners and until their successors are chosen and qualified; provided, however, that all officers and committee members shall hold office at the pleasure of the Board.

In accordance with the Maine Nonprofit Corporation Act, an officer shall discharge his or her duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the officer reasonably believes to be in the best interests of the Association and its Unit Owners.

Section 5.3 Removal and Resignation of Officers. Upon a majority vote of the Board of Directors present at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose, any officer may be removed, either with or without cause, and his or her successor elected. Any officer whose removal has been proposed shall be given an opportunity to be heard at the meeting, but the Board's decision shall be final.

Any officer may at any time resign his or her office by a resignation in writing delivered to the Association at its principal office or to the President or Secretary. Such resignation shall be effective upon receipt and acceptance thereof shall not be necessary to make it effective unless it so states.

Section 5.4 President. The President shall be the chief executive officer of the Association and shall be a Director. He or she shall preside at all meetings of the Association and of the Board of Directors. In his or her absence, a chairman pro tempore may be chosen by the Unit Owners or

directors, as the case may be, to preside at a meeting. The President shall have all of the powers and duties which are incidental to the office of President of a Maine business corporation.

Section 5.5 Vice President. The Vice President shall preside at all meetings of the Association and of the Board of Directors and exercise the powers and perform the duties of the President in the absence of the President, and shall have such other duties as may be designated from time to time by the Board of Directors.

Section 5.6 Treasurer. The Treasurer shall be responsible for keeping financial records and accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible, subject to the direction of the Board of Directors, for the preparation and dissemination to the Unit Owners of all financial reports, budgets and notices required, and for the preparation and signing, if necessary, of all financial reports or tax returns required to be filed by the Association. The Treasurer shall have all of the powers and duties which are incidental to the office of treasurer of a Maine business corporation.

Section 5.7 Secretary. The Secretary shall have responsibility for the minutes of all meetings of the Board of Directors of the Association (but may delegate the act of keeping minutes), shall give all notices as provided by these Bylaws, and shall have other powers and duties as may be incidental to the offices of Secretary, given him or her by these Bylaws or assigned to him or her from time to time by the Directors. If the Secretary or any assistant secretary or their designee shall not be present at any meeting, the presiding officer shall appoint a secretary pro tempore who shall keep the minutes of such meeting and record them in the books provided for that purpose. The Secretary shall be responsible for the filing of all reports and documents required to be filed by the Association with any governmental agency.

Section 5.8 Auditor. The Board of Directors may from time to time at any scheduled meeting appoint some person, firm or corporation engaged in the business of auditing, to act as auditor of the Association and to perform such audits, reviews and fiscal duties as may be requested by the Association.

Section 5.9 Amendments to the Declaration. The Secretary shall arrange for the preparation of amendments to the Declaration and the President and Secretary shall execute the certificate for recording on behalf of the Association.

## ARTICLE VI FISCAL AFFAIRS AND ADMINISTRATION.

### Section 6.1 Accounting and Records.

A. Books and accounts of the Association and income tax returns shall be kept under the direction of the Treasurer and in accordance with customary accounting principles and practices. Within ninety (90) days after the close of each fiscal year, the Association shall furnish its Unit Owners with a statement of the income and disbursements for such prior fiscal year and a balance sheet as of the close of that year.

B. In accordance with the Maine Condominium Act, the Association must retain the following records:

- (1) Records of receipts and expenditures affecting the operation and administration of the Association and other appropriate accounting records for the past six (6) years;
- (2) Minutes of all meetings of its Unit Owners and Board of Directors other than executive sessions, a record of all actions taken by the unit owners or Board of Directors without a meeting and a record of all actions taken by a committee in place of the Board of Directors on behalf of the



Association;

- (3) The names of current Unit Owners in a form that permits preparation of a list of the names of all Unit Owners and the US Mail addresses at which the Association communicates with them, in alphabetical order showing the number of votes each Unit Owner is entitled to cast, and email addresses may be furnished only if the Unit Owner has consented;
- (4) Copies of its original or restated organizational documents and bylaws and all amendments to them and all rules currently in effect;
- (5) All financial statements and tax returns of the Association for the past three (3) years;
- (6) A list of the names and addresses of its current Board of Directors members and its current officers;
- (7) The Association's most recent annual report delivered to the Secretary of State;
- (8) Financial and other records sufficiently detailed to enable the Association to comply with section 1604-108 of the Maine Condominium Act;
- (9) Copies of current contracts to which the Association is a party;
- (10) Records of Board of Directors or committee actions to approve or deny any requests for design or architectural approval from Unit Owners; and
- (11) Ballots, proxies and other records related to voting by Unit Owners for one (1) year after the election, action or vote to which they relate.

C. Subject to the limitations set forth below and to the extent required by the Maine Condominium Act, all records retained by the Association must be available for examination and copying by a Unit Owner or the Unit Owner's duly authorized agent during reasonable business hours or at a mutually convenient time and location; and upon 10 days' notice in writing reasonably identifying the specific records of the Association requested.

Provided however that records retained by the Association may be withheld from inspection and copying to the extent that they concern:

- (i) Personnel, salary and medical records relating to specific individuals;
- (ii) Contracts, leases and other transactions to purchase or provide goods or services currently being negotiated;
- (iii) Existing or potential litigation or mediation, arbitration or administrative proceedings;
- (iv) Existing or potential matters involving federal, state or local administrative or other formal proceedings before a governmental tribunal for enforcement of the declaration, Bylaws or Rules and Regulations;
- (v) Communications with the Association's attorney that are otherwise protected by the attorney-client privilege or the attorney work-product doctrine;
- (vi) Information the disclosure of which would violate any governmental law or regulation, other than the Maine Condominium Act;
- (vii) Records of an executive session of the Board of Directors; or
- (viii) Individual unit files other than those of the requesting unit owner.

The Association may charge a reasonable fee for providing copies of records under this Section and for supervising the Unit Owner's inspection. The Association is not obligated to compile or synthesize information.

The right to copy records under this Section includes the right to receive copies by photocopying or other means, including copies through an electronic transmission if available upon request by the Unit

Owner, but the Association may require the advance payment of the reasonable fee as set forth above.

Information and records provided pursuant to this Section may only be used in connection with the management of the Association and the duties, rights or responsibilities of Unit Owners, officers or board members under this Act or the Association's governing documents, and may not be used for commercial purposes or for any other purpose not reasonably related to authorized uses. The recipient may be required to confirm that the records and information received will be used in compliance with these restrictions.

Section 6.2. Budget and Assessments.

A. The Board shall cause a proposed annual budget to be prepared based on its estimate of annual income and expenses and shall review and adopt a budget annually. Within thirty (30) days of the Board's adoption of the proposed budget, the Board shall send a summary of such budget to each Unit Owner.

The Board shall call a meeting of the Unit Owners to review the budget within ten (10) to thirty (30) days thereafter by giving notice accompanied by a summary of the budget, unless at that meeting the budget is rejected by Sixty-Seven percent (67%) in interest of all Unit Owners, the budget shall be deemed to have been ratified whether or not a quorum is present. Unless the budget is rejected, the Unit Owners shall pay the amounts specified in the proposed budget adopted by the Board. For Special Assessments, the affirmative approval of a majority in interest of all the Unit Owners shall be required as set forth in the Declaration.

B. The budget shall include the amount required by the Association to meet its expenses for each fiscal year or such other fiscal period as it deems appropriate, including but not limited to the following items:

- i. Management and administration expenses;
- ii. The cost of operation, repairs, maintenance, replacement, and improvements of the Common Elements and such Limited Common Elements and such parts of the Units which the Association is responsible for the maintenance, repair and replacement of;
- iii. The cost of such insurance, bonds, services and utilities as may be furnished by the Association, other than such items for which a service charge is assessed;
- iv. The establishment and maintenance of adequate working capital and reserves including general operating reserves, reserves for contingencies, for losses not covered due to insurance deductibles for which the Association is responsible, and reserves for periodic maintenance, repair and replacement of the Common Elements and Limited Common Elements the Association is obligated to maintain, all to be held in a segregated fund in a financial institution with an office in the State of Maine or in obligations of the United States of America; and
- v. Such other expenses of the Association as may be approved by the Board of Directors including operating deficiencies, if any, for prior periods.

C. Until an annual budget is adopted by the Board, the Unit Owners shall continue to pay that monthly amount of Common Expense assessments and Service Charges which had been previously established; any delay or failure to estimate, to deliver or to adopt such budget shall not waive or release such obligation. The Association may at its option send periodic statements to Unit Owners showing the amount of assessments due, but each Unit Owner shall pay his or her Common Expense assessments and Service Charges promptly when due regardless of whether such a statement is sent.

D. Each Unit Owner shall be personally responsible to pay his or her share of assessments and assessments without setoff or deduction, which shall be an amount equal to the total Association budget, net of other income and Service Charges as defined herein, multiplied by his or her respective common

expense liability. Each Unit Owner shall become liable to the Association, and a lien shall arise against his or her Unit for his or her entire fractional share of the Common Expense assessments at the commencement of the pertinent fiscal period. Each Unit Owner may pay his or her share of the Common Expense assessments in monthly installments on or before the first day of each and every month during such period; provided, however, that if any such installment is not paid when due, then if not paid upon Twenty (20) days written notice of default, the entire remaining balance thereof shall immediately become due and payable in full.

E. If any Unit Owner shall fail or refuse to pay to the Association when due his or her share of the Common Expense assessments or any other Service Charges, user fees and penalties, fines, thereafter the amount thereof shall bear interest at the rate of Eighteen percent (18%) per annum or such other interest rate and late charges as may be set by vote of the Board prior to the date on which the payment came due. Such Common Expense assessments and Service Charges with such late charges as may be determined by the Board of Directors, interest and all costs of collection, including reasonable attorneys' fees, shall constitute a lien on the Unit of such Unit Owner. Recording of the Declaration constitutes record notice and perfection of the lien for Common Expense assessments, Service Charges, user fees, including penalties, fines, late charges, interest and costs of collection. The Association may record a notice from time to time stating the amount and nature of the lien signed by an officer or Board Member of the Association or by an agent authorized by the Board of Directors but such recorded notice is not necessary to establish or perfect the lien.

F. If such payments are not received within thirty (30) days after they become due, the Board shall exercise and enforce any and all rights and remedies provided in the Maine Condominium Act, the Declaration or these Bylaws or otherwise available at law or in equity for the collection of all unpaid amounts and, if available, all possessory remedies against the delinquent owner's Unit under the Forcible Entry and Detainer Laws of Maine as amended from time to time. The delinquent Unit owner shall be required to pay to the Association a reasonable rental for such Unit until sale or foreclosure. In any action to foreclose the lien for Common Expense assessments, assessments, Service Charges, user fees, late charges, penalties, fines, interest, and costs of collection including reasonable attorneys' fees against any owner of a Unit, the Association may act through its manager or Board of Directors in the same manner as any mortgagee of real property. The manager or Board of Directors acting on behalf of the Unit owners shall have the power to bid and acquire such Unit at a foreclosure sale and to lease, mortgage, convey, or otherwise deal with the Unit. Suit to recover a money judgment for unpaid Common Expense assessments, assessments, Service Charges, user fees and penalties, fines due to the Association, with interest and all costs and reasonable attorneys' fees, may be maintained without foreclosing upon or waiving the lien securing the same.

Pursuant to the Maine Condominium Act, the lien is extinguished unless action to enforce the lien is started within Five (5) years after the full amount of the assessment becomes due.

Section 6.3 Service Charges. Service charges (other than common expenses) may be assessed separately to each Unit Owner or group of Units benefited thereby and shall be paid by the Unit owner within Fifteen (15) days of deposit in the U. S. Mail or hand delivery, and shall constitute a lien on the Unit of the same status as a lien for Common Expense assessments set forth in Section 6.2.

Section 6.4 Revised and Special Assessments. If at any time the Board shall determine the amount of the budget to be inadequate, whether by reason of a revision in its estimate of expenses or income, the Board may adopt and deliver to the Unit Owners a revised estimated annual budget for the balance of such fiscal year and shall call a meeting of the Unit Owners to review the budget within ten (10) to thirty (30) days thereafter by giving notice accompanied by a summary of the budget; subject to the rights of the Unit Owners to reject such amendment by a two thirds (2/3) in interest vote at a meeting of the members called within such 30 day period at the request of 40% in interest request of the Unit Owners.

Upon determining that an emergency exists which requires the immediate assessment of the Unit Owners, the Board may make a one-time additional Common Expense assessment, not to exceed an amount equal to two (2) months current regular Common Expense assessment for each Unit unless a greater amount is ratified by the Unit Owners in accordance with normal budget procedures, which shall be due and payable when delivered to the Unit Owners.

In order to fund significant improvement, repair or renovation projects and associated costs, the Board of Directors may make special assessments for such Common Expenses or Limited Common Expenses payable either in a single installment or payable in installments over a period of months and/or years, all on such further terms and conditions and such interest rate as may be approved by the Executive Board, subject to the affirmative approval of a majority in interest of all Unit Owners if payments on the Special Assessment extend beyond the current fiscal year (“Special Assessment”).

Section 6.5 Fiscal Year. The fiscal year of the Association shall be such as may from time to time be established by the Board of Directors.

Section 6.6 Pledge. The approval of a majority in interest of the Unit Owners present in person or by proxy and voting at a duly called meeting of the Association shall be required to approve the Executive Board’s(i) make any new capital improvements to the Common Elements which cost an amount in excess of Thirty-five percent (35%) of the aggregate Common Expense assessments against the members during the prior fiscal year, exclusive of Service Charges, and (ii) to approve the Board of Directors’ exercise of its power to pledge, assign and grant a security interest covering all revenues including Common Expense assessments and Service Charges in order to raise funds for repairs, renovations, improvements and associated costs and expenses with respect to the Common Elements. Maintenance and repairs of existing improvements shall not be considered improvements.

Section 6.7 Use of Units. All Units shall be utilized in accordance with the provisions of the Declaration, Bylaws, and Rules and Regulations.

Section 6.8 Enforcement of Declaration and Bylaws. Every Unit owner shall pay to the Association promptly on demand all costs and expenses, including reasonable attorneys’ fees and expenses incurred by or on behalf of the Association, in collecting any delinquent Common Expenses, Limited Common Expenses, Special assessments, Service Charges, damages or fees due from such Unit, foreclosing its lien for assessments, collecting any penalties, fines imposed hereunder, or enforcing any provisions of the Declaration, these Bylaws, or the Rules and Regulations against such owner or any occupant of such Unit.

Section 6.9 Rules and Regulations. In order to assist the peaceful and orderly use and enjoyment of the buildings and Common Elements (including without limitation the Limited Common Elements) of the Condominium, the Board of Directors may from time to time adopt, modify, and revoke, in whole or in part, such further reasonable rules and regulations governing the Condominium as it may deem necessary, including, but not limited to, methods and procedures for enforcing compliance with the Declaration and Bylaws. Such Rules and Regulations upon adoption, and every amendment, modification, and revocation thereof, shall be sent promptly to each Unit Owner and shall be binding upon all members of the Association and all persons present on the Condominium.

Section 6.10 Right of Entry. Upon such reasonable prior notice as is possible under the circumstances, the manager and any person authorized by the Board of Directors shall have the right to enter any Unit in case of any emergency originating in or threatening such Unit or adjoining Common Elements whether or not the Unit owner or occupant is present at the time, and upon reasonable prior notice to enter any Unit at reasonable times for the purpose of performing authorized installations, alterations, or repairs to the Common Elements thereon or accessible therefrom.

Section 6.11 Title. Every Unit owner shall promptly record in the Registry of Deeds the deed, assignment, or other conveyance to him or her or his or her Unit or other evidence of his or her title thereto and file such evidence of his or her title with the Association, and the Secretary shall maintain such information in the records of the Association.

Section 6.12 Insurance and Fidelity Bonds.

- A. The Association shall maintain insurance as required by the Declaration and such other insurance as the Board of Directors of the Association may determine is appropriate.
- B. It shall be the responsibility of each Unit owner to procure adequate insurance covering the contents of his or her Unit and any deductible for damage to the Unit interior, and any appliances, fixtures, betterments or improvements thereto installed by the Unit owner unless insured through the Association's policy, all as further appears in and subject to the Declaration.

ARTICLE VII

SALE, LEASE, RENTAL OR OTHER TRANSFER OF A UNIT

Section 7.1 Binding Effect. All subsequent sales, leases or other transfers of a Unit by a Unit owner shall be subject in all respects to the Declaration, Bylaws, and Rules and Regulations of the Condominium.

ARTICLE VIII

EXECUTION OF INSTRUMENTS.

Section 8.1 Instruments Generally. All checks, drafts, notes, vouchers, bonds, acceptances, contracts, deeds, lien notices, certificates, and all other instruments shall be signed or approved by the President or the Secretary or Treasurer, and in addition/or by any one or more officer(s), agent(s) or employee(s), all as the Board of Directors may designate, unless otherwise approved by the Board of Directors.

ARTICLE IX

GENERAL ADMINISTRATION

Section 9.1 Easements, Etc. The Association is authorized and empowered to grant such easements, rights-of-way, leases and licenses for sewer lines and sewage disposal facilities, water lines, electrical cables, telephone cables, television cables and antennas, gas lines, storm drains, underground conduits, fire escapes and alarms, such other purposes related to the provision of public services, and utilities to the Condominium and for recreational purposes as may be considered desirable, necessary or appropriate by the Board of Directors for the orderly maintenance, improvement and preservation and enjoyment of the Common Elements or for the preservation of the health, safety, convenience and welfare of the owners of the individual Units upon at least Thirty (30) days' notice to the Unit Owners unless a special meeting of the Unit Owners is called within such period and the Unit Owners vote to reject such grant. No such rights may be created through any Unit without the written consent of the owners thereof and no such easement shall materially impair the use and enjoyment of the Condominium.

ARTICLE X

LIABILITY OF DIRECTORS AND OFFICERS.

Section 10.1 Exculpation. No Board Member or officer of the Association shall be personally liable for acts or defaults of himself, herself or any other officer or member or for any loss sustained by the Association or any member thereof, unless the same has resulted from his or her own willful misconduct or recklessness.

Section 10.2 Indemnification. The Association shall indemnify any person who was or is threatened to be made a party against any actual, threatened, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact he or she is or was an officer, Board Member, agent or employee of the Association against all expenses including reasonable counsel fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection therewith, excepting, however, such matters in which such person is finally adjudged by a court of competent jurisdiction to have acted with willful misconduct or recklessness towards the Association or absent a final adjudication thereof, and also excepting such matters in which the Board of Directors(excluding any interested Directors) determines any such person acted with willful misconduct or recklessness. This right to indemnification shall be in addition to any other power of the Association to indemnify as permitted by law. The Association may also maintain insurance on behalf of any person who is or was a Board Member, officer, agent or employee of the Association against any such liability asserted against him or her and incurred by him or her in such capacity or arising out of his or her status as such, whether or not the Association would otherwise have the power or duty to indemnify him or her.

Section 10.3 Claims. Claims against the Association, the Board of Directors or the officers, employees or agents thereof in their respective capacities as such or the Condominium as a whole shall be directed to the Board of Directors of the Association, which shall promptly give written notice thereof to the Unit Owners and the Eligible Mortgage Holders and the Mortgagees of Units, and such complaints shall be defended by the Association. The Unit Owners shall have no right to participate in such defense other than through the Association.

## ARTICLE XI. BYLAWS.

Section 11.1 Amendment. These Bylaws may be amended, modified, or revoked in any respect from time to time by vote of Sixty-Seven percent (67%) or more in voting interest of the Unit Owners of the Association at a meeting duly called for the purpose; PROVIDED, HOWEVER, that these Bylaws shall always contain those particulars which are required by the Maine Nonprofit Corporation Act, the Maine Condominium Act, as amended from time to time to the extent applicable by law to this Condominium; and PROVIDED, FURTHER, that no modification of or amendment to the Bylaws shall be valid, until a certificate of the amendment is executed to evidence the propriety of such amendment or modification by the Secretary and President of the Association. Such certificate shall be recorded in Registry of Deeds.

### Section 11.2 Interpretation.

The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

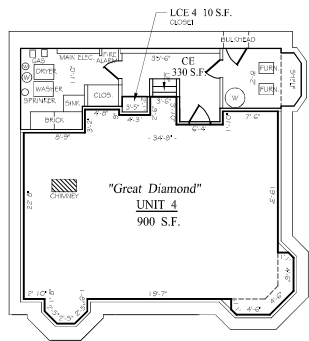
The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws, or the intent of any provision thereof.

The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

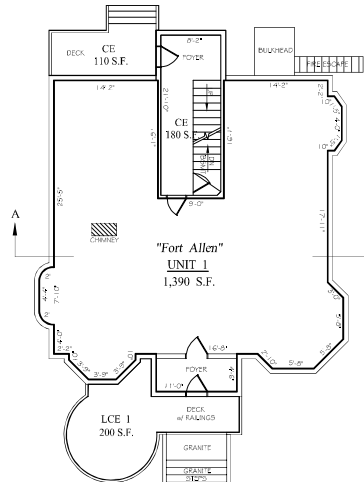
No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

In the event of any conflict between these Bylaws and the provisions of the Declaration or the Maine Nonprofit Corporation Act or the Maine Condominium Act, the latter shall govern and apply.

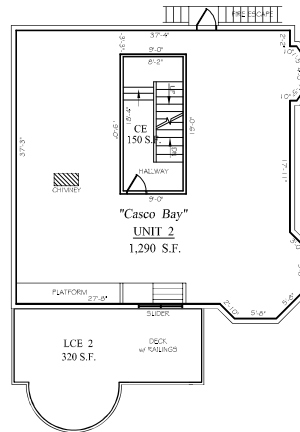
Bylaws.docx



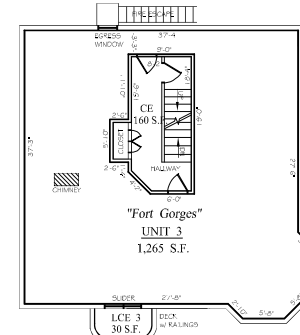
**BASEMENT**



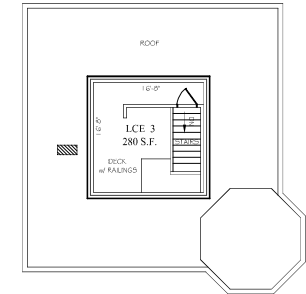
**FIRST FLOOR**



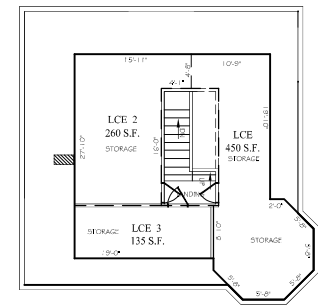
**SECOND FLOOR**



**THIRD FLOOR**

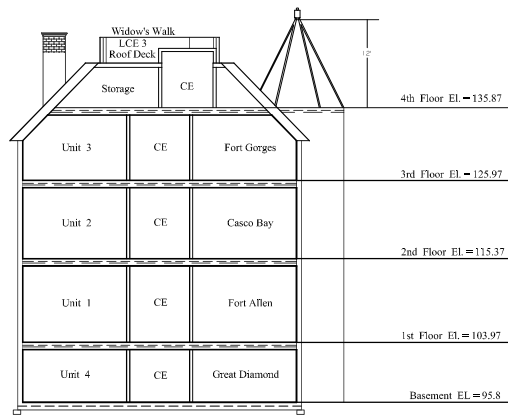


**WIDOW'S WALK**



**FOURTH FLOOR**

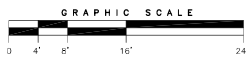
← EASTERN PROMENADE →  
**VERTICAL BOUNDARY**



**HORIZONTAL BOUNDARY**

← EASTERN PROMENADE →  
NOTE: ELEVATIONS BASED ON CITY DATUM

**LEGEND:**  
CE COMMON ELEMENT  
LCE LIMITED COMMON ELEMENT  
UNIT BOUNDARY



OWNER OF RECORD:  
VICTORIAN TERRACE, LLC  
511 CONGRESS STREET  
PORTLAND, MAINE 04101  
C.C.R.D. BOOK 28981 PAGE 137  
REF. PLAN BOOK 209 PAGE 382

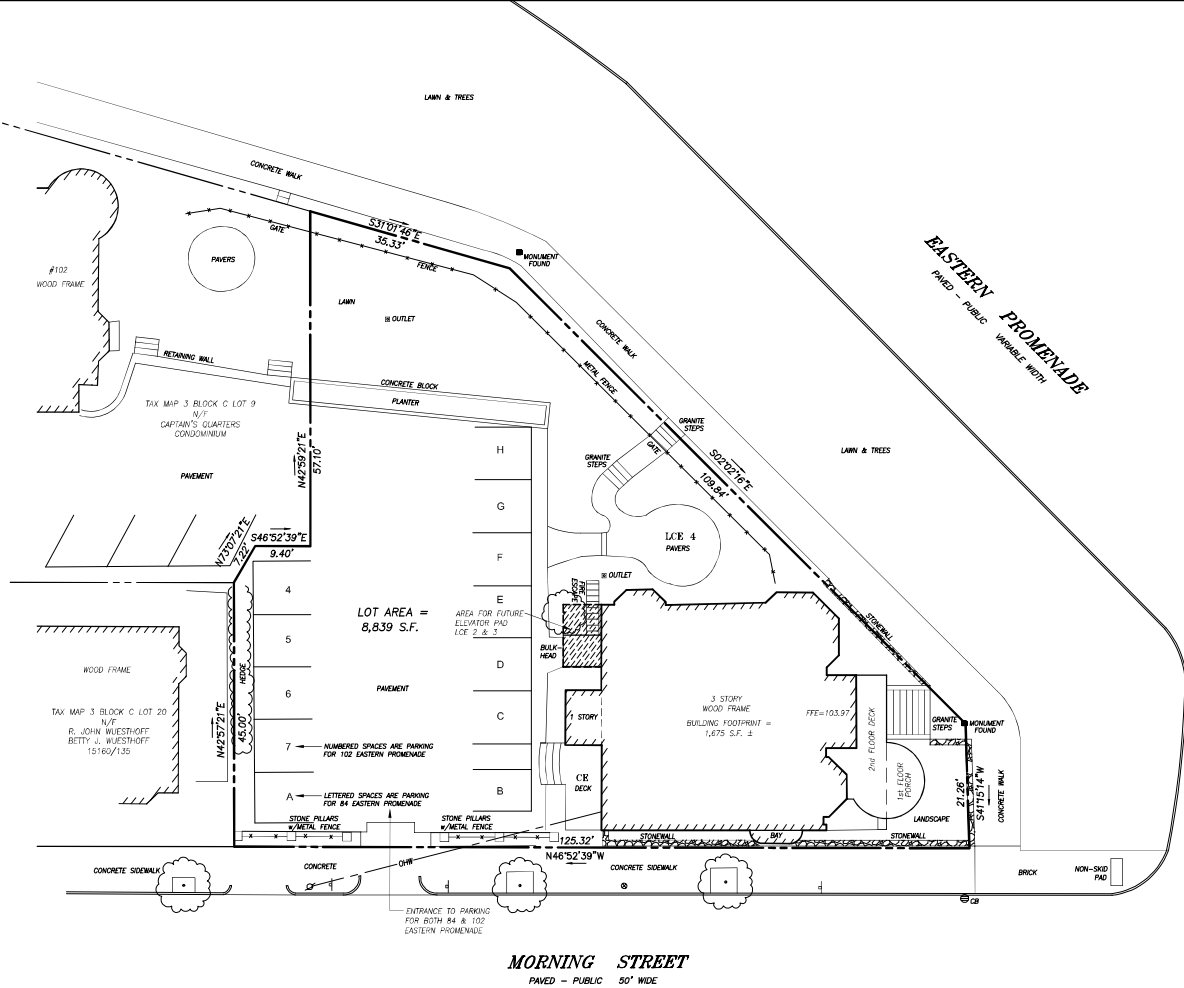
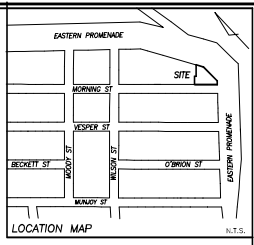
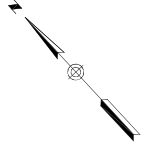
**HORIZONTAL & VERTICAL BOUNDARIES**  
**"VICTORIAN TERRACE CONDOMINIUM"**  
84 EASTERN PROMENADE, PORTLAND, MAINE  
MADE FOR RECORD OWNER  
**VICTORIAN TERRACE, LLC**  
511 CONGRESS STREET, PORTLAND, MAINE

**OWEN HASKELL, INC.**  
PROFESSIONAL LAND SURVEYORS  
290 U.S. ROUTE ONE, PALM BEACH, FL 33411 (561) 771-0121

Drawn By	SEB	Date	JAN. 25, 2016	Job No.	2015-167 P
Traced By	JLW	Scale	1/8" = 1'	Draw. No.	2 OF 2
Check By	JLW				
Book No.	FILE				

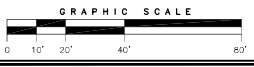
JOHN W. SWAN, P.L.S. #1038





**MORNING STREET**  
PAVED - PUBLIC 50' WIDE

- LEGEND**
- IRON PIPE OR ROD FOUND
  - MONUMENT FOUND
  - UTILITY POLE
  - SICK
  - CATCH BASIN
  - DECIDUOUS TREE
  - FENCE
  - CURB
  - OVERHEAD WIRES
  - N/F NOW OR FORMERLY
  - CE DECK ROOM AND PASE
  - CE COMMON ELEMENT
  - LCE LIMITED COMMON ELEMENT



- PLAN REFERENCES:**
- WORKING DRAWINGS OF MORNING STREET FOR THE CITY OF PORTLAND (OH FILE NO. 2020-108 P).
  - PLAN OF DIVISION OF LOT NO. EIGHT ON PROPRIETORS PLAN OF MINUDY HILL MADE BY COMMISSIONERS PURSUANT TO WARRANT FROM THE S.J. COURT, OCTOBER TERM 1853 RECORDED IN DEED BOOK 250 PAGE 568-569.
  - STANDARD BOUNDARY SURVEY 108 EASTERN PROMENADE, PORTLAND, MAINE FOR EVA B. HORTON DATED NOV. 20, 1899 BY BUCK BAY BOUNDARY, INC. RECORDED IN PLAN BOOK 200 PAGE 288.
  - PLAT AND SECTIONS 108 EASTERN PROMENADE CONDOMINIUMS DATED 3-22-88 BY HERBERT P. GRAY RECORDED IN PLAN BOOK 169 PAGE 48.
  - MULTI-PURPOSE LAND TITLE SURVEY ON EASTERN PROMENADE & MORNING STREET, PORTLAND, MAINE MADE FOR ESTATE OF EVA HORTON MARCH 24, 2004 REV. 1 05-14-04 BY OWEN HASKELL, INC.
  - SITE PLAN, 84 EASTERN PROMENADE, PORTLAND, MAINE FOR ANTHONY SALEM NOVEMBER 2, 2009 BY ROBERT J. GREENLAW, PLS RECORDED IN PLAN BOOK 209, PAGE 392.

- GENERAL NOTES:**
- OWNER OF RECORD: VICTORIAN TERRACE, LLC  
511 CONGRESS STREET, PORTLAND, MAINE  
TAX MAP 8 BLOCK C LOT 10  
C.C.R.D. BOOK 28081 PAGE 137
  - BEARINGS ARE BASED ON CITY OF PORTLAND "PORTLAND TRAILS" CONTROL POINTS PROVIDED BY THE CITY OF PORTLAND'S ENGINEERING DEPARTMENT.
  - ELEVATION IS BASED ON CITY DATUM PER PLAN REFERENCE 1.

**CERTIFICATION:**  
OWEN HASKELL, INC. HEREBY CERTIFIES THAT THIS PLAN IS BASED ON, AND THE RESULT OF, AN ON THE GROUND FIELD SURVEY AND THAT TO THE BEST OF OUR KNOWLEDGE, INFORMATION AND BELIEF, IT CONFORMS TO THE BOARD OF LICENSEURS FOR PROFESSIONAL LAND SURVEYORS CURRENT STANDARDS OF PRACTICE.

DATE: \_\_\_\_\_ JOHN W. SWAN, PLS NO. 1038

**CONDOMINIUM PLAT**  
**"VICTORIAN TERRACE CONDOMINIUM"**  
84 EASTERN PROMENADE, PORTLAND, MAINE  
MADE FOR RECORD OWNER  
**VICTORIAN TERRACE, LLC**  
511 CONGRESS STREET, PORTLAND, MAINE

**OWEN HASKELL, INC.**  
PROFESSIONAL LAND SURVEYORS  
300 U.S. ROUTE ONE, PALM BEACH, FL 33411-1611 (207) 771-9121

Drawn By: MS	Date: 10/20/16	Sheet No.: 1 OF 2
Trace By: JWS	Date: JAN. 25, 2016	Scale: 1" = 20'
Check By: JWS	Date: 2015-167 P	Drawn No.: 1 OF 2
Book No.: FILE	Date: 1" = 20'	Drawn No.: 1 OF 2

# RULES AND REGULATIONS

## VICTORIAN TERRACE CONDOMINIUM ASSOCIATION

84 Eastern Promenade, Portland, Maine

VICTORIAN TERRACE CONDOMINIUM ASSOCIATION (the "Association") is an association of members of a private condominium known as Victorian Terrace Condominium (the "Condominium" or "Condominiums") located at 84 Eastern Promenade, Portland, Maine, consisting of four (4) condominium units. The Association takes pride in being a quiet, safe and enjoyable place to live, where maintenance of facilities and grounds is a high priority and where the concept of condominium ownership works well.

By virtue of the original Condominium Declaration and organizational By-Laws, the Condominium is a self-managing association with authority for governance vested in an elected Board of Directors. All owners are subject to common rules, regulations and standards of behavior. They are responsible for sharing in the policy, fiscal, and managerial decisions that are necessary to insure that the Condominium remains a desirable community in which to live.

As with any community, rules and regulations are necessary to insure the peaceful and orderly use and enjoyment of the buildings and common areas. The Rules and Regulations are the Condominium's means to that end and focus on the permissible uses of the Condominium property. They are both general and specific and are based on condominium law, and on preferences established by the original developers and the subsequent owners of the Condominium.

### **In order to appreciate these rules, a Condominium owner must first:**

- *Understand and support* condominium living for what it is and for what it is not. Owning a condominium and living in a condominium community offers an advantageous lifestyle. However, you must share a great deal (property and decisions) with others. Condominiums are not the same as apartments where you have a landlord to respond to all of your needs. It is also not like owning a single-family home with your own backyard where you are the sole decision-maker about maintenance and the use of your property.
- *Recognize that in a condominium community*, beyond the limits of one's interior space, one's personal preferences cannot be allowed to take precedence over the interests and needs of the group of owners at large.

➤ *Recognize*, that as a condominium owner, you have an obligation to participate in the activities of the community. This means caring about the common areas, volunteering for workdays, working on special committees, serving on the Board, and meeting your financial obligations.

➤ *Recognize*, that no Condominium owner is exempt from the rules and regulations of the Condominium community.

As provided in the By-Laws and in order to assure the safe and peaceful use of the Condominium's facilities, the following Rules and Regulations have been adopted by the Board of Directors. To the extent that these Rules and Regulations do not make reference to a particular circumstance or action, it should be assumed by all that such circumstances and actions are not permitted anywhere at the Condominium without the specific approval of the Board of Directors.

The Condominium is located on property that has been designated by the City of Portland as an historic building. Therefore, notwithstanding anything to the contrary herein, these Rules and Regulations are subject to the provisions of the City of Portland Code of Ordinances, Chapter 14, Article IX, Historic Preservation, Sections 14-601 et seq., and to the extent that anything herein shall conflict with the requirements of the ordinance, the terms of the ordinance shall control.

The Association shall be responsible for the payment of all Common Expenses and the members shall be individually responsible for the payment of all Unit Expenses for the unit owned by each respective member as such expenses are herein defined. The definitions of Common Expenses and Unit Expenses below are for administrative purposes only and shall not be meant to alter or change the legal definition of the Units, Common Areas or Limited Common Areas as set forth in the Declaration.

1. **Common Expenses.** The Association shall be responsible for the payment of all common expenses which shall include, without limitation, any expenses for the maintenance, repair, renovation, alteration, improvement or replacement of the following:

a. **Grounds.** The land, lawns, trees, any vegetated areas, unit walkways, signage, any common facilities or storage buildings or areas, and other common areas;

b. **Systems & Utilities.** Sanitary sewer to each unit, electric distribution to each unit meter, telephone line to each unit, cable TV line to each unit, water distribution to each unit master valve, storm and groundwater drainage system, heating equipment (heating

appliances, radiators, water heaters, boilers, air intake and exhaust fittings, fuel storage, fuel lines and heating controls); and associated distribution to each unit, water and sewer lines running through and/or under foundation and masonry slabs;

- c. **Interior Structure.** Any masonry floor slabs;
- d. **Exterior Structure & Fixtures.** Roofing (all roof framing and covering), chimneys and flues, exterior walls (framing, insulation, bricks, sheathing and clapboard siding), including unit party walls), studs, joists, any load bearing portions of the buildings, shutters, attics (framing, floor and insulation), foundation walls, any masonry floor slabs, exterior foundation drains, interior foundation drains, privacy fencing, shrubbery, front and rear steps and railings, dormers (roofing and walls, but excluding new dormer construction), and building mounted light fixtures;
- e. **Other.** All other parts of the property necessary or convenient to its existence, maintenance and safety or normally in common use, except as otherwise expressly provided.

2. **Unit Expenses.** Common expenses shall not include Unit Expenses. Each member shall be individually responsible for the payment of all Unit Expenses for the unit owned by each respective member, which shall include, without limitation, any expenses in connection with the maintenance, repair, renovation, alteration, improvement or replacement of the following:

- a. **Systems & Utilities.** Pipes, lines, cables and wires serving one individual unit including all valves, junction boxes and any other related components; i.e. water lines inside of unit master valve located in both interior and exterior walls and in floors; sewer lines inside of unit outlet located in both interior walls and exterior walls and in floors; electrical wiring inside of electric meter, located in both interior and exterior walls and ceilings and in floors; master electric circuit breaker; interior television cable including incoming service terminal; interior telephone lines including incoming service terminal; internal water shutoff valves; smoke detectors; security alarms; unit dryer venting systems including piping and vents; kitchen exhaust fans; and bathroom exhaust fans;
- b. **Interior Structure & Fixtures.** Sheetrock on all *interior* walls; framing, and insulation; interior first floor sub-floor sheathing; interior upper floor sub floor sheathing; stair-framing for all stair

units; interior moldings and trim; interior doors; stair trim; wall and ceiling coverings (paint, wallpaper, furring, gypsum board and other finishing surfaces); floor coverings (carpeting and other finished flooring material including padding and additional sub-flooring); stair coverings; kitchen cabinets; built-in cabinets or fixtures; bathroom fixtures (tub, shower unit, sink, vanity and toilets); and light fixtures;

c. **Exterior Structure & Fixtures.** Exterior unit doors (front, kitchen and patio doors); storm/screen doors; windows; window and door glass; window, door and skylight frames, screens, thresholds and sills; decks (all components); sun room doors and windows; dormer windows; and individual mailboxes;

d. The unit owner is liable for all damages to the common elements of the building and to damage to personal property of other unit owners caused by failure to properly maintain the above systems, utilities, structures and fixtures which are the unit owner's responsibility.

### 3. **Right To Peaceful Enjoyment By All Unit Owners**

a. No unit owner shall undertake or permit activities or noise inside a building or in a limited common or common area of the Condominium that interferes with the rights, comfort, security and convenience of other unit owners. This includes actions and noise by the unit owner, family members, visitors and tenants.

### 4. **Guests**

a. While visiting the Condominium, guests of unit owners shall abide by all aspects of these Rules and Regulations.

b. Unit owners are responsible for making their guests aware of these Rules and Regulations and assuring their compliance.

### 5. **Board Approval and Notification**

a. Except as otherwise allowed by the Declaration for minor alterations or renovations, all unit owners are required to obtain written approval by the Board of Directors before undertaking any project involving additions (temporary or permanent), and alterations to their unit's interior, the limited common areas attached to their unit, and the structure of which their unit is a part. The Board shall grant approvals based on a review of a *written, detailed* proposal

submitted by the unit owner and, possibly, inspection of the property and/or additional discussion with the unit owner. Owners will be notified of the Board's decision within ten days after the scheduled Board meeting following submission of the written proposal and all required information.

- b. All unit owners are required to notify the Board of Directors, in advance, of significant maintenance/replacement, upgrading projects being undertaken inside their unit and not involving structural change, doors, windows, skylights, etc. Such work includes but is not limited to: adding a security system, finishing a basement, finishing an upstairs area into a bedroom, changes in flooring, replacement of bathroom/kitchen fixtures and cabinetry. The Association needs to know for insurance purposes. Aspects of the project may require compliance with Board specifications.
- c. Unit owners who take such actions without Board approval may be required, at their expense, to remove all unapproved changes and restore the building, common area or limited common area etc. to its original condition.

## 6. Alterations and Improvements

Alterations and Improvements require advance written board approval and/or compliance with Board approved specifications, subject to the terms of the Declaration.

- a. Any alteration or improvement to a unit, to a limited common area or a common area which involves a change in structural integrity.
- b. Replacement of existing exterior doors, windows, sliding patio doors, skylights, light fixtures. These products must be approved for use at the Condominium.
- c. Replacement or addition of a Storm/Screen Door on front entrance. This must be the door approved for use at the Condominium.
- d. Installation of a new Roof Skylight.
- e. Installation of a dormer or modification to an existing dormer.
- f. Installation of a door or window in a place where one does not currently exist.
- g. Any modification or improvement to a deck. All deck modifications must comply with the Condominium's Deck Specifications, if any.
- h. The installation of a temporary or semi-permanent screen room or awning on any part of a deck. Such additions are allowed but must be approved for use at The Condominium.

- i. Any modifications to foundations or chimneys.
- j. Any installation or modification of exterior mounted equipment, ducts, louvers, vents, gas lines, etc.
- k. Removal or replacement of any plant or tree located in a common area.
- l. Addition, removal or enlargement of any garden space within a common area.
- m. Telephone wire or cable TV wire installations that require disruption of paved or lawn surfaces, drilling of new holes in buildings or running of cables/wires on exterior of buildings.
- n. Where necessary, the Board shall grant its approval based on a review of a *written, detailed* proposal submitted by the unit owner and, possibly, inspection of the property and/or additional discussion with the unit owner. Owners will be notified of the Board's decision within ten days after the scheduled Board meeting following submission of the written proposal and all required information.
- o. Unit owners who take actions without required Board approval or use products not approved for use at The Condominium will be required, at their expense, to remove all unapproved changes or additions and restore the building, common area or limited common area etc. to its original condition.

## 7. **Additions to Structures**

- a. The existing footprint (the foundation perimeter) of building(s) at the Condominium cannot be enlarged, reduced or changed in any manner, except for an elevator, and appurtenances, in accordance with Section 4.2 (viii) of the Declaration.
- b. No unit owner is allowed to build an additional structure of any kind, regardless of whether it is independent of or connected to a residential unit, garage or deck, except for an elevator, and appurtenances, in accordance with Section 4.2 (viii) of the Declaration.

## 8. **Outside Contractors**

- a. All contractors and tradesmen employed or engaged by a unit owner to perform work in and around the Condominium structures are required to provide proof of adequate liability insurance and Worker's Compensation Insurance as required by Maine State Law. Insurance certificates shall be provided to the homeowner and, upon request, to the Board prior to commencement of work. Insurance certificates provided by contractors shall specifically name the unit

- owner and Deering Heights Condominiums Owners Association as additional insured.
- b. Any electrical, plumbing, and heating work done in a unit must be performed by experienced, reputable tradesmen licensed and certified to perform such work in the State of Maine.
  - c. The Association may require any outside contractor engaged by a unit owner to execute and deliver to the Association a mechanics lien waiver in connection with any work performed by such contractor hereunder.

9. **Household Pets**

- a. Only the following animals are permitted to be kept on the Property: two (2) dogs without regard to size; up to two (2) cats; and up to two (2) caged birds, subject, however, to the limitation that the aggregate number of household pets shall be no more than two (2). Notwithstanding the foregoing, a reasonable number of fish in bowls or tanks may be kept in any Unit. In all instances, all rodents and reptiles are prohibited. Pets are only permitted outside of a Unit if on a leash under the direct supervision of a responsible person. Unit owners must clean up droppings from their pets. No pet may disturb other occupants as determined by the Board of Directors, and Unit owners are responsible for the behavior of their pets or their guest's pets and are liable for any property damage, personal injury or disturbance that such animals may cause. The Association shall have the right to assess the unit owner for reimbursement of related expenses and to lien the owner's property in the event of non-payment.
- b. All pets must be licensed and inoculated as required by law, and owners must comply with City of Portland ordinances regulating pets. The Condominium reserves the right to notify the Animal Control Officer if a pet owner fails to do so.
- c. Owners are responsible for the daily removal of pet wastes from lawn or driveway common areas.
- d. Damage to common area lawns inflicted by excessive animal use or by a concentration of animal urine and other wastes may be repaired by the Association. The Association shall have the right to assess the unit owner for reimbursement of repair expense and to lien the owner's property in the event of non-payment.
- e. No animal shall be permitted to bark, meow, or make other noises as to disturb neighbor's rest or peaceful enjoyment of their unit or the common area.



- f. Unless otherwise authorized by the Board of Directors, no animal may be tied or leashed outside the unit at any time, exterior pet runs of any type are not allowed at the Condominium.
- g. The Association shall have the power, if necessary, to further regulate the keeping of pets and animals including, without limitation, the express power to regulate the size and species, to establish additional behavior requirements, and to expel any offending animals from the Condominium.

10. **Children**

- a. There is no common area at the Condominium designated exclusively as a play area for the use of children but reasonable play activities by children are welcome, preferably on decks in the rear of their building.
- b. Permanently installed or temporary exterior play equipment (swing sets, slides, playhouses, pools, etc.) are not allowed at the Condominium.
- c. Toys, bicycles, wagons, etc. are to be stored inside when not in use.
- d. The activities of children shall be under the control of a responsible person at all times.
- e. No play activity at a noise level which prevents other residents from the quiet and peaceful enjoyment of their home is permitted.

11. **Stormy Weather**

- a. The Board and the snow removal contractor make every effort to insure that snow is cleared from paved areas and walks as quickly as possible. Despite these efforts, there will be times that these areas may be temporarily impassable.
- b. All owners/tenants should be alert to pending weather conditions and to take all necessary precautions to deal with the possibility of power outages, flooding, extreme cold, icing conditions, and heavy precipitation (rain, snow and/or sleet) which could cause damage to personal and common property.
- c. In the event of high winds, all personal property shall be secured or placed indoors. This is the responsibility of the unit owner/tenant.
- d. Installation of a generator or other auxiliary emergency heating/power devices requires the prior approval of the Board. Installation must be done by a contractor who is licensed under Maine law. The contractor must provide proof of adequate insurance as delineated in Section 5.

- e. During winter months, the unit owner is responsible for closing any interior shut-off valves for all outside faucets; clearing snow away from Monitor Heater air intake/exhaust fittings (usually on the front next to the door); clearing snow away from dryer vents if close to the ground; clearing snow away from sliding glass doors and basement bulkhead doors; **and insuring that sufficient heat is on during winter months to prevent pipe freezing and damage to your unit or others.** The unit owner is liable for building damages, damage to personal property, and damage to heating equipment caused by the failure to do the above.
- f. Unit owners who are away for extended periods of time, particularly in winter, either on vacation, work related travel or because of seasonal use of their condominium, are responsible for arranging with a neighbor, friend or contractor to have their unit checked periodically to insure that all systems are operable and no storm or cold weather damage has occurred. It is essential that a member of the Board be notified of who has this responsibility and who has access to the unit.

12. **Household Trash**

- a. Garbage and household trash shall be kept in closed containers inside the owner's unit or in such other area designated by the Board (e.g., basement or outside). Containers should be placed at the foot of the driveway on the day(s) designated for collection. Empty trash containers should be returned to such storage areas as soon as possible.
- b. Owners/tenants are responsible for insuring that accumulated trash does not create a nuisance in regards to odor, cleanliness, bug infestation, or neatness.
- c. Public trash removal services are only for the removal of routine household trash. Larger items are the responsibility of the owner/tenant and should be disposed of in accordance with City of Portland ordinances and practices.

13. **Video Antennas and Satellite Dishes**

- a. Video antennas and satellite dishes are not to be installed on any common area, including but not limited to roofs and exterior walls.
- b. Video antennas and satellite dishes can be installed in limited common areas if you have exclusive use and safety is not compromised by the installation. "Exclusive use" means an area of the property that only you, and the persons you permit, may enter

and use to the exclusion of other residents (i.e. decks). The video antenna and satellite dish must be installed wholly within the exclusive use area.

- c. A video antenna and satellite dish that extends beyond the area of exclusive use is considered to be in a common area and installation is not permitted without the prior approval of the Board of Directors.
- d. Only satellite dishes that are less than one meter (39.37") in diameter are permitted to be installed at the Condominium.
- e. Installation of video antennas and satellite dishes shall be in compliance with local and state law.

14. **Air Conditioners**

- a. Unit owners may install window-mounted air-conditioners, provided that no owner may install more than one such air conditioner.
- b. It is preferred that window air conditioners be installed in a rear or side window, not in the front of the building.
- c. If the operation of an air conditioner disturbs any neighbors, the Board retains the authority to require its removal.
- d. The air conditioner may remain in place from April through November and must be removed during the winter months.
- e. The unit owner shall be responsible for any damages to the building occurring from the installation, removal, or operation of the air conditioner.

15. **General Hazards and Liability of Unit Owners**

- a. Nothing shall be done, kept in any unit or in any part of the Common or Limited Common Areas which will cause an increase in the insurance premium for the property without the prior written consent of the Board of Directors. No unit owner shall permit anything to be done, kept in the unit or in the limited common or common areas which will result in the cancellation of insurance on the property, any part thereof or that is in violation of any law, regulation, or administrative ruling.
- b. Unit owners shall be liable for the expense of maintenance, repair or replacement of any damage to the common or limited common areas or to another unit caused by such unit owner's act, neglect, or carelessness or that of their guests, contractors, agents, lessees, or pets. Such liability shall include any increase in insurance premiums or assessments occasioned by any act, neglect, carelessness or the misuse of a unit.

16. **Hazardous Materials**

- a. It is strongly recommended that unit owners, tenants or guests not possess or store hazardous household, gardening, and commercial substances anywhere at the Condominium. In such cases, however, unit owners are responsible for appropriate and lawful storage, safekeeping and disposal.
- b. Owners are encouraged to dispose of all hazardous cleaning materials, paints, fertilizers and vegetation killers when their usefulness ends.
- c. Hazardous materials (including those listed above) must be disposed of by legal means at a legal disposal site and, if necessary, by trained personnel.
- d. Spills of fuel oil, kerosene, other hazardous or polluting substances inside a unit, or on any common or limited common area (paved or otherwise) shall be reported immediately to the Board of Directors.
- e. All removal, remediation and restoration costs associated with a hazardous material spill caused by a unit owner, tenant, guest, employee, hired contractor or other representative shall be the responsibility of the unit owner.

17. **Heating Equipment**

- a. Unit owners are responsible for insuring that individual unit heaters are in the proper working condition to provide sufficient heat through the winter months.
- b. Unit owners with individual unit heaters should be aware that if snow blocks the air intake/exhaust fitting (usually located at front of unit) or this fitting is damaged, the heater will cease to operate. The unit owner is responsible for keeping snow away from this fitting and insuring that it is not damaged.

18. **Woods and Lawns**

- a. All lawns and vegetated areas at the Condominium are common areas and under the control of the Association.
- b. No temporary, semi-permanent or permanent structures (tents, play equipment, screen rooms, etc.) are allowed on any common area.
- c. Lawn maintenance by anyone other than the Association's landscapers is prohibited, unless otherwise approved by the Board of Directors.

19. **Fireplaces**

All fireplaces are ornamental, non-working fireplaces. No unit owner shall use, attempt to use or attempt to convert any ornamental fireplace as a working fireplace, unless they receive the prior written approval of the Board of Directors.

20. **Ornamental Landscaping**

- a. Any garden beds in the front of the building and any shrubs contained in them are common area and under control of the Association.
- b. Existing plants cannot be removed or replaced or new ones added without permission of the Association.
- c. Owners may plant perennials and annuals in the section of the bed between the front door and the driveway provided they maintain their plants and the presence of the plants does not impede the work of the Association's landscapers.
- d. Window boxes and planters of any type shall not be placed in the front or side of any building.
- e. The Association is not responsible for replacing any personal plantings removed by the Seller of a unit from the ornamental planting area in front of or on the side of each unit. These items are to be considered part of the personal property of a unit (nonpermanent items) and are subject to Buyer/Seller negotiations and the terms of the Purchase and Sale Contract.

21. **Personal Gardens**

- a. Flower boxes, pots, and other plant containers are limited to decks or deck railing.
- b. The lawns shall not be dug up for a garden without the prior authorization of the Board of Directors. Approval shall be based on a plan and description of plantings submitted in writing.
- c. A garden bed may only be cultivated in the Common Areas with prior authorization of the Board.
- d. Any personal gardens and plantings are limited to the rear of the building.
- e. approved personal gardens are the sole responsibility of the unit owner and/or tenant. The unit owner shall assume all expense for plantings and continued maintenance.
- f. If any unit is sold where a personal garden has been established by an owner or tenant, it will be the *unit seller's* responsibility to restore the bed to its original grassy area or to leave funds in escrow at closing for the Association to restore the area. The only exception to

- g. this would be if the *unit purchaser* notifies the Association in writing that he/she would continue to maintain the garden bed. The Association is not responsible for replacing any personal plantings removed by the Seller of a unit from their personal garden area. These items are to be considered part of the personal property of a unit (non-permanent items) and are subject to Buyer /Seller negotiations and the terms of the Purchase and Sale Contract.

22. **Exterior Decorations**

Tasteful holiday decorations are allowed on the exterior of units, and must be of a size and style compatible to the Condominium's building decor. Simple white lights can be strung on bushes in front of the building. No lighted decorations can be attached to the building. No freestanding decorations are allowed. Lighted candles or similar seasonal items may be displayed in windows. All wreaths and decorations must be removed at the end of the holiday season.

23. **Clothes Hanging Devices**

No outside clotheslines of any type shall be allowed.

24. **Decks, Widow's Walks and Porches**

- a. Decks, widow's walks and porches ("decks") are designated limited common areas for the specific use of the unit owner/tenant. The land on which decks sit is common area of the Association and under the control of the Association.
- b. Except for approved privacy dividers, decks, widow's walks and porches at the Condominium are to remain decks, widow's walks and porches and cannot be walled in, roofed over or in any way turned into a building of any kind.
- c. Repairs or modification to a decks, widow's walks and porches (including enlargement) requires advance approval of specific plans by Board of Directors, the City of Portland Code Enforcement Office and the Historic Preservation Office in Portland, Maine.
- d. Unit owners/tenants are responsible for regularly clearing their decks, widow's walks and porches of snow to prevent damage to the deck and to the adjoining building structure.
- e. Decks, widow's walks and porches shall not be considered additional storage space for the unit owner's personal property.

- f. Decks, widow's walks and porches and the personal property used in the enjoyment of the decks, widow's walks and porches shall be kept in a neat and orderly condition at all times.
- g. Hot tubs or any similar devices are not allowed on any common or limited common area unless approved by the Board of Directors, the City of Portland Code Enforcement Office and the Historic Preservation Office in Portland, Maine.

25. **Mailboxes**

Mailboxes are the property of the Association.

26. **Signs**

- a. "For Sale" or "For Rent" signs or any other real estate marketing devices are not allowed in the Condominium without the approval of the Board of Directors.
- b. Realtors may place up to two temporary "Open House" signs on the common area on the day of the scheduled Open House and these signs must be removed immediately after the close of the Open House.
- c. No business or personal signs of any type are allowed on the grounds, attached to any part of a building, or in any window at the Condominium. Notwithstanding the foregoing, political signs are permitted within a Unit, including any window, doorway or opening visible to the exterior of the Condominium.

27. **Tag Sales**

No unit owner shall hold a garage (tag) sale or outside sale of any kind without the approval of the Board of Directors.

28. **Solicitation**

There shall be no solicitation by any person anywhere for any cause, charity, or any purpose whatsoever without the knowledge and permission of the Board of Directors.

29. **Information and Emergency Contact**

- a. Information related to any changes in occupancy (rental or seasonal) or unit ownership, changes in mortgage holders, changes in insurance policies or agents, and significant interior alterations shall

be reported promptly to the Board. Such information shall also be furnished when specifically requested by the Board.

- b. All unit owners shall provide to the Board, upon request or on an annual basis, the name, address and phone numbers of all persons who have emergency access to the unit.
- c. Unit owners who are away for extended periods of time, either on vacation or because of seasonal use of their condominium unit, are responsible for arranging with a neighbor, friend or contractor to have their unit checked periodically to insure that all systems are operable and no damage has occurred. It is essential that a member of the Board be notified as to the person(s) who have this responsibility and who has access to the unit.

30. **Insurance**

- a. Each condominium owner and tenant is responsible for obtaining insurance coverage for personal property and liability.
- b. Many insurance companies doing business in Maine offer specific policies for condominium owners and renters. Unit owners and renters should consult with their insurance agent to design a policy to meet their needs.
- c. A typical condominium policy may include coverage for:
  - Building Property: items of real property which pertain directly to your unit and may include alterations and permanent installations.
  - Personal Property: items owned by the insured and structures not permanently attached to the unit.
  - Personal liability: covers claims brought against the insured for damages because of bodily injury or property damage.
- d. Victorian Terrace Condominium Association maintains a master policy to cover losses sustained in common areas and structural systems. If you suffer a loss that you believe should be claimed against the Association policy, you should do so through a member of the Condominium Board of Directors. The insurer providing coverage at the time of the claim will make any determination of coverage under the policy.

31. **Access to Units For Repair and Emergency**

- a. The association has the irrevocable right, to be exercised by the Board of Directors, to enter a unit from time to time during reasonable hours as may be necessary for the inspection,



- maintenance or replacement of any of the common or limited common areas, facilities or systems therein or accessible therefrom.
- b. The association has the irrevocable right, to be exercised by the Board of Directors, whenever deemed necessary and regardless of whether the owner is present or not, to enter a unit for the emergency inspection and repair therein necessary to prevent damage to the common areas, facilities and systems or to another unit or units.
  - c. In order to facilitate entry in the case of an emergency or absence, the unit owner, if required by the Board, shall provide a working key to the dwelling to a neighbor or to a Board member.

32. **Short-Term or Long-Term Rental of Condominium Units**

- a. Unit owners who wish to rent their property must use a standard lease form, approved by the Board of Directors, specifying all the terms of the lease, which shall be not less than five (5) nights, and must require tenants' to show proof of contents insurance.
- b. No Unit owner may lease their property in violation of any rules or regulations of the City of Portland, Maine.
- c. Unit owners must not suspend their own condominium owner's insurance policy during the period of rental.
- d. Unit owners who rent their property to another for any period of time must obtain a written acknowledgment from the tenant that they have been given a copy of the Condominium's Rules and Regulations and that they will abide by them during the period of their residence. A copy of this statement must be given to the Board of Directors prior to occupancy.
- e. Regardless of the terms of rental, the timely payment of unit monthly fees and special assessments during the rental period remains the responsibility of the unit owner. In the event of non-payment, regardless of who should be making payments, the unit owner is ultimately responsible and will be assessed late charges and is subject to liens and other collection expense.

33. **Procedures**

- a. Emergencies (i.e. structural, plumbing, hazardous spills, life safety matters) should be communicated to a Board member immediately.
- b. Work requests, suggestions or complaints to the Board should be submitted in writing. Requests for hearings on any issue shall be submitted in the same manner.
- c. Any personal or phone contact with a Board member shall only be made during reasonable hours of the day.

- d. A group of unit owners seeking to make a joint work request, suggestion or complaint should designate a spokesperson for communications with the Board.

34. **Laundry Facilities**

- a. As applicable, common laundry facilities may be located in the common hall or basement, if any, and shall be used only by Condominium Owners.
- b. Owners may cooperate with one another to make the common laundry facilities, if any, reasonably available to all Owners on an equal basis.
- c. Owners shall be responsible for leaving the laundry facilities as clean or cleaner than they found them.

35. **Violations of Rules and Policies Including Financial Obligations**

- a. When a violation of a Rule or Regulation occurs or when a financial obligation is not met in accordance with policy, a written warning shall be delivered to the unit owner stating the complaint, the appropriate rule and the penalty or assessment of expense, if applicable.
- b. In cases of repeated complaints and/or lack of payment following the warning letter, a fine or additional penalty may be imposed.
- c. Any unit owner has the right to appeal a Board decision in writing to the Board of Directors and to request a hearing before the Board.
- d. All unit owners must understand that assessments and penalties related to noncompliance with rules and regulations, expenses for which an owner is liable, and unpaid financial obligations will likely become a lien against the violating Owner's unit if not satisfied in a reasonable period of time.

The Board of Directors welcomes constructive input and involvement from any unit owner. In bringing issues to the Board, unit owners are reminded that the Condominium is a community and its elected Board is made up of neighbors who are serving as volunteers and whose objective is the Condominium's best interest. Differences of opinion are inevitable in any community. Resolution of conflict begins with mutual respect and understanding and ends with effective decision-making.

The Board of Directors of the Condominium promulgated the preceding Rules and Regulations for the safety, well-being and convenience of all unit owners. The Board has the responsibility, under the Declaration, for the efficient administration of Condominium

affairs and it is, indeed, their duty and authority to interpret and enforce the Condominium Declaration, By-Laws and Rules and Regulations.

These Rules and Regulations were unanimously approved by the Board of Directors at a special meeting on \_\_\_\_\_, 2017.