

DECLARATION OF CONDOMINIUM MUNJOY HEIGHTS CONDOMINIUM

This Declaration of Condominium (the “Declaration”) is made by **REDFERN MUNJOY, LLC** (“Declarant”), a Maine limited liability company having a principal place of business in Portland, Maine, as the owner in fee simple of the real estate described herein.

1. Property. Declarant hereby submits the real estate situated at and near Sheridan Street (a “paper street”), North of Walnut Street, in the City of Portland, County of Cumberland and State of Maine, being more particularly described in Exhibit A attached hereto and made a part hereof, together with the buildings and improvements thereon (the “Condominium”) to the provisions of the Maine Condominium Act, Chapter 31 of Title 33 of the Maine Revised Statutes Annotated, as it may be amended (the “Act”). The Condominium is subject to and shall have the benefit of all easements, rights of way and matters affecting title described or referred to in Exhibit A or in the survey to which reference is made below. The name of the Condominium is Munjoy Heights Condominium.

The plat of the land submitted to the provisions of the Act (the “Plat”) is entitled “Subdivision Plat, at _____, Portland, Maine.” The Plat was prepared by Nadeau Survey, dated _____, 20____, as revised, and is recorded in the Cumberland County Registry of Deeds in Plan Book _____, Page _____. The plan of improvements for the Condominium (the “Plan”) is entitled “_____, Portland, Maine.” The Plan was prepared by Kaplan Thompson Architects, dated _____ and is recorded in the Cumberland County Registry of Deeds in Plan Book _____, Pages _____ to _____.

2. Defined Terms.

(a) As provided in section 1601-103 of the Act, capitalized terms not otherwise defined in this Declaration or on the Plat and Plan shall have the same meanings as specified in the Act.

(b) “Common Expenses” means all common expenses for the Condominium. Common Expenses include, but are not limited to (i) the cost of maintenance, management, operation, repair, renovation, restoration and replacement of the Common Elements; (ii) the cost of all insurance premiums on all policies of insurance required to be or that have been obtained by the Board of Directors pursuant to the provisions of this Declaration and the fees and disbursements of the Insurance Trustee (as defined in the Bylaws), if any; (iii) such amounts as the Board of Directors may deem necessary to provide for general operating reserve funds, reserve funds for replacements and contingencies, and such other reserve funds as may be required by the Bylaws or as the Board of Directors may deem necessary to compensate for any deficits in receipts over expenses for the previous fiscal year; and (iv) such other costs and expenses that may be declared by the Act, this

Declaration, the Bylaws or resolution or agreement by the Board of Directors or Unit owners to be Common Elements of the administration, operation, maintenance and repair of the Condominium and the rendering to Unit owners of all related services.

The Condominium is heavily landscaped with approximately 67 trees, 700 shrubs and many groundcovers and vines. The landscaping is important to the Condominium for erosion control, ecological balance and to maintain the market value of the Units. The Declarant will have posted a performance bond with the City of Portland to replace any defective vegetation for the first year but the Association is responsible for normal landscape maintenance. Professional landscape maintenance must be maintained at all times, as if it is not, the integrity of the Condominium will be compromised. Immediate replacement of dead and diseased landscaping is mandatory.

The Condominium shall maintain the central ~~access area~~~~courtyard~~, also known as the “woonerf” both for its Unit Owners but also for public access for trail connections to Jack’s Path and East Cove Street as further set forth in easement to Portland Trails and the City of Portland, as more specifically referenced in Exhibit A attached hereto.

(c) “Common Expense Liability” means the allocation to each Unit of the respective liability for Common Expenses as set forth in paragraph 7 below.

(d) “Limited Common Expenses” means the Common Expenses associated with the maintenance, repair or replacement of a Limited Common Element, which shall be assessed against the Unit to which that Limited Common Element is assigned.

(e) “Condominium Documents” mean this Declaration, the Plat and Plan, the Bylaws and the Rules and Regulations adopted by the Board of Directors and all amendments thereto.

3. Creation of Units. Declarant hereby creates seven (29) units, being Units 1 - 29 (individually, a “Unit” and collectively, the “Units”). The location, boundaries and identifying number of the Units are shown on the Plat and Plan.

4. Unit Boundaries.

(a) Upper and Lower Boundaries: The upper and lower boundaries of a Unit shall be the following boundaries extended to an intersection with the vertical boundaries:

(i) Upper Boundary: The upper boundary of each Unit is the plane of the underside of the ceiling joists or bottom members of trusses or, if there are no ceiling joists or trusses, such plane as would exist if joists or trusses were installed directly above the studs in the perimeter walls, the Unit to include the finish ceiling material attached to the underside of the ceiling joists.

(ii) Lower Boundary: The lower boundary of each Unit is the horizontal plane of the top surface of the subfloor or, if there is no subfloor, then the plane of the upper side of the floor

joists, the Unit to include the finish floor material attached to the upper side of the subfloor or the floor joists.

(b) **Vertical Boundaries:** The vertical boundaries of each Unit shall be the planes formed by the interior surfaces of the studs located in the perimeter walls bounding the Unit extended to intersections with each other and with the upper and lower boundaries, the Unit to include the drywall and finish wall material. Boundary lines shall also be the ~~interier~~^{exterior} surface of doors, garage doors, windows and storm windows, and glass walls, and their frames, sills and thresholds.

(c) If walls and floors or ceilings are designated as boundaries of a Unit, all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the finished surfaces thereof are a part of the Unit, with all other portions of the walls, floors or ceilings being a part of the Common Elements.

(d) If any chute, flue, duct, wire, conduit, bearing wall, bearing column or any other fixture lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element (as herein defined) allocated solely to that Unit, and any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the Common Elements (as herein defined).

(e) Subject to the provisions of paragraph (d) of this paragraph 4, all spaces, interior partitions and other fixtures and improvements within the boundaries of a Unit are a part of the Unit.

(f) Any shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, patios and all exterior doors and windows or other fixtures designated to serve a single Unit, but located outside the Unit's boundaries, are Limited Common Elements allocated exclusively to that Unit.

5. Common Elements. Each Unit will be conveyed together with its respective undivided interest in the Common Elements as hereinafter set forth and will have the benefit of the right to use the Common Elements in common with others entitled thereto as provided by the Bylaws (the "Bylaws") adopted by the Munjoy Heights Condominium Association (the "Association") and any rules and regulations adopted by the Association (the "Rules and Regulations"). A copy of the Bylaws initially adopted by the Association is attached hereto as Exhibit C.

The "Common Elements" consist of all portions of the Condominium other than the Units. Common Elements shall also include those parts of the Condominium described in the Act or the Plat and Plan as being Common Elements. Common Elements shall include, but not be limited to, Limited Common Elements.

6. Limited Common Elements. "Limited Common Elements" mean those portions of the Common Elements where the exclusive use is reserved to one of the Units as allocated by this Declaration and/or as shown on the Plat or Plan. The Association shall be solely responsible for all

maintenance, repair and upkeep thereof in good condition, as provided in paragraph 13 below, but the associated expenses shall be specially assessed to the owner of the Unit to which the Limited Common Element is appurtenant. The initial Limited Common Elements include the ~~gas furnace and related facilities serving each Unit and the~~ internal plumbing, ~~electric conduits or other utilities that serve more than one~~ ~~for the~~ Unit. Limited Common Elements shall also include those parts of the Condominium described in the Act or the Plat and Plan as being Limited Common Elements. A Unit owner shall have no maintenance responsibility with respect to the Limited Common Elements reserved to another Unit. The Association shall not be liable for the maintenance, repair or upkeep of a Unit.

The rooftop decks are Limited Common Elements.

Each Unit Owner may install a wheelchair ramp to their exterior front door, as a Limited Common Element, subject to such reasonable rules as to materials and location as determined by the Board.

7. Fraction of Common Element Interests, Voting Rights and Common Expense Liabilities. The percentage of undivided interests in the Common Elements, the percentage of voting rights and the Common Expense Liability allocated to each Unit is set forth on Exhibit B. No percentage of undivided interest allocated to any Unit shall be altered except upon the unanimous vote of all Unit owners and their first mortgagees.

8. Encroachments. If any portion of the Common Elements, or if any other Unit encroaches at any time upon any Unit or upon any portion of the Common Elements, as a result of minor variations or relocation during construction, settling of the building, alteration or repair to the Common Elements made by or with the consent of the Board of Directors of the Association (the "Board of Directors"), repair or restoration of a Unit or the building after damages by fire or other casualty, or as a result of condemnation or other eminent domain proceedings, an easement shall exist for the encroachment and for its maintenance so long as the building stands.

9. Easements.

(a) The Units and Common Elements (including the Limited Common Elements) shall be, and hereby are, made subject to perpetual easements in favor of the utility and service companies, cable television companies and governmental agencies or authorities for such utility and service lines and equipment as may be necessary or desirable to serve any portion of the Condominium including the Units. The easements created by this paragraph 9(a) shall include, without limitation, rights to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, drainage ditches and pump stations, telephone poles, wires and equipment, television equipment and facilities (cable or otherwise), poles, wires, conduits and equipment in ducts and vents over, under, through, along and on the Units, Limited Common Elements and Common Elements. With respect to any utility lines or equipment serving only the Condominium and located upon the Common Elements (including any Limited Common Elements), the Board of Directors shall have the right and power to dedicate and convey an easement to any

private or public utility company. The Board of Directors shall also have the right and power to convey permits, licenses and easements over the Common Elements for the installation, maintenance, repair and replacement of utility poles, lines, wires and other equipment to any private or public utility company. In addition, the Board of Directors shall have the right to grant permits, licenses and easements over the Common Elements (including any Limited Common Element) for purposes necessary for the proper operation of the Condominium.

(b) The Common Elements (including any Limited Common Element) are subject to an easement in favor of the Association and the agents and employees of the Association for access, egress and ingress over, through and across each portion thereof for the operation of the Condominium, pursuant to such requirements and subject to such charges as the Board of Directors may from time to time prescribe. Every Unit owner shall have an unrestricted right of access to such owner's Unit.

(c) The Common Elements (including any Limited Common Element allocated to any one Unit) shall be, and hereby are made, subject to an easement in favor of the Association and the agents, employees and independent contractors thereof for the purpose of the inspection, upkeep, maintenance, repair and replacement of the Common Elements. The Association may in its sole discretion grant easements to a Unit owner for the erection of improvements in Limited Common Elements appurtenant to the Unit owned by that owner.

(d) Each Unit and its Limited Common Elements are subject to the following easements in favor of all other Units: (i) for installation, inspection, repair, maintenance, use, removal or replacement of pipes, ducts, heating and air conditioning systems, electrical, telephone, telegraph or other communication systems, wiring and cables and all of the utility lines and conduits that are a part of or exclusively serve any Unit and that pass across or through a portion of such Unit and/or its Limited Common Element or the Common Elements; and (ii) for the maintenance or the encroachment of any lighting devices, outlets, medicine cabinets, exhaust fans, ventilation ducts, registers, grilles and similar fixtures that serve only one Unit but encroach into any part of such Unit, and/or its Limited Common Element or the Common Elements on the date that this Declaration is recorded or any amendment thereof is recorded.

(e) To the extent necessary, each Unit shall have an easement for structural support of the Unit in the building and the Limited Common Elements appurtenant to the Units in the building, and the Common Elements shall be subject to an easement for structural support in favor of the Units and the Limited Common Elements.

(f) The Units and the Limited Common Elements are hereby made subject to an easement in favor of the Association and its agents, employees and independent contractors for: (i) inspection of the Units and Limited Common Elements in order to verify the performance by Unit owners of all items of maintenance and repair for which they are responsible; (ii) installation, inspection, maintenance, repair, and replacement of the Common Elements situated in or accessible

from such Units or Limited Common Elements or both; (iii) correction of emergency conditions in one or more Units or Limited Common Elements, or both, or casualties to the Common Elements, the Limited Common Elements and/or the Units; and (iv) any purposes set forth in paragraph 9(g) below.

(g) If construction, reconstruction, repair, shifting, settlement or other movement of any portion of the Condominium results in either the Common Elements encroaching on a Unit, or in a Unit encroaching on the Common Elements or on another Unit, a valid easement shall exist during the period of the encroachment for the encroachment and for the maintenance thereof.

(h) All easements, rights and restrictions described and mentioned in this Declaration are easements appurtenant, running with the land and the Condominium, and (except as expressly may be otherwise provided herein or in the instrument creating the same) shall continue in full force and effect until the termination of this Declaration.

(i) Declarant reserves a Special Declarant Right and easement to enter upon the Condominium for the purposes of construction, reconstruction, maintenance, repair, renovation, replacement or correction of the Units, Common Elements or Limited Common Elements or other improvements of the Condominium. This easement shall include, without limitation, the right of vehicular and pedestrian access, the right to park motor vehicles and to engage in construction activities, including the movement and storage of building materials and equipment. This easement also expressly includes the right to cut and remove any trees, bushes or shrubbery, to grade and remove the soil, to install and remove any temporary siltation fence or to take any other action reasonably necessary to achieve this purpose. Declarant further reserves an easement in the Units, Common Elements and Limited Common Elements pursuant to section 1602-116 of the Act for the purpose of discharging Declarant's obligations and exercising the Special Declarant Rights reserved pursuant to this Declaration or on the Plat and Plan.

(j) Declarant reserves an easement on, over and under those portions of the Common Elements and Limited Common Elements not located within the building for the purpose of maintaining and correcting drainage of surface water in order to maintain reasonable standards of health, safety and appearance. The reservation of this right does not and shall not create any obligation on the part of Declarant to perform any such work.

(k) Declarant further reserves an easement to connect with and to make use of utility lines, wires, pipes and conduits located on the Condominium for construction purposes (Declarant shall be responsible for the cost of any services), and to use the Common Elements for access and construction activities, and for the storage of construction materials and equipment used in the completion of the Units, Limited Common Elements and Common Elements.

(l) Declarant shall have the right, until Declarant has conveyed all of the Units in the Condominium, to grant and reserve easements and rights-of-way through, under, over and across the Condominium for construction purposes, and for the installation, maintenance and inspection of the

lines and appurtenances for public water, sewer, drainage, gas, electricity, telephone and other utilities.

(m) Declarant reserves the right, for the marketing of its Units, to use the Common Elements and Limited Common Elements for access for itself, its agents and prospective purchasers of Units. Declarant also reserves the right to use any Units owned by the Declarant as models, management offices, sales offices for this project or customer service offices, and the right to relocate the same from time to time within the Condominium. The Declarant further reserves the right to maintain on the Condominium such advertising signs as may comply with applicable governmental regulations, which may be placed in any location on at the Condominium and may be relocated or removed, all at the sole discretion of the Declarant.

(n) The easements reserved by Declarant in paragraphs 9(i), (j), (k), (l) and (m) shall continue until Declarant has conveyed all of the Units in the Condominium. These provisions shall not be amended without the written consent of Declarant.

10. Eminent Domain.

(a) If a Unit is acquired by eminent domain, or if a part of a Unit is acquired by eminent domain leaving the Unit owner with a remnant that may not practically or lawfully be used for any purpose permitted by this Declaration, any award therefor shall be paid to the Unit owner as compensation for such Unit and its percentage interest, whether or not any percentage of undivided interest is acquired. Upon acquisition, unless the decree otherwise provides, that Unit's entire percentage of undivided interest, votes in the Association and Common Expense Liability shall be reallocated to the remaining Units in proportion to the relative interests, votes and liabilities of those Units before the taking, and the Association shall promptly prepare, execute and record an amendment to this Declaration reflecting the allocations. Any remnant of a Unit remaining after part of a Unit is taken, as determined under this paragraph 10(a), shall be thereafter a Limited Common Element, subject to the provisions of paragraph 5 above.

(b) Except as provided in paragraph 10(a) above, if part of a Unit is acquired by eminent domain, any award therefore shall be paid to the Unit owner as compensation for the reduction in value of the Unit. That Unit's allocation of Common Element interests and Common Expense Liability and voting rights shall remain unchanged.

(c) If a part of the Common Elements is acquired by eminent domain, the Association shall represent the Unit owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority, and the award shall be paid to the Association for the use and benefit of the Unit owners and their mortgagees as their interests may appear. The Association shall divide any portion of the award not used for any restoration or repair of the remaining Common Elements among the Unit owners in proportions to their relative percentages of undivided interests before the taking, but the portion of the award attributable to the acquisition of a Limited Common

Element must be paid to the owner of the Unit to which that Limited Common Element was allocated at the time of acquisition.

(d) A court decree regarding any such taking shall be recorded in the Cumberland Country Registry of Deeds.

(e) Nothing in this Declaration, the Bylaws or the Rules or Regulations adopted by the Board of Directors shall be deemed to give the Unit owner or any other party priority over any rights of a first mortgagee of a Unit pursuant to its mortgage documents in the case of a distribution to such Unit owner of condemnation awards for the taking of Units and/or Common Elements.

11. Restrictions on Use and Occupancy. (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. These 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. No Unit may be leased or subleased without a written lease or sublease. No Unit may be leased for a term of less than ~~six (6)~~ months. 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.

12. Common Expenses. (a) Each Unit owner shall pay to the Association or its authorized representative, on a monthly basis, its proportionate share of the Common Expenses. Each Unit's proportionate share of Common Expenses is set forth in paragraph 7 above. Limited Common Expenses shall be assessed against the Unit(s) to which the associated Limited Common Elements are appurtenant. Any Limited Common Expenses applicable to fewer than all of the Units shall be allocated pro-rata to the affected Units and shall be assessed to the affected Units as such expenses are incurred. With that exception, payment of Common Expenses shall be in equal monthly amounts and subject to annual review and adjustment. In the event a Unit owner fails to pay such proportionate share of its Common Expenses (or any assessed Limited Common Expenses) when due, the amount thereof together with interest at the rate of eighteen percent (18%) per annum or such other rate as may be established by the Association shall be added to, and accrue upon, such unpaid assessments. All unpaid assessments, interest, such late fees as may be established by the Association, costs and reasonable attorneys' fees shall constitute a lien on the interest of such Unit owner, as provided by the Act; provided, however, that such lien shall be subordinate to the lien of any recorded first mortgage on the interest of such Unit owner, and the foreclosure of such mortgage, sale or transfer pursuant to foreclosure or transfer to the first mortgagee in lieu of foreclosure shall extinguish a subordinate lien for common charges. The entire unpaid share of the Common Expenses, including any applicable Limited Common Expenses or other assessments by the Association chargeable to such Unit, that become due prior to the foreclosure shall become Common Expenses and shall be assessed to all Unit owners. Such foreclosure shall not release the delinquent Unit owners from personal liability to the Association for unpaid Common Expenses, including Limited Common Expenses.

(b) Neither trash nor snow will be removed by the City of Portland and the Association will be solely responsible for snow and trash removal for the Condominium. The Association will provide snow and ordinary household trash removal for the Phillip J. Rando, Jr., premises at 196

Sheridan Street, at no charge to Mr. Rando and his successors. Trash removal obligations shall commence upon the issuance of the first Certificate of Occupancy by the City of Portland. The Condominium is subject to and benefited by reciprocal easements and obligations to and from Phillip J. Rando, Jr. and Thomas J. McAdam, as more specifically referenced in Exhibit A attached hereto.

(c) Pursuant to section 1603-102(14) of the Act, the Association may borrow funds for capital improvements and pledge future assessments to secure such loan facilities, provided that such loan is approved by 67% of the ownership interest by resolution. Common expenses of the Association shall include the payment of principal and interest for these purposes.

13. Maintenance Each Unit owner shall furnish and be responsible for, at such owner's expense, all the maintenance, repairs and replacements within and upon such owner's Unit. The Association shall be responsible for maintenance, repairs and replacements of the Common Elements, including the Limited Common Elements. Notwithstanding the foregoing, in case of any such work that is required with respect to a Limited Common Element appurtenant to a Unit, the Association may delegate any such work, and associated expenses, to the owner of that Unit. The Board of Directors shall ensure that the exterior portions of each Unit are maintained in a compatible and harmonious manner, so that the building as a whole is attractive and well maintained, including, without limitation, the right to regulate colors, siding and roof materials, window, exterior door and garage door alteration and the like.

14. Expansion of a Unit. No unit may be expanded beyond the boundaries as set forth in the Plat.

15. Parking, Bike Rack and ~~Central Access~~ Maintenance. (a) Parking is allocated in the Plat. Units 19-24 shall be the only Units with parking outside of the garage, and may park one car in front of the area in front of their garage door. Those parking spaces are limited to vehicles that do not exceed eighteen feet in length. There are also ~~5~~² guest parking spaces which shall be equitably shared by the Unit Owners. The Board may adopt regulations as needed to regulate the use of the guest parking spaces. The Declarant reserves the right to temporarily reassign the parking spaces, including entirely off the lot but nearby, as reasonably required during construction. Maintenance shall include cleaning and repairing the central access area~~parking lot~~ and bike rack, maintenance of ~~parking lot~~ landscaping, lighting and electricity used for lighting associated with central access area~~parking lot~~, and snow plowing, sanding, and snow removal. The Declarant shall bear all costs for initial paving and installation of pavers.

(b) The Association shall be solely responsible for the storm water drainage treatment infrastructure for the central access area from, and including, the catch basin to the ultimate discharge into the City system. The Stormwater Drainage System Maintenance Agreement is attached hereto as Exhibit D-1 and the Stormwater Inspection and Maintenance Plan is attached hereto as Exhibit D-2.

(c) The Association shall remove snow from the central access area in accordance with

[the Snow Removal Plan attached hereto as Exhibit E.](#)

[\(d\) The Condominium has utilized large retaining walls as part of its construction. It is important for the Association to periodically inspect and maintain these structures, which will help prevent more expensive repairs. Attached as Exhibit F, is the recommended inspection and maintenance schedule prepared by a geotechnical engineer.](#)

16. Association of Unit Owners. The Association shall be the governing body for the Unit owners with respect to the administration of the Condominium as provided by the Act, this Declaration and the Bylaws. The Association shall elect officers as provided in the Bylaws.

Each Unit owner and/or owners shall be a member of the Association. Membership shall be appurtenant to the Units, and the transfer of title to a Unit shall automatically transfer the regular membership appurtenant to that Unit to the transferee or transferees. A transfer pursuant to a mortgage, however, shall not transfer membership until foreclosure or a transfer to a mortgagee in lieu of foreclosure.

The provisions of this Declaration and the Bylaws and the rights and obligations established thereby shall be deemed to be covenants running with the land, so long as the Condominium remains subject to the provisions of the Act and shall inure to the benefit of and be binding upon each and all of the Unit owners and their respective heirs, representatives, successors, assigns, purchasers, lessees, grantees and mortgagees. By the recording or the acceptance of a deed conveying a Unit or any interest therein, or any ownership interest in the Condominium whatsoever, the person to whom such Unit or interest is conveyed shall be deemed to accept and agree to be bound by and subject to all of the provisions of the Act, this Declaration and the Bylaws.

In any voluntary conveyance of a Unit, it shall be the duty of the seller to furnish the buyer with a copy of this Declaration, the Association Bylaws and the Rules and Regulations as they may from time to time be amended. The Declarant or the Association shall make available to Unit owners, prospective purchasers, lenders and the holders, insurers and guarantors of the first mortgage on any Unit, current copies of the Declaration, Bylaws and the Rules and Regulations governing the Condominium, and other books, records and financial statements of the Association. This requirement may be satisfied by making the documents available for inspection upon request during normal business hours or under other reasonable circumstances. If copies are requested, the Declarant or Association may, but shall not be obligated to, make them available at a reasonable charge.

17. Board of Directors. Except as otherwise provided in section 1603-103(b) of the Act, the Board of Directors may act on behalf of the Association and shall have all of the powers necessary to administer the affairs of the Association. ~~A Board of Directors composed of at least three (3) and no more than seven (7) natural persons shall govern the affairs of the Association.~~ Prior to the transition election provided for by paragraph (a) below, the Board of Directors shall be

composed of three (3) natural persons appointed by the Declarant. This “Declarant Control Period” means the entire time period that extends from the date of the recording of this Declaration until the earlier of (i) five (5) years following the conveyance of the first Unit to a purchaser or (ii) sixty (60) days after the conveyance to purchasers of seventy-five percent (75%) of the Units. The Declarant shall have the right during the Declarant Control Period to appoint, remove and replace from time to time any and all members of the Board of Directors and officers of the Association, without the necessity of obtaining resignations. The appointees of the Declarant need not be Unit owners. After the transition election, at least a majority of the members of the Board of Directors shall be Unit owners or spouses of Unit owners, or in the case of a Unit owner that is a corporation, partnership, limited liability company, trust or estate, a designated agent thereof. The transition from Declarant-appointed members of the Board of Directors to Unit owners other than the Declarant shall occur as follows:

(a) No later than the earlier of (i) sixty (60) days after the conveyance of seventy-five percent (75%) of the Units to purchasers, or (ii) five (5) years following conveyance of the first Unit to a purchaser, or at such earlier date as the Declarant in its sole discretion shall specify, a transition meeting of the Association and 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 one or more Units, shall thereupon elect no fewer than five (5)~~three (3)~~ and no more than nine (9)~~seven (7)~~ successor members of the Board of Directors to act in the place and stead of those resigning.

(b) The Declarant may voluntarily surrender the right to appoint and remove officers and members of the Board of Directors before termination of the Declarant Control Period, but in that event, it 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 actions can become effective.

The Board of Directors and its members, in their capacity as members, officers and employees, shall have limited liability. Specifically, a member of the Board of Directors: (i) shall not be personally liable for the failure of any service to be obtained by the Board of Directors and paid for by the Association, or for any injury or damage to persons or property caused by the elements or by another Unit owner or person on the Condominium; (ii) shall not be personally liable to the Unit owners, as a result of the performance of the Board of Directors member’s duties, for any mistake of judgment, negligence or otherwise, except for the Board of Directors member’s own willful misconduct, bad faith, or gross negligence; (iii) shall have no personal liability in contract to a Unit owner or any other person or entity, under any agreement, check, contract, deed, lease, mortgage, instrument or transaction entered into by him or her on behalf of the Board of Directors or the Association, in the performance of the Board of Directors member’s duties; (iv) shall not be liable to a Unit owner, or such Unit owner’s tenants, employees, agents, customers or guests, for loss or damage caused by theft of or damage to personal property left by such Unit owner or his or her tenants, employees, agents, customers or guests in a Unit, or in or on the Common Elements or Limited Common Elements, except for the Board of Directors member’s own willful misconduct,

bad faith or gross negligence; (v) shall have no personal liability in tort, to a Unit owner or any other person or entity, direct or imputed, by virtue of acts performed by or for him or her, except for the Board of Directors member's, own willful misconduct, bad faith or gross negligence in the performance of his or her duties.

The Association shall indemnify each member of the Board of Directors, in his or her capacity as a member of the Board of Directors, an officer or both (each, an "Indemnitee") against all expenses and liabilities, including attorney's fees, that the Indemnitee reasonably incurs in connection with any proceeding in which he or she may become involved by reason of his or her being or having been a member and/or officer of the Board of Directors, or any settlement of any such proceeding, whether or not he or she is an Board of Directors member, officer or both at the time such expenses are incurred, except in such cases wherein such Board of Directors member and/or officer is adjudged guilty of willful misconduct, bad faith or gross negligence in the performance of his or her duties; provided that the indemnification with respect to any criminal action or proceeding is permitted only if the Indemnitee had no reasonable cause to believe his or her conduct was unlawful. The indemnification by the Unit owners set forth in this paragraph shall be paid by the Association on behalf of the Unit owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Board of Directors member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit owners or otherwise.

Complaints brought against the Association, the Board of Directors or the officers, employees or agents of them or the Condominium as a whole, shall be directed to the Board of Directors, 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.

18. Notice. The Secretary or Clerk of the Association shall cause notice of all meetings of members and of all proposed actions requiring vote or approval of a specified percentage of Unit owners and/or mortgagees to be sent in writing by U.S. Mail, postage prepaid, or to be personally delivered to all Unit owners and all eligible mortgage holders (as defined in section 1602-119(b) of the Act) at the address filed with the Secretary or Clerk by said owners and eligible mortgage holders not less than five (5) days and not more than twenty-five (25) days prior to the proposed meeting or action. Such notice shall be deemed to be given when so delivered in person or on the second business day following such mailing. Such notice may, however, set a later deadline for any proposed action, if such longer period of time is deemed necessary to obtain the required number of written approvals. Notice of meetings shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration and the Bylaws, any budget changes and any proposal to remove a director or officer.

19. Separate Taxation and Utilities. It is understood that real estate taxes are to be

separately taxed to each Unit owner for such owner's Unit and the corresponding percentage of ownership in the Common Elements, as provided in the Act. If for any year such taxes are not separately taxed to each Unit owner but are taxed on the Condominium as a whole, then each Unit owner shall pay a proportionate share thereof in accordance with such owner's relative percentage of ownership interest in the Common Elements.

Each Unit owner shall pay for such owner's telephone, electricity and other utilities that are separately metered or billed to each user by the respective utility company. Except as may otherwise be provided in paragraph 6 herein, utilities that are not separately metered or billed shall be treated as part of the Common Expense and Unit owners shall take reasonable steps to conserve such utilities.

20. Insurance and Related Matters. The Board of Directors shall maintain all property and liability insurance required by section 1603-113 of the Act. The Board of Directors may also obtain and maintain as a Common Expense: (i) to the extent available on reasonable terms, "directors' and officers' liability insurance" to satisfy indemnification obligations of the Association; (ii) workers' compensation insurance, if and to the extent necessary to meet the requirements of law; and (iii) other insurance that the Board of Directors may determine is necessary or as may be requested by a majority of the Unit owners.

With respect to each Unit and the Limited Common Elements appurtenant thereto, during any time when the Association's master policy does not cover such risks, each Unit owner shall maintain insurance against loss or damage by fire and such other hazards as are covered under Standard Extended Coverage Provisions and all other perils customarily covered for similar types of properties, including those covered by the standard "all risk" endorsement, for an amount sufficient to avoid the application of any co-insurance provision. The proceeds of such insurance shall be used for the reconstruction of the Units and Limited Common Elements or shall be otherwise disposed of in accordance with the provisions of this Declaration and the Act; and the policies shall contain the standard mortgagee clause, provided, however, that the rights of the mortgagee of a Unit under any standard mortgagee clause endorsement to such policies shall be subject to the provisions in the Act with respect to the application of insurance proceeds to the reconstruction of the Units. Each Unit owner shall indemnify and save harmless the Association from any liability, claim, loss, damage, expense, action or cause of action relating to or arising out of such owner's respective Unit and its appurtenant Limited Common Elements.

21. Mortgage Provisions.

(a) The Board of Directors, whenever so requested in writing by a mortgagee of a Unit, shall promptly report to it any then unpaid common charges due from, or any other default by, the owner of the mortgaged Unit.

(b) The Board of Directors, when giving notice to a Unit owner of a default in paying common charges or other violation of the provisions of this Declaration, the Bylaws or the Rules and Regulations, shall, upon the written request of the holder of a mortgage, send a copy of such notice

within thirty (30) days after the occurrence of such default to each holder of a mortgage covering such Unit whose name and address has previously been furnished to the Board of Directors.

(c) Each mortgagee of a Unit shall be permitted to examine the books, accounts and records of the Association at reasonable times on business days and to require annual reports and other financial data of the Association. If no audited financial statement is available, any holder of a mortgage on any Unit shall be allowed to have an audited statement prepared at its own expense.

(d) Notwithstanding anything to the contrary elsewhere contained in this Declaration or the Bylaws, the following provisions shall govern:

(i) Any first mortgagee of a Unit in the Condominium will, upon request, be entitled to inspect the books and records of the Association during normal business hours.

(ii) No provision of this Declaration or of the Bylaws shall be deemed or construed to give a Unit owner, or any other party, priority over any rights of first mortgagees of Units pursuant to their mortgages in the case of a distribution to Unit owners of insurance proceeds or condemnation awards for losses to or a taking of Units and/or Common Elements.

(iii) A first mortgagee of a Unit shall, upon written request of such first mortgagee, be entitled to prompt written notification from the Board of Directors of (A) any default by the mortgagor of such Unit in the performance of such mortgagor's obligations under this Declaration and/or the Bylaws that is not cured within thirty (30) days; (B) any event of substantial destruction to, or condemnation or governmental taking of, such Unit or any portion of the Common Elements appurtenant thereto; (C) any lapse or modification of insurance or fidelity bond coverages; (D) any proposed amendment under paragraph 20 of this Declaration; and (E) any proposed action that entitles an eligible mortgage holder to notice under section 1602-119(b) of the Act.

(e) Any first mortgagee of a Unit who obtains title to the Unit pursuant to the remedies provided in the mortgage, or through foreclosure of the mortgage, or through deed (or assignment) in lieu of foreclosure, shall take the property free of any claims for unpaid assessments or charges against such Unit that accrue prior to the acquisition of title to such Unit by the mortgagees, other than the proportionate share of Common Expenses that become due and payable from and after the date on which said mortgagee acquires the Unit through a completed foreclosure or through deed (or assignment) in lieu of foreclosure.

22. Method of Amending Declaration. Except to the extent expressly permitted or required by the Act, this Declaration may be amended by a vote or by written approval of the owners of Units to which at least seventy-five percent (75%) of the votes in the Association are allocated and written approval from eligible mortgage holders, as defined in the Act, representing at least seventy-five percent (75%) of the votes allocated to Units that are subject to eligible first mortgages.

23. Name and Address. The name of the Condominium is Munjoy Heights Condominium, and the Condominium is located at Sheridan Street, north of Walnut Street in the City of Portland, County of Cumberland and State of Maine.

24. Applicable law; interpretation; severability. This Declaration shall be governed by and construed in accordance with the laws of the State of Maine. In the event of any conflict or discrepancy between this Declaration, the Bylaws and the Plat and Plan, this Declaration shall govern. If any provision of this Declaration, the Bylaws and the Plat and Plan, this Declaration shall govern. If any provision of this Declaration, the Bylaws or the Rules and Regulations are in conflict with any applicable laws, including the Act, then such laws shall govern and such invalid provision shall be of no force and effect, but the validity of the remainder of this Declaration, the Bylaws and the Rules and Regulations shall not be affected thereby and shall remain in full force and effect as if such invalid provision had not been included.

The captions herein are inserted for convenience and reference and do not limit, alter or define the terms of this Declaration. All exhibits attached to this Declaration are hereby made a part hereof.

25. Remedies: Waiver. All rights, remedies and privileges granted to the Declarant, the Association or a Unit owner pursuant to the terms of this Declaration, the Bylaws and the Rules and Regulations shall be deemed to be cumulative to any other right or remedy under said documents or afforded by law or equity. and may be exercised concurrently, independently or successively. Any forbearance in exercising any right or remedy hereunder or otherwise available by applicable law shall not be a waiver of or preclude the exercise of any such right or remedy.

26. Effective Date. This Declaration shall become effective when it and the Plat and Plan have been recorded in the Cumberland County Registry of Deeds.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed this ____ day of _____, 20____.

WITNESS:

Redfern Munjoy, LLC

By: _____
Jonathan Culley
Its: Manager

STATE OF MAINE
COUNTY OF CUMBERLAND, SS.

_____, 20____

PERSONALLY APPEARED the above-named Jonathan Culley, duly authorized Manager of Redfern Munjoy, LLC, and acknowledged the foregoing instrument to be his free act and deed and the free act and deed of said company.

Notary Public/Attorney at Law

Print Name: _____