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**DECLARATION OF CONDOMINIUM
OF
30 LOFTS CONDOMINIUM**

Portland, Maine

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**DECLARATION OF CONDOMINIUM
OF
30 LOFTS CONDOMINIUM**

This Declaration of Condominium (the "Declaration") is made by **Banner Properties, LLC**, a Maine limited liability company ("Declarant") with a principal place of business in Portland, Maine, as the owner in fee simple of the real estate described herein.

1. Description of the Condominium Property. Declarant hereby submits the real estate situated at and near 30 Merrill 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 **30 LOFTS CONDOMINIUM**.

The plat of the land submitted to the provisions of the Act (the "Plat") is entitled "**SUBDIVISION RECORDING PLAT 30 LOFTS CONDOMINIUM**" prepared by R.W. Eaton Associates, dated January 8, 2016 and last revised on January 9, 2017, and recorded in Cumberland County Registry of Deeds in Plan Book 217, Page 266, attached hereto as Exhibit D. The floor plans for the Condominium (collectively, the "Plan") are entitled "**30 LOFTS CONDOMINIUM FLOOR PLANS**" prepared by Bild Architecture, dated January 20, 2017, and recorded in Cumberland County Registry of Deeds in Plan Book 217, Pages 267 and 268, attached hereto as Exhibit D.

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.

(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.

In the event of any conflict or discrepancy between this Declaration, the Plat and Plans, the Bylaws, and the Rules and Regulations, the foregoing documents shall control in accordance with the order of priority in which they are listed. If any provision of this Declaration, the Plat and Plans, the Bylaws or the Rules and Regulations conflicts with any applicable laws, including, but not limited to, the Act, then the Act shall be deemed controlling. In the event of any such conflict, the validity of the remainder of this Declaration, the Plat and Plans, 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.

(f) "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: (1) 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 such information.

3. Creation of Units. Declarant hereby creates six (6) units, being Units 1 through 6 (individually, a "Unit" and collectively, the "Units"). The location, boundaries and identifying number of the Units are shown on the Plat and Plan. Reduced copies of the Plat and Plan are attached hereto as Exhibit D.

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.

A Unit generally does not include the exterior walls, unfinished attic areas, the roof, rafters, studs and other structural components of load-bearing walls, insulation, foundation walls and footings, land, and related components if any, the windows and exterior doors, their glass, frames, sills, flashing, thresholds, storm doors, and skylights, if any, and any pipes, wires, conduits, meters, flues, ducts, or other utility lines running through a Unit which serve more than one Unit or which serve the Common Elements.

(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, decks, 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 **30 LOFTS CONDOMINIUM OWNERS 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.

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) or paint or otherwise change the exterior appearance of the Unit (including, but not limited to, 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 the prior written approval of the Board of Directors of the Association in its discretion.

6. Limited Common Elements; Roof Top Rights. "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 Limited Common Elements include but are not limited to the following:

(a) The exterior parking spaces shown as Limited Common Elements on the Plat and Plans as now or hereafter assigned or allocated for the exclusive use and benefit of a Unit;¹

(b) Any exterior patios, porches, balconies, decks, steps and the land underneath them, now or hereafter shown and assigned as Limited Common Elements on the Plat and Plans;

(c) The exterior doors, screen and storm doors, exterior windows and their screens and frames, glass, tracks, hardware, locks, screens, flanges, sills and all other components of prefabricated doors and windows;

(d) Any other patios, porches, balconies, decks, steps, movable shutters, exterior stairs and steps, stoops, thresholds, chimney if any, and any other fixture designed to serve a single Unit but located outside its Unit boundary, either as presently or hereafter built in accordance with this Declaration or shown on the Plans adjacent to a Unit and which is not defined as a part of the Unit as set forth above; and

(e) The portions of the Condominium now or hereafter shown on the Condominium Plat and Plans or as described as Limited Common Elements pursuant to Section 1602-102(2) and (4) of the Act.

The Declarant reserves the right to create and assign additional Limited Common Elements within 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. The allocation of Limited Common Elements may not be altered except in compliance with the Act, and with the written consent of the Owners and Mortgagees of record of the Units affected by the reallocation of Limited Common Elements. The power to create and initially assign Limited Common Elements is exclusively held by the Declarant.

The Association shall be solely responsible for all maintenance, repair and upkeep thereof in good condition, as provided in paragraphs 15 and 17 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 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.

¹ Parking spaces designated on the Plans and/or Plat labeled "LCE" followed by an alphabetical letter designation [not by a Unit number] are subject to the Declarant's right to assign such spaces to a specific Unit as set forth herein.

Unit 6 shall have as a Limited Common Element the roof top areas located over the space above Unit 6, which areas are designated as "Roof Top Deck, Unit 6 LCE" on the Plat and Plans, and which shall be for the sole purpose of a deck to be used for passive recreational purposes. In accordance with Section 17 of the Declaration, the Association shall be responsible for the performance of maintenance, repair and improvement of the Unit 6 roof deck areas and related improvements, unless such duties are otherwise delegated to the owner of Unit 6 by written approval of the Board, and the owner of Unit 6 shall be liable for all such maintenance, repair and improvement expenses relating to the Unit 6 roof deck areas and improvements, and accordingly all such expenses shall be billed to the owner of Unit 6 as a Limited Common Expense.

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 and Declarant Rights.

(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.

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 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 the purpose of obtaining or providing access, parking, utilities, and drainage to neighboring properties.

(n) 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.

(o) The easements reserved by Declarant in paragraphs 9(i), (j), (k), (l), (m) and (n) 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 paragraphs 5 and 6 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. The Units may also be used for home office use, provided that such office use does not include the display of signage or meetings with customers or third parties. The Board of Directors may from time to time adopt and amend reasonable Rules and Regulations governing home office use of a Unit, including but not limited to any rules regarding noise, deliveries, and visitors, all as determined by the Board of Directors in its discretion. The Units may not be used for any other commercial, industrial or manufacturing purposes, or primarily for storage. Nothing in this Declaration or the Bylaws shall be construed to prohibit the Declarant from exercising any easements and Special Declarant Rights and Development reserved by the Declarant, including without limitation promotional, marketing, sales office or display purposes, sales of Units and for customer service purposes, or from leasing Units owned by Declarant as provided in this Declaration.

(b) The maximum number of occupants shall not exceed two (2) per bedroom, except that the maximum may be exceeded for short visits of not more than ten (10) nights to accommodate guests. The Board of Directors may from time to time adopt and amend Rules and Regulations further governing the maximum number of persons who may occupy a Unit.

(c) No more than two (2) vehicles per Unit may be kept on the Condominium property; provided, however, that with written approval from the Board of Directors more than two (2) automobiles per Unit may be kept on the Property, which approval shall be governed by the then available space for parking within the premises in the Board of Directors' discretion. Only passenger vehicles and trucks with a gross vehicle weight of less than 8,000 pounds may be kept or stored on the Property. Vehicles must be in operable condition and fully licensed and inspected for operation on public highways. No motorized vehicles shall be used on the Property, except within parking areas and on the streets as shown on the Condominium Plat.

(d) 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.

(e) 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.

(f) 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.

(g) Except for household pets permitted below, the maintenance, keeping, boarding and/or raising of animals, including without limitation livestock, poultry or reptiles of any kind, regardless of number, is prohibited within any Unit or upon the Common Elements. Dogs, cats and other ordinary household pets may be kept in a Unit, subject to such reasonable Rules and Regulations as established from time to time by the Board of Directors, and to local and state ordinance, statutes and regulations, and ordinances. 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 shall be permitted outside of a Unit except on a leash attended by a responsible person or except in "off-leash" area(s), if any, that may be designed from time to time by the Board of Directors. Pet owners shall promptly clean up the droppings left by their pets which shall be disposed of in such manner as may be prescribed in Rules and Regulations. The Association shall have the power to further regulate and restrict the keeping of pets and animals under Rules and Regulations of the Association as promulgated or amended from time to time. In the event of repeated, significant violations of the Condominium Documents by a pet or animal that interfere with the safety and quiet enjoyment of the Property notwithstanding prior notices thereof, to the Unit owner upon notice and opportunity to be heard, the Board of Directors may expel any offending pets and animals from the Property. A Unit owner shall be liable to the other Unit owners for any damage to personal property caused by any pets or animals kept at the Condominium by such Unit owner.

(h) A Unit owner shall be responsible for the cleanliness of any Limited Common Element serving such Unit, at the expense of such Unit owner.

(i) 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. Interior 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 permits and in a good and workmanlike manner. However, no Unit owner may make any improvements or alterations or do any work whatsoever which would impair the structural integrity or mechanical systems or the walls separating units or life safety systems of a Building, lessen the support of any portion of the Condominium, or jeopardize the soundness or safety of the Property. At all times the 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.

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. 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 thereof. The Unit owner shall provide the Association with evidence that all contractors have general liability and automobile insurance, and worker's compensation if applicable, in an amount satisfactory to and naming the Association as an additional insured.

The Unit owner shall indemnify and hold the Association harmless from any mechanic's or materialman's liens and to perform all work hereunder at the sole cost and expense of Unit owner in a good and workmanlike manner and so as to minimize any inconvenience to other Unit owners.

No Unit owner shall make any structural addition, alteration or improvement in or to his or her Unit without the prior written consent thereto of the Board of Directors. Unit owner shall pay such expenses as may be determined by the Association in reviewing any application under and enforcing this Section, including any expenses and legal costs incurred by the Association in correcting any defective work or in enforcing compliance with this Agreement. The Board of Directors, in its discretion, may retain its own licensed architect or engineer, at the expense of the Unit owner applying for such permission, to review the application and advise the Board of Directors. Any application to any department or to any other governmental authority for a permit to make such an addition, alteration or improvement shall be at the Unit owner's expense. The consent of the Board of Directors shall not be unreasonably withheld so long as such addition, alteration or improvement shall be in keeping with the integrity of the Condominium and shall not adversely affect the structural or mechanical systems of the Unit as certified by a licensed architect or engineer, retained by the Unit owner at his or her cost.

During construction the Unit owner shall provide builder's risk insurance at the cost of the Owner and shall name the Association as an additional insured.

The owners of the Unit, their successors and assigns, shall be strictly liable for any defective construction and any resulting damage for failure to comply with the foregoing standards, including without limitation subsequent rot and water damage to the Unit and other Common Elements.

Notwithstanding any other provision of this Declaration, any improvements which have been made at any time by current or prior Owner in the basement or other below grade areas are at the sole risk of the Owner; the Association shall have no responsibility for the insurance, maintenance and repair of such improvements or for mold, water intrusion or damage to such improvements.

13. Leasing and Renting.

(a) No Unit may be leased for a period of less than thirty (30) days unless the Board of Directors approves a shorter rental period in its discretion if it determines that it is necessary to avoid undue hardship unique to that owner and which could not otherwise be remedied, all subject to periodic review by the Board. No portion of any Unit (other than the entire Unit) shall be leased for any period.

In addition, all prospective lessees must submit to a criminal records check initiated by the Association's management company at the expense of the Unit owner prior to the beginning of the lease period. Except by approval of the Board as described below, no person may lease to a tenant or associated occupant who has a criminal history that includes a sex offence, a felony conviction, or a pattern of violent or drug-related activity within the past ten years.

No Unit owner shall rent or lease a Unit other than in accordance with a written form of lease which contains the following provisions, which shall automatically be incorporated into every lease, rental, license and every other form of rights to occupy a Unit (collectively sometimes referred to herein as "Lease"):

- (i) The tenants and all other guests and occupants of each Unit shall comply with the Declaration, the Bylaws, and the Rules and Regulations of the Association, and a failure to comply constitutes a default under the Lease and any other rights to occupy a unit;
- (ii) The Board of Directors has the power to terminate the Lease and/or to bring summary proceedings to evict all tenants, guests or other occupants in the name of the Unit owner after thirty (30) days prior written notice to the Unit owner in the event of an uncured default by any tenant, guest or other occupant of a Unit in the performance of the Lease or this subsection, but that no notice period need be given in the event of a threat to personal safety or property and without need to give prior notice, may terminate the rights to use of the Common Elements (other than for physical access to the Unit) until all fees and other amounts due to the Association are paid in full; and

- (iii) In the event that the payment of Common Expenses, Assessments, and/or other amounts due to the Association becomes more than ninety (90) days past due, the Association may require the tenant or other occupant to pay directly to the Association the rent on the Unit in an amount of up to the balance of current and delinquent Common Expenses 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 other occupant shall be conclusive and binding on the tenant and occupants as to the obligation to pay the rent directly to the Association and as to the amount of Common Expenses and other amounts due. The Unit owner shall have ten (10) days after such notice is sent to file an 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 Unit owner admits is owed to the Association.

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

Each Unit owner of a Unit shall, promptly following the execution of any written lease of a Unit, forward a true copy thereof to the management company for the Association.

The foregoing provisions of this Subsection shall not apply to an institutional lender in possession of a Unit as a result of foreclosure, judicial sale or a proceeding in lieu of foreclosure.

(b) If a tenant, guest or other occupant of a Unit fails to comply with the provisions of this Declaration, the Bylaws, the Rules and Regulations or the Lease and tenancy, then, in addition to all other remedies which it may have, the Association may notify the Unit owner of such violation(s) and demand that the same be remedied through the Unit owner's efforts within a reasonable time after such notice in the judgment of the Board of Directors, recognizing that no notice period need be given in the event of a threat to personal safety or property. If such violation(s) is(are) not remedied within said period if applicable, then the Unit owner shall at his or her own cost and expense immediately institute and diligently evict all tenants, guests or other occupants of the Unit on account of such violation(s). In the event the Unit owner fails to so act promptly, then the Board of Directors shall have the right, but not the duty, to institute and prosecute such eviction as attorney-in-fact for the Unit owners and at the Unit owner's sole cost and expense, including all legal fees and costs 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 of Directors is entitled to enforce collection of Common Expenses and all other amounts due to the Association.

14. Smoking in Units and Common Elements.

(a) Prohibition. Smoking is prohibited (i) within each Unit, (ii) within the Common Elements of the building, including without limitation the lobby, hallways, balconies, elevators, stairs, and recreational facilities, (iii) within 30 feet of the building's perimeter and common entrances, and (iv) if so provided by the Rules and Regulations, such other portions of the Common Elements as may be designated from time to time as areas in which Smoking is prohibited. No owner or any other person shall Smoke or permit Smoking by any occupant, agent, tenant, guest, friend, invitee, or family member in violation of this Section or the Rules and Regulations.

(b) Definition of Smoking. The term "Smoking" shall include carrying, burning, or otherwise handling or controlling any lit or smoldering product containing (i) tobacco, cloves or similar products, or containing (ii) Cannabis products (also known as marijuana) or derivatives thereof unless legally prescribed by a health care professional, including but not limited to cigarettes, cigars, pipes and devices which simulate any of the foregoing, sometimes known as electronic nicotine delivery systems or "e-cigarettes. The term "Smoke" shall include all the products and residue of Smoking.

(c) Disposal of Smoking Products. All lighted and/or unlighted Smoking products shall be disposed of properly in the proper waste receptacles. They shall not be thrown from balcony or patio areas. Smoking products shall not be deposited on the Common Elements, including outdoor walkways, parking lots, drives, and lawn areas. Neither lighted nor unlighted tobacco products shall be left unattended in any manner. These provisions shall not be deemed to allow Smoking in any areas in which Smoking is otherwise prohibited.

(d) Rules. The Board may adopt Rules and Regulations in order to (i) add additional areas of the Common Elements subject to the prohibition on Smoking and to (ii) implement or clarify the provisions of this Section.

(e) Enforcement. Any person complaining of a Smoking violation shall provide a written statement of the particulars of the violation to the managing agent designated by the Board. When so advised to a possible violation of these provisions, the Unit owner and if appropriate the tenant or other occupants shall be sent a written notice and advised as to whether a hearing will be held by the Board to consider the violation. If the alleged violator is a tenant or other occupant, a copy of the notice will be sent to the Unit owner. At the hearing if the Board receives testimony that it deems credible that smoke is emanating from a Unit, then the burden of proving that Smoking did not occur in the Unit shall shift to the Unit owner and its occupants. If, at the conclusion of the hearing, the Board determines in its discretion that a material Smoking violation has occurred, the then Board may impose a charge of up to \$50.00 for each single occurrence, in addition to all other rights and remedies of the Association. Upon a second Smoking violation, the charge for each incident constituting a violation shall increase to \$250 per occurrence in addition to all other rights and remedies of the Association including the recovery of its legal expenses. Such charges and expenses and the costs of abating the transmission of Smoke will become the personal liability of the Unit owner and a lien on the Unit, together with interest and costs of collection and enforcement. Any Smoking abatement devices located in the Common Elements shall be subject to the approval of the Board. All such devices shall be installed at the Owner's expense and shall be removed when the Owner vacates the Unit.

The Board may exercise its judgment in deciding whether or not to hold a hearing or to pursue an alleged violation of this Section. If the Board declines to take action, then upon 30 days' written notice to the Board a Unit owner shall then have the option to sue the Unit owner

or occupant alleged to be violating this Section in order to seek specific performance of the provisions of this Section, including the costs of abating the transmission of Smoke but such person shall not be entitled to recover legal expenses or to a lien on the Unit under this Section; provided, however, that any decision of or settlement entered into by the Board with respect to Smoking shall be binding on all Owners.

15. Common Expenses. 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.

In order to fund significant improvement, repair or renovation projects and associated costs as the Board of Directors may approve, the Association 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 Board of Directors ("Special Assessments"). If any portion of the Special Assessments is due after the end of the Association's current budget year, then the affirmative approval of a majority in interest of all the Unit owners shall be required. If the Special Assessments due in full prior to the end of the Association's current budget year, the normally applicable Unit owners' budget ratification requirements shall apply, except as otherwise provided below. If the amount of a proposed Special Assessment does not exceed two (2) months regular common charges and the Board determines that the Special Assessment is necessary to meet an emergency, the Board of Directors may make the Special Assessment immediately in accordance with the terms of the Board's vote, without need for budget ratification by the Unit owners.

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.

In any action to foreclose the lien for Common Expense assessments, Limited Common Expense assessments, Special Assessments, late charges, penalties, interest, costs of collection, foreclosure and enforcement, including reasonable attorneys' fees, and other sums duly levied against the Unit pursuant to this Declaration, the Bylaws, the Rules and Regulations, or the Act,

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, Special Assessments, user fees, fines, penalties and all other amounts 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.

If payments of Common Expenses, Limited Common Expenses or any other charges or amounts owed to the Association are not received within ninety (90) days after they become due, the Board shall have the power to exercise and enforce any and all rights and remedies provided in the Act, this 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; in such event the Association may suspend any right or privilege appurtenant to the Unit including without limitation parking and voting rights and the prohibition of the use of the Common Elements, but the Association may not deny all means of access to the Unit or withhold services provided to a unit or a Unit owner by the Association if the effect of withholding the service would be to endanger the health, safety or property of any person.

16. Resale Certificate. Multiple owners of a Unit shall each be jointly and severally liable for all Common Expenses, Limited Common Expenses, Special Assessments, interest, fees, penalties and costs of collection. In the transfer of a Unit, the grantee(s) of such Unit shall be jointly and severally liable with the grantor for all unpaid common charges, assessments, penalties, fees, interest and costs of collection outstanding at the time of the grantor's transfer, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefore. A grantee receiving a conveyance of a Unit shall not be prevented from exercising any right to recover from the grantor such amounts paid for those Common Expense assessments, 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 the then outstanding unpaid common charges, assessments, late fees, interest and costs of collection against the Unit and such other items required by the Act, upon payment of such fee as may be established from time to time by the Board of Directors. The Association has no obligation to subsequently update the information contained in such statement. 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 as of its effective date except interest, late fees and costs of collection accruing thereafter.

17. 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. Each Unit owner shall keep and maintain his or her Unit and its equipment, appliances and appurtenances in good order, condition and repair and in a neat, clean and sanitary condition. Each Unit owner shall maintain, repair and replace the exterior lights and light bulbs controlled from inside the Units, the door bells, and the vents and ducts which serve their Unit exclusively.

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 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 alteration and the like. If repair or replacement of the Common Elements shall be necessitated by the negligence, neglect or misconduct of fewer than all of the Unit owners, the resulting costs shall be assessed to the Unit owners responsible, but this shall not impair the waiver of rights of subrogation under insurance carried by the Association.

Generally the Association shall maintain, repair and replace the Limited Common Elements as determined by the Board of Directors; provided, however, that each Unit shall be responsible for providing ordinary maintenance and repair of any windows, doors, sliding patio doors, screens, storm windows and doors, and their components consisting of window and door locks, glass, slides, hinges, tracks, knobs, automatic openers, and hardware, together with the painting of the interior surfaces of the exterior windows and doors, the washing of interior and exterior glass surfaces, and maintaining the sewer line leading from the Unit to the point where it connects to the common line, but the Association may elect to provide ordinary maintenance and repair services for such components, assessing the Units therefore as a Limited Common Expense assessment or as a part of the general Common Expense assessments. Each Unit owner shall provide the ordinary cleaning of the interior and exterior glass surfaces of door and window glass, the repair of broken glass and screens, and the removal of snow and ice from any patio, porch and deck Limited Common Elements appurtenant to the Unit, but the Association may elect to provide such services and assess the Units therefore as Limited Common Expense or as a part of the general common charges. The Association shall be responsible for the painting of the exterior finishes of exterior doors, windows (excluding window glass), gutters, downspouts, exterior window and door caulking, and chimney flashing, and shall be responsible for carrying out the replacement of the entire window and door assemblies. The Association may assess the costs of maintenance, repair and replacement of the doors, windows and other Limited Common Expenses applicable to the particular Unit(s) to which they are appurtenant if the item giving rise to the expense shall be disproportionately for the benefit of such Unit(s) only, as may be determined from time to time by the Board of Directors in its discretion. If such repair or replacement of the Limited Common Elements shall be necessitated by the acts, omissions, negligence, neglect or misconduct of fewer than all of the Unit owners, in which case such cost shall be assessed to the Unit owners responsible, as determined by the Board of Directors.

18. 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.

19. 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 three (3) 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. "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 three (3) 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.

20. 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, use and occupancy of the Units and the Common Elements, consistent with the provisions of this Declaration, Bylaws and the Act including, but not limited to, the use of heaters and other appliances, the use and appearance of the Common Elements and Limited Common Elements and any portions of the Units which can be seen from outside the building or from any Common or Limited Common Elements, requirements for smoke and carbon monoxide detectors, mandatory water heater replacements, washing machine hoses, smoking and the use of tobacco on the Common Element areas, and 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 the Board of Directors. Notice of such

Rules and Regulations and any amendment thereto shall be sent to each Unit owner or occupant of a Unit promptly after the adoption thereof, and they shall bind all Unit 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 amended or revoked and new Rules and Regulations may be adopted at a duly called meeting of the members of the Association by vote of a majority in percentage interest of all Unit owners, which vote shall be binding on the Association and the Board of Directors.

21. Borrowing and Pledge. The Board of Directors shall have power to borrow and to pledge, assign and grant a security interest covering all Association revenues and assets including Assessments for Common Expenses, Limited Common Expenses, and Special Assessments in order to raise funds for repairs, renovations, improvements and associated costs and expenses with respect to the Common Elements and related charges. The exercise of such power is subject to the approval of a majority in interest vote of the Unit owners as required by the Act.

22. 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, or if the Unit owner consents by electronic mail, not less than five (5) days and not more than twenty-five (25) days prior to the proposed meeting or action. 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 filed 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 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.

23. 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 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.

24. Insurance.

(a) General: 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 as determined by the Board of Directors. If such insurance is not maintained, then the Association shall give written notice thereof to the Unit owners and the Eligible Mortgage Holders, if any. To the extent that such insurance subsequently becomes unavailable, the Association shall obtain such comparable insurance as may be reasonably 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 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.

(b) Property and Casualty Insurance Coverage, Deductible and Exclusions: The Association shall obtain and maintain in effect a broad "special form" fire and casualty insurance policy covering the Property with extended coverage, vandalism, malicious mischief, windstorm, debris removal, cost of demolition and water damage endorsements, subject to the exclusions and limitations as may be set forth in such policies, issued by an insurance company authorized to do business in the State of Maine (which company shall also meet the ratings requirements of the Federal National Mortgage Association), insuring as a single entity the entire Property including the Common Elements, the Limited Common Elements, the Units, and the fixtures, supplies and common personal property belonging to the Association, excepting the land, foundations, excavations, and other similar items customarily excluded from property insurance policies and also excepting furniture, furnishings or other personal property supplied or installed by Unit owners. The policy shall cover the interests of and name as insureds the Association, the Board of Directors, and all Unit owners and their Mortgagees as their insurable interests may appear.

Such blanket or master insurance policy shall be in an amount equal to one hundred percent (100%) of the then current full replacement cost of the insured Property (exclusive of the land, excavations, foundations and other similar items and perils customarily excluded from such coverage), without deduction for depreciation, but subject to such exclusions and limitations as may be set forth therein. Such insurance policy may, at the option of the Board of Directors, contain such deductible as the Board of Directors shall reasonably deem appropriate but not to exceed the lesser of \$10,000 or one (1) percent of the policy's face amount unless approved by a majority vote of the Unit owners.

Unless otherwise established under Rules and Regulations adopted by the Board of Directors from time to time, a Unit owner shall be responsible for the expense of repair of damage to his or her Unit in the amount of the Association's insurance deductible. The Association shall not be responsible for the costs of repair of uninsured damage to the Unit in the amount of the insurance deductible or due to exclusions and limitations in the Association's insurance coverage unless otherwise required by the Act. The Board of Directors in its discretion may allocate responsibility for the insurance deductible among the Common Elements and Unit(s) in the event that multiple portions of the Condominium Property are affected by an insured casualty. In addition anything to the contrary herein notwithstanding, if the Board of Directors determines that the acts or omissions of the owner or occupant of another Unit is

responsible for the damage, then the Board may assess such Unit for the deductible after giving the responsible Unit notice and opportunity to be heard.

Such property and 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 Association or the Unit owners collectively, nor by any failure of the Association or the Unit owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the Association 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 readily 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/or deductible and excluded perils 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 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 Unit owners or any persons acting under any of them; and (c) waive any provision invalidating such mortgagee clauses by reason of the failure of any mortgagee to notify the insurer of any hazardous use or vacancy.

Subject to the foregoing, the Association's insurance coverage will include betterments and improvements to a Unit installed after the original construction, but Unit owners who arrange for the newly installed improvements should report betterments and improvements to the Association so that it may maintain adequate insurance and the Board of Directors may elect to assess the increased property insurance premiums resulting from such improvements to the Owners of such Units and Limited Common Elements.

(c) Casualty Losses, Adjustment and Payment; Insurance Trustee: Any loss covered by the insurance policy maintained by the Association 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, if any, as provided in the 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 Association's fidelity insurance coverage is at least equal to one hundred percent (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 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 Common Elements and Units 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 Act, or (iii) the Condominium is terminated in whole or part.

(d) **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, and each Unit owner 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: (i) a cross liability endorsement, under which the rights of a named insured under the policy shall not be prejudiced with respect to his or her action against another named insured; (ii) hired and non-owned vehicle coverage; (iii) 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 (iv) 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.

(e) **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 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. 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;
- iii. The insurer waives its right to subrogation under the policy against any Unit owner or members of his or her household;
- iv. No act or omission by any Unit owner, unless acting within the scope of his or her authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and
- v. 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.

(f) 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 in an amount 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. The Board of Directors may elect to purchase additional excess flood insurance coverage; and
- (iv) A blanket or master policy shall be obtained which includes a maximum deductible of one percent (1.00%) of the policy face amount but not to exceed \$10,000 unless approved by the Unit owners; and
- (v) Fidelity insurance covering those employees of the Board of Directors and those agents and employees hired by the Board of Directors who handle Condominium funds, in amounts as determined by the Board of Directors.
- (vi) Such other insurance as the Board of Directors may determine, or as may be requested by a majority of the Unit owners or as may be required by Federal National Mortgage Association guidelines or any similar

replacement national secondary mortgage market guidelines (including, without limitation, fidelity bond coverage).

(g) 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, substantially modify, or refuse to renew such policy or policies until thirty (30) days, and in the case of non-payment ten (10) business days, 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.

(h) Owner's Separate Insurance: Each Unit owner should investigate and obtain at his or her own expense, a personal condominium insurance policy (for example, form type HO-6 as established by Insurance Services Office, Inc.) for damage to his or her Unit and personal property in the Unit for his or her own benefit including without limitation coverage for such portion of the deductible of the Association's deductible as the Owner may desire, for any special loss assessments made by the Association and for his or her personal liability. Each Unit owner should also consider obtaining at his or her own expense coverage for loss of use and/or lost rental income; provided, however, that no Unit owner shall be entitled to exercise his or her 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 shall contain waivers of subrogation in favor of the Association.

Each Unit owner shall notify the Board of Directors in writing of all betterments, upgrades, and improvements made by the Unit owner to his or her 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 may be assessed to the Owner of the improved Unit.

Neither the Association nor its officers, directors, agents and managers shall have responsibility for ascertaining whether or not the Unit owner maintains such personal insurance in effect, or whether all betterments, upgrades and improvements have been properly reported.

25. 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 26 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.

26. 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. 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.

27. Termination. In accordance with the Act, the Condominium may be terminated in whole or part with the agreement of the Unit owners to which at least eighty percent (80%) in interest of the Votes in the Association are allocated, and that percentage of Eligible Mortgage

Holders required herein and the Act. Termination shall not bar the subsequent resubmission of the Property to the Act. Upon removal of the Property from the Act, the Unit owners shall hold the Property and any proceeds thereof as tenants in common in accordance with the Act and subject to the Act with any mortgages or liens affecting a Unit to attach in order of priority against the resulting interest.

28. Name and Address. The name of the Condominium is 30 Lofts Condominium, and the Condominium is located at 30 Merrill Street in the City of Portland, County of Cumberland and State of Maine.

29. 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 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.

30. 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.

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


(signatures on following page)

17 IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed this day of July, 2017.

SIGNED, SEALED and DELIVERED
in presence of:

Banner Properties, LLC

By: _____



Thomas Landry
Its: Manager

STATE OF MAINE
COUNTY OF CUMBERLAND, ss.

July 17, 2017

Personally appeared the above named Thomas Landry, Manager of Banner Properties, LLC and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of Banner Properties, LLC.

Before me,



Charles Katz-Leavy, Attorney at Law

EXHIBIT A

PARCEL ONE

A certain lot or parcel of land, with the buildings thereon, located in the City of Portland, County of Cumberland and State of Maine, and more particularly described as follows:

Beginning at a point in the westerly sideline of Merrill Street, and at the point of its intersection with the southerly sideline of Carleton Place; thence southeasterly along said Merrill Street fifty-four (54) feet, more or less, to a point in the land formerly of Chas. F. Rundlett; thence southwesterly along the line of said Rundlett's land and parallel to said Carleton Place ninety-four (94) feet, more or less, to land formerly of John W. Smith; thence northwesterly along said Smith's land fifty-four (54) feet, more or less, to said Carleton Place; thence northeasterly along said Carleton Place ninety-four (94) feet, more or less, to the point of beginning.

Being the same premises described in a Warranty Deed from Edward B. Boissonneau to Banner Properties, LLC dated December 18, 2014 and recorded in Cumberland County Registry of Deeds in Book 31989, Page 345.

PARCEL TWO

A certain lot or parcel of land located off Cumberland Avenue and Merrill Street but not adjacent to the streets located southeast of Parcel One and southwest of land now or formerly of Munjoy Properties LLC described in Book 31588 Page 282 in the City of Portland, Cumberland County, and State of Maine and being more particularly described as follows:

Beginning at a 5/8" rebar set with cap at the northwest corner of land now or formerly of Munjoy Properties LLC described in Book 31588 Page 282 and being N46°-18'-50"W ninety four and thirty nine hundredths 94.39' feet along the southwest bounds of Munjoy Properties LLC from a 5/8" rebar set with cap on the northwest bounds of Cumberland Ave at the southwest corner of Munjoy Propities LLC.

Thence S46°-18'-50"E three and zero hundredths 3.00' feet along the southwest bounds of Munjoy Properties LLC to a 5/8" rebar set with cap at the northeast corner of remaining land of grantor.

Thence S41°33'-31"W forty seven and eighty eight hundredths 47.88' feet along the northwest bounds of remaining land of grantor to a 5/8" rebar set with cap on the northeast bounds of land of Todd Grove described in Book 32062 Page 8.

Thence N43°-34'-54"W twelve and thirty four hundredths 12.34' feet along the northeast bounds of land of Grove to a 5/8" rebar set with cap on the southeast bounds of land of Erica Thompson described in Book 20400 Page 154.

Thence N41°-28'-00"E fourteen and fifty five hundredths 14.55' feet along the southeast bounds of land of Thompson to a 5/8" rebar set with cap on the southwest bounds of Banner Properties LLC described in Book 31989 Page 345.

Thence S42°-42'-48"E nine and thirty six hundredths 9.36' feet along the southwest bounds of Banner Properties LLC to a point being the southwest corner of Banner Properties LLC.

Thence N41°-33'-31"E thirty three and thirty three hundredths 33.33' feet along the southeast bounds of Banner Properties LLC to the point of beginning.

Containing 278 Square Feet, more or less.

Reference is made to a plan entitled "Boundary Survey & Topographical Map With Existing Conditions" dated 06-07-2016 and prepared by Richard W. Eaton P.L.S. of R.W. Eaton Associates of Westbrook, Maine.

Being the same premises described in a Quitclaim Deed with Covenant from Five Seven, LLC to Banner Properties, LLC dated July 11, 2016 and recorded in Cumberland County Registry of Deeds in Book 33271, Page 269.

Together with and subject to an Easement Agreement between Banner Properties, LLC and Five Seven, LLC dated July 17, 2017 to be recorded in the Cumberland County Registry of Deeds.

Subject to a Stormwater Drainage System Maintenance Agreement dated January 3, 2017 and recorded in the Cumberland County Registry of Deeds in Book 33738, Page 191.

EXHIBIT B

30 Lofts Condominium

Percentage of Common Element Ownership Interests, Common Expense Liability and Vote.

	Common Interest and Liability	Vote
Unit 1	12.7%	1
Unit 2	12.4%	1
Unit 3	14.0%	1
Unit 4	14.0%	1
Unit 5	17.8%	1
Unit 6	29.0%	1
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	100%	6

EXHIBIT C

BYLAWS

30 LOFTS CONDOMINIUM OWNERS ASSOCIATION

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BYLAWS

30 LOFTS CONDOMINIUM OWNERS ASSOCIATION

ARTICLE I INTRODUCTORY PROVISIONS

1.1. Name. The name of the Association is 30 LOFTS Condominium Owners Association (the "Association"). The address of the Association is 30 Merrill Street, Portland, Maine. These Bylaws (the "Bylaws") have been adopted as required by section 1603-106 of the Maine Condominium Act to govern the Association. The Association is the association of Unit owners of the 30 Lofts Condominium (the "Condominium").

1.2. Applicability of Bylaws. The provisions of these Bylaws are applicable to the Condominium and to the use and occupancy thereof.

1.3. Office. The principal office of the Association and the Board of Directors (as herein defined) shall be located at 30 Merrill Street, Portland, Maine, or at such other location as the Board of Directors may designate from time to time.

1.4. Corporation Law. Except as otherwise expressly provided herein, in the Declaration or in the Act, the Association shall be governed by the provisions of the Maine Nonprofit Corporation Act, Title 13-B of the Maine Revised Statutes of 1964, as amended.

1.5. Definitions. Capitalized terms used in these Bylaws without definition shall have the meanings specified for such terms in the Declaration of Condominium for the Condominium or, if not defined there, the meanings specified or used for such terms in the Act. The following terms shall have the following specific meanings in these Bylaws:

1.5.1. "Common Element Interest" means the percentage of undivided interest in the Common Elements appurtenant to each Unit as set forth in paragraph 7 of the Declaration.

1.5.2. "Common Expense Liability" means the allocation to each Unit of the respective liability for Common Expenses other than Limited Common Expenses. The Common Expense Liability allocated to the Unit is a percentage equal to the Common Element Interest appurtenant to the respective Unit.

1.5.3. "Condominium Documents" mean the Declaration, the Plat and Plans, the Bylaws and the Rules and Regulations adopted pursuant thereto by the Board of Directors or a committee designated by the Board of Directors, and all amendments to each of the same.

1.5.4. "Eligible Mortgage Holder" means the holder of record of a recorded first Mortgage encumbering a Unit in the Condominium that has delivered written notice to the Association by prepaid United States Mail, return receipt requested, or by delivery in hand securing a receipt therefor, stating its name and address, the name and address of the owner of the Unit encumbered by such Mortgage, the identifying number of such Unit, and containing a statement that such Mortgage is a recorded first Mortgage.

1.5.5. "Limited Common Expenses" means the Common Expenses associated with the maintenance, repair or replacement of a Limited Common Element. Pursuant to paragraph 6 of the Declaration, Limited Common Expenses shall be assessed against the Unit to which the relevant Limited Common Element is assigned.

1.5.6. "Mortgage" means a recorded mortgage or deed of trust encumbering a Unit in the Condominium held by a Mortgagee or an Eligible Mortgage Holder. "Mortgagee" means the holder of a Mortgage.

ARTICLE II THE ASSOCIATION

2.1. Composition, Powers and Duties. The composition, powers and duties of the Association are as set forth in paragraphs 17 and 18 of the Declaration.

2.2. Nontransferability of Interests. Except as provided in these Bylaws or in the Declaration, membership shall not be transferable. The membership of each Unit owner shall terminate upon a sale, transfer other disposition, other than by mortgage, of the ownership interest of such Unit owner, accomplished in accordance with the provisions of the Declaration, and thereupon the membership and any interest in the Reserve Fund (as defined in paragraph 5.5 below) and other common funds shall automatically transfer to and be vested in the next Unit owner or owners succeeding to such ownership interest.

2.3. Meetings of Members. Meetings of the members shall be held at the principal office of the Association or at such other place as may be specified in the notice of the meeting.

2.4. Annual Meetings. The annual meeting of the members shall be held each year on or about the last Tuesday of the month of October. In the event that the day for which an annual meeting is scheduled is a legal holiday, then the meeting shall be held on the first day thereafter that is not a legal holiday. At such meetings, there shall be elected by ballot of the members a Board of Directors in accordance with the provisions of Article III of these Bylaws. The members shall also transact such other business as may properly come before them.

2.5. Special Meetings. The President shall call a special meeting of the Association if so directed by resolution of the Board of Directors or upon the written request of two (2) Unit owners presented to the Secretary. The notice of any special meeting shall state the time, the place and purpose thereof. Such meetings shall be held within thirty (30) days after receipt by the President of said resolution or written request.

2.6. Notice of Meeting. It shall be the duty of the Secretary, or upon his failure or neglect then of any other, officer, to give notice of each annual or special meeting, the time and place of the meeting, and the items on the agenda for that meeting, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes and any proposal to remove a member of the Board of Directors or officer, to each member of record, including the Declarant as long as it is the owner of record of a Unit, and to each Eligible Mortgage Holder. With respect to any annual or special meeting, such notice shall be so mailed at least ten (10) days but no more than forty-five (45) days prior to the date so set for the meeting.

2.7. Quorum. The presence, either in person or by proxy, of the owners of the Units to which are allocated at least one-half of the votes in the Association shall be a requisite for and shall constitute a quorum for the transaction of business at all meetings of members.

2.8. Adjournment of Meetings. If at any meeting of members a quorum shall not be in attendance, those members who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time at which the original meeting was called.

2.9. Votes in Association. Each Unit shall be entitled to one (1) vote in the Association.

2.10. Voting. Voting shall be in accordance with section 1603-110 of the Act (including, but not limited to, section 1603-110(b) of the Act) and paragraph 7 of the Declaration. If the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the members to cast the votes allocated to such Unit or Units.

2.11. Majority Vote Required. Unless a different vote is required by express provisions of the Act, these Bylaws or the Declaration, each question presented at a meeting shall be determined by a vote of a majority of Unit owners. As used in these Bylaws, the term "majority of Unit owners" shall mean the Unit owners of those Units to which are allocated more than fifty percent (50%) of the total authorized votes that are present in person or by proxy and voting in any meeting of the Association at which a quorum is present as determined in accordance with paragraph 2.7.

2.12. Informal Action. Any action required or permitted to be taken at any meeting of the members may be taken without a meeting if a written consent thereto is signed by all the members. The Secretary shall file such written consent with the records of the meetings of the members and such consent shall be treated as a unanimous vote of members for all purposes.

2.13. Order of Business. The order of business at all meetings of the members shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting for approval of same.
- (d) Reports of Board of Directors or of officers or of the manager.
- (e) Reports of committees, if any.
- (f) Election of inspectors of elections (when so required).
- (g) Election of members of the Board of Directors (when so required).
- (h) Unfinished business.
- (i) New business.

At all meetings of the Association or of the Board of Directors, Robert's Rules of Order, as then amended, shall be followed, except in the event of conflict, in which case these Bylaws or the Declaration, as the case may be, shall prevail.

ARTICLE III
BOARD OF DIRECTORS

3.1. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors. During the Declarant Control Period, as defined in paragraph 19 of the Declaration, the Board of Directors shall be composed of three (3) natural persons who shall be appointed, removed and replaced from time to time by the Declarant without the necessity of obtaining resignations. The appointees of the Declarant need not be Unit owners. After the end of the Declarant Control Period, the Board of Directors shall be composed of three (3) persons, as the Board of Directors may determine from time to time. Each member of the Board of Directors shall be a Unit owner (or spouse of a Unit owner), or in the case of a Unit owner that is a corporation, partnership, limited liability company, trust or estate, a designated agent who is a shareholder, partner, member, manager or beneficiary thereof, as the case maybe. A Unit owner must be current in the payment of all condominium fees to be elected (or have its agent elected) to the Board of Directors.

3.2. Election and Term of Office. The members of the Board of Directors shall be elected as follows:

3.2.1. At the first meeting of the Association after the end of the Declarant Control Period, the election of members of the Board of Directors shall be held. At the first election, one member shall be elected for a three (3) year term, one member shall be elected for a two (2) year term, and one member shall be elected for a one (1) year term. At all subsequent annual meetings of the Association, the election of members of the Board of Directors shall be held. The term of office of each Director after the initial Board of Directors shall be fixed at three (3) years so that after the Declarant Control Period ends, one-third (1/3) of the Board of Directors may be replaced at each annual meeting. Each Director shall hold office until the earlier to occur of the election of his or her respective successor, or his or her death, adjudication of incompetency, removal or resignation. Any Directors may be elected to succeed himself or herself for an unlimited number of terms.

3.2.2. Persons qualified to be members of the Board of Directors may be nominated for election only as follows:

- (a) Any Unit owner may submit to the Secretary at least thirty (30) days before the meeting at which the election is to be held a nomination petition signed by Unit owners owning at least two (2) Units and a statement that the person nominated is willing to serve on the Board of Directors. The Secretary shall mail or hand deliver the submitted items to every Unit owner along with the notice of such meeting.
- (b) Nominations may be submitted from the floor at the meeting at which the election is held for each vacancy on the Board of Directors for which no more than one (1) person has been nominated by petition.

3.3. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and shall have all powers and duties referred to in the Declaration and the Act.

3.4. Delegation of Powers: Managing Agent. The Board of Directors may employ for the Condominium a "Managing Agent" or "Manager" at a compensation established by the Board of Directors. The Managing Agent shall perform such duties and services as the Board of Directors shall authorize, including, but not limited to, all of the duties listed in the Act, the Declaration and these Bylaws; provided, however, where a Managing Agent does not have the power to act under the Act, the Declaration or these Bylaws, such duties shall be performed as advisory to the Board of Directors. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors by the Act, the Declaration and these Bylaws other than the following powers:

- (a) To adopt the annual budget and any amendment thereto or to assess any Common Expenses.
- (b) To adopt, repeal or amend rules and regulations of the Association.
- (c) To designate signatories on Association bank accounts.
- (d) To borrow money on behalf of the Association.
- (e) To acquire and mortgage Units.
- (f) To allocate Limited Common Elements.

Any employment contract between the Managing Agent and the Association must provide that it may be terminated with cause on no more than thirty (30) days' written notice and without cause on no more than ninety (90) days' written notice.

3.5. Removal and Resignation of Members of the Board of Directors. Except with respect to members designated by the Declarant during the Declarant Control Period, at any regular or special meeting of the Association duly called, any one or more of the members of the Board of Directors may be removed with or without cause by Unit owners entitled to cast at least two-thirds (2/3) of all the votes in the Association, and a successor may then and there be elected to fill the vacancy thus created. A Director may be removed by vote of a majority of the other Directors if said Director is not current in the payment of condominium fees. Any Unit owner proposing removal of a Director shall give notice thereof to the Secretary. Any member whose removal has been proposed by a Unit owner shall be given at least ten (10) days' notice by the Secretary of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A Director may resign by submitting his or her resignation in writing to the President or the Secretary of the Board of Directors.

3.6. Vacancies. Except as set forth in paragraph 3.1 hereof with respect to members appointed by the Declarant, vacancies in the Board of Directors caused by reason other than the removal of a member by a vote of the Unit owners shall be filled by a vote of a majority of the remaining Directors at a special meeting of the Board of Directors held for such purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Board of Directors for the remainder of the term of the member being replaced and until a successor shall be elected at the next annual meeting of the Association at which such seat is to be filled upon expiration of the term of his predecessor. In the case of multiple vacancies, the member receiving the greatest number of votes shall be elected for the longest term.

3.7. Organizational Meeting. The first meeting of the Board of Directors following each annual meeting of the Association shall be held within ten (10) days thereafter at such time and place as shall be fixed by the President (even if he is the outgoing President) at the meeting at which such Board of Directors shall have been elected, and no notice shall be necessary to the

newly elected members of the Board of Directors in order legally to constitute such meeting, if a majority of the Board of Directors members shall be present at such meeting. The Secretary shall give notice of such meeting to each Eligible Mortgage Holder in the manner provided in the Declaration for service of notice upon Eligible Mortgage Holders at least five (5) days before such meeting.

3.8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members, but such meetings shall be held at least once every six (6) months during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each member and Eligible Mortgage Holder by the Secretary in the manner provided in the Declaration for service of notice upon Unit owners and Eligible Mortgage Holders, at least ten (10) business days prior to the day named for such meeting.

3.9. Special Meetings. Special meetings of the Board of Directors may be called by the President on at least three (3) business days' notice by the Secretary to each member and Eligible Mortgage Holder, given by mail, telegraph or hand delivery, securing a receipt therefore, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or the Secretary in like manner and on like notice on the written request of at least two (2) members of the Board of Directors.

3.10. Waiver of Notice. Any member may at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Board of Directors shall constitute a waiver of notice by him of the time, place and purpose of such meeting unless the sole purpose of the member's attendance is to protest the holding of the meeting. If all members are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

3.11. Quorum of the Board of Directors. At all meetings of the Board of Directors, one-half (50%) of the members of the Board shall constitute a quorum for the transaction of business, and upon the affirmative vote of a majority of the members of the Board present at a meeting at which a quorum is present, any business that might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Board of Directors may participate in and be counted for quorum purposes at any meeting by means of conference telephone call or similar communication equipment by means of which all persons participating in the meeting can hear and speak to each other.

3.12. Compensation. No member of the Board of Directors shall receive any compensation from the Association for acting as such, but may be reimbursed for any expenses incurred in the performance of his duties.

3.13. Conduct of Meetings. The President shall preside at all meetings of the Board of Directors, and the Secretary shall keep a minute book of the Board of Directors meetings, recording therein all resolutions adopted by the Board of Directors and recording all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Board of Directors if and to the extent not in conflict with the Declaration, these Bylaws or the Act.

3.14. Action Without Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Any such persons' written consents shall be filed with the minutes of the proceedings of the Board of Directors.

3.15. Validity of Contracts with Interested Board of Directors Members. No contract or other transaction between the Association and one or more of its Directors or between the Association and any corporation, firm or association in which one or more of the Directors are directors or officers, or are financially interested, shall be void or voidable because such Director(s) are present at any meeting of the Board of Directors that authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

3.15.1. The fact that a Director is also such a director, officer or has a financial interest is disclosed or known to the Board of Directors and is noted in the minutes thereof, and the Board of Directors authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Director(s), OR

3.15.2. The contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved or ratified.

3.16. Inclusion of Interested Directors in a Quorum. Any Director holding such director or officer position or having such financial interest in another corporation, firm or association may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof that authorizes, approves or ratifies a contract or transaction of the type described in paragraph 3.15 above.

ARTICLE IV OFFICERS

4.1. Designation and Election. The principal officers of the Association shall be the President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors at the annual meeting of such Board. The Board of Directors may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its judgment may be necessary. The President shall be a Unit owner and a member of the Board of Directors. Any other officers may, but need not, be Unit owners or members of the Board of Directors. An officer other than the President may hold more than one office.

4.2. Removal of Officers. Upon the affirmative vote of a majority of all members of the Board of Directors, any officer may be removed, either with or without cause, and a successor may be elected at any meeting of the Board of Directors called for such purpose.

4.3. President. The President shall be the chief executive officer of the Association, preside at all meetings of the Association and of the Board of Directors and have all of the general powers and duties that are incident to the office of President of a nonprofit corporation organized under the laws of the State of Maine, including, without limitation, the power to appoint committees from among the Unit owners from time to time as the President may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association. The

President shall cease holding such office at such time as he ceases to be a member of the Board of Directors.

4.4. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors, have charge of such books and papers as the Board of Directors may direct, maintain a register setting forth the place to which all notices to Unit owners and Eligible Mortgage Holders, hereunder and pursuant to the Declaration, shall be delivered and, in general, perform all the duties incident to the office of Secretary of a nonprofit corporation organized under the laws of the State of Maine. The Secretary shall, within ten (10) days after receipt of request, provide any person, or cause to be provided to any person, entitled thereto at the expense of the person requesting it a written statement or certification of the information that the Association is required to provide pursuant to sections 1603-116(h) and 1604-108(b) of the Act and subparagraph 5.2.2 of these Bylaws.

4.5. Treasurer. The Treasurer shall have the responsibility for the safekeeping of Association funds and securities; keeping full and accurate financial records and books of account showing all receipts and disbursements; the preparation of all required financial data; providing to the Secretary the financial and budgetary information necessary for the Secretary to provide the certifications required by paragraph 4.4 hereof; the deposit of all monies in the name of the Board of Directors, the Association or the Managing Agent, in such depositories as may from time to time be designated by the Board of Directors; and, in general, all the duties incident to the office of Treasurer of a nonprofit corporation organized under the laws of the State of Maine.

4.6. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of one thousand dollars (\$1,000.00) shall be executed by the President or the Secretary and the Treasurer of the Association. All such instruments for expenditures or obligations of one thousand dollars (\$1,000.00) or less may be executed by any one officer of the Association or such other person or employee as the Board of Directors may designate in writing.

4.7. Compensation of Officers. No officer who is also a member of the Board of Directors shall receive any compensation from the Association for acting as such officer, but may be reimbursed for any out-of-pocket expenses incurred in performing his duties; provided, however, the Secretary and the Treasurer may be compensated for their services if the Board of Directors determines such compensation to be appropriate.

ARTICLE V OPERATION OF THE CONDOMINIUM

5.1. Fiscal Year. The fiscal year of the Association shall begin on such date as shall be established by the Board of Directors, except for the first fiscal year of the Association, which shall begin at the date of incorporation of the Association. The commencement date of the fiscal year so established shall be subject to change by the Board of Directors.

5.2. Preparation and Approval of Budget.

5.2.1. On or before ninety (90) days before the beginning of the fiscal year for which a Common Expense assessment is made, the Board of Directors shall adopt an annual budget for the Association containing an estimate for the total amount considered necessary to

pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Association to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Act, the Condominium Documents or a resolution of the Association and that will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Condominium and the rendering to the Unit owners of all related services. The budget shall include such amounts as the Board of Directors shall consider necessary to provide working capital, a general operating reserve fund for replacements, capital improvements and other items that cannot be expected to occur on a regular basis. The budget shall also reflect the separate assessment of Limited Common Expenses.

5.2.2. On or before sixty (60) days before the beginning of the fiscal year for which a Common Expense assessment is made, the Board of Directors shall make such budget available for inspection during business hours by any Unit owner or Mortgagee at the Condominium and the Secretary shall provide to the Unit owners and Eligible Mortgage Holders a summary of that budget in reasonably itemized form setting forth the separate amount of the Common Expenses and Limited Common Expenses and shall set a date for a special meeting of the Unit owners and Eligible Mortgage Holders to consider ratification of such budget not less than fourteen (14) days nor more than thirty (30) days after the mailing of such summary of budget accompanied by notice of the special meeting to each Unit owner and Eligible Mortgage Holder. Unless at the meeting a majority in voting interest of all the Unit owners rejects the proposed budget or revised budget, that budget is ratified irrespective of whether a quorum is present at said meeting. In the event such budget shall be rejected at the meeting, the budget last ratified with respect to the period covered by the proposed budget shall be continued as the budget for the Condominium until such time as the Unit owners ratify a subsequent budget proposed by the Board of Directors upon the same conditions as are provided in this paragraph 5.2 with respect to the original budget.

5.2.3. Subject to subparagraph 5.2.2, the budget adopted pursuant to this paragraph 5.2 shall constitute the basis for determining each Unit owner's assessments for Common Expenses and Limited Common Expenses and shall automatically take effect at the beginning of the fiscal year for which it is adopted.

5.3. Assessment of Common Expenses. Assessments shall be made no later than thirty (30) days after the budget is adopted except that the first assessment shall be made no later than sixty (60) days after the first conveyance of a Unit to a purchaser.

5.4. End of Fiscal Year. Within ninety (90) days after the end of each fiscal year for which a Common Expense assessment was made, the Board of Directors shall prepare and deliver to all Unit owners and Eligible Mortgage Holders, and to each Mortgagee requesting in writing the same, an itemized accounting of the Common Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amount collected pursuant to the budget adopted by the Board of Directors for such fiscal year.

5.5. Reserves. The Board of Directors shall build up and maintain reasonable reserves for working capital, including a general operating reserve fund for current Common Expenses (the "Working Capital Fund") and a reserve fund for contingencies, replacements, capital improvements and other items that cannot be expected to occur on a regular basis (the "Reserve Fund"). However, nothing contained herein shall limit, preclude or impair the establishment of

additional funds by the Association so long as the amount credited to, and debited from, any such additional funds are designated for specified purposes authorized by the Condominium Documents. The Working Capital Fund, Reserve Fund and such other funds shall be conclusively deemed to be common funds of the Association and shall be deposited in a special account with a lending institution, the accounts of which are insured by an agency of the United States of America. Neither the Board of Directors nor the Treasurer shall commingle in the books and records of the Association any amounts deposited into the Reserve Fund, the Working Capital Fund or such other funds. Extraordinary expenditures not originally included in the annual budget that may become necessary during the year shall be charged first against such reserves. If the reserves are deemed by the Board of Directors to be inadequate for any reason, including nonpayment of any Unit owner's assessment, the Board of Directors may at anytime levy a further assessment, which, depending on whether the reserve is for the benefit of all the Units or fewer than all the Units, shall be assessed against all the Unit owners according to their respective Common Expense Liabilities or only against the Unit owners benefitted according to their respective Common Expense Liabilities as between themselves, and which may be payable in a lump sum or in installments as the Board of Directors may determine.

5.6. Further Assessments. Subject to paragraph 5.10 hereof, the Board of Directors shall give notice to all Unit owners and Eligible Mortgage Holders of any further assessments on Unit owners for Common Expenses or Limited Common Expenses accompanied by a statement in writing giving the amount and reasons therefor, and such further assessment shall, unless otherwise specified in the notice, and subject to paragraph 5.9, become effective with the next monthly payment that is due after the delivery of such notice of further assessment. All Unit owners so notified shall be obligated to pay the adjusted monthly amount or, if such further assessment is not payable in installments, the amount of such assessment.

In addition, the Association shall have the right to levy reasonable fines for violations of the Declaration, these Bylaws and the Rules and Regulations of the Association, and may charge a Unit owner legal fees and costs related to the enforcement of the provisions of the Declaration, Bylaws and the Rules and Regulations.

5.7. Initial Capital Payment. Declarant, as the agent of the Board of Directors, will collect from each initial purchaser of a Unit at the time of settlement an "initial capital payment" (and not as a credit against the purchaser's liability for Common Expenses) equivalent to twice the estimated monthly assessment for Common Expenses and Limited Common Expenses, if any, for such purchaser's Unit. The Declarant will deliver the funds so collected to the Board of Directors for deposit into the Working Capital Fund unless the Declarant has previously made the "initial capital payment" with respect to said Unit, in which case, the initial capital payment shall be used to reimburse the Declarant for its initial capital payment to the Association. The Declarant must pay the "initial capital payment" to the Association for unsold Units of the Condominium no later than one hundred twenty (120) days after the first Unit of the Condominium shall be conveyed to a purchaser so that the "initial capital payment" shall be made for every Unit within one hundred twenty (120) days after the first Unit is conveyed to a purchaser.

5.8. Move-In Fee. Each subsequent purchaser(s) of a Unit (following the initial purchaser of a Unit), and any lessee or sublessee of a Unit, shall be subject to a \$250 move-in fee payable to the Association. Such funds so collected shall be deposited into the Working Capital Fund, and may be used, from time to time, to repair and maintain any damage or wear and tear to

the Common Elements directly attributable to Unit owners' and/or lessee or sublessee's moving in and/or out of the Condominiums.

5.9 Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit owner's obligation to pay his allocable share of the Common Expenses as herein provided whenever it shall be determined and, in the absence of any annual budget or adjusted budget, each Unit owner shall continue to pay each monthly installment at the monthly rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

5.10 Rejection of Budget. If the members reject a proposed budget, the Board of Directors shall prepare a revised budget, which shall be subject to the same procedures as set forth above for the originally proposed budget.

5.11. Limitations on Expenditures. The power of the Board of Directors to expend funds, incur expenses or borrow money on behalf of the Association is subject to the requirement that the consent of the owners of Units to which are allocated at least two-thirds (2/3) of the votes in the Association shall be required to borrow any sum in excess of One Thousand Dollars (\$1,000.00) and to expend funds or incur expenses that it is reasonably anticipated will cause the aggregate amount of all expenses in the budget (including reserves) to be exceeded by more than ten percent (10%) of such aggregate amount after taking into account any projected increases in income.

5.12. Accounts; Audits. All sums collected by the Board of Directors with respect to assessments against the Unit owners or from any other source may be commingled in a single fund or held for each Unit owner in accordance with his respective Common Expense Liability subject to the provisions of paragraph 5.5. All books and records of the Association shall be kept under the direction of the Treasurer or the Manager and in accordance with customary accounting principles and practices.

5.13. Payment Obligations. Each Unit owner shall pay to the Association or its authorized representative on the first day of each month, or on such other date that the Association may determine in writing, (a) one-twelfth (1/12) of the Common Expenses, assessed on an annual basis against his or her Unit in the proportions required in paragraph 7 of the Declaration, plus all Limited Common Expenses assessed against his or her Unit, and (b) all special assessments, any other sums duly levied against the Unit pursuant to the Declaration, these Bylaws or the Act. If for any reason the Association shall revise the annual budget of the Association in accordance with these Bylaws, and subject to paragraph 5.10 above, whereby the Common Expenses or any component thereof may be increased, then commencing on the first day of the first month subsequent to the adoption of such revised budget each Unit owner shall pay to the Association or its authorized representative one twelfth (1/12) of any such revised annual Common Expenses assessed against his or her Unit in the proportions required in paragraph 7 of the Declaration, plus Limited Common Expenses assessed against his or her Unit.

5.14. Interest; Acceleration. If any assessment is not paid within ten (10) days after payment is due, the Unit owner shall pay a late fee of the greater of ten dollars (\$10.00) or four percent (4%) of the amount due. Interest shall be imposed after the 10th day of the month on the principal amount unpaid from the date when due until paid at a rate of eighteen percent (18%) per annum. If any Unit owner is more than fifteen (15) days delinquent, a letter shall be sent to

that Unit owner giving said Unit owner ten (10) days' notice prior to the institution of any collection proceedings or other legal proceedings.

5.15. Liens for Assessments. The total annual assessment levied against each Unit for Common Expenses, including Limited Common Expenses, special assessments and any other sums duly levied against the Unit pursuant to the Declaration, these Bylaws or the Act, including all interest thereon and charges for late payment thereof and legal fees and other costs of collection thereof, and fines, penalties and fees as provided in the Declaration or these Bylaws shall, until fully paid, constitute a lien against the Unit in favor of the Association as provided in section 1603-116 of the Act. Such lien shall, with respect to annual assessments and revised annual assessments, be effective on the first day of each fiscal year of the Association with respect to the full amount of the annual assessments or revised annual assessments. With respect to special assessments and other sums duly levied, including interest, charges for late payments, legal fees, costs of collection, fines, penalties and fees, such lien shall be effective on the first day of the next month that begins more than ten (10) days after delivery to the Unit owner of notice of such special assessment or levy. Such lien is prior to all other liens and encumbrances on a Unit except (a) liens and encumbrances recorded before the recordation of the Declaration, (b) a first mortgage recorded before or after the date which the assessment sought to be enforced becomes delinquent, and (c) liens for real estate taxes and other governmental assessments or charges against the Units; provided, however, that such lien is not subject to the provisions of 14 M.R.S.A. § 4651-A and 18-A M.R.S.A. § 2-201, et seq., as they or their equivalents may be amended or modified from time to time.

ARTICLE VI INSURANCE

6.1. Policies. The Association shall maintain insurance in accordance with section 1603-113 of the Act and paragraph 24 of the Declaration. The Board of Directors may also obtain and maintain as a Common Expense: (i) to the extent available at reasonable cost, "directors and officers" liability insurance to satisfy indemnification obligations of the Association provided in the Declaration; (ii) workmen's 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.

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 REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY

7.1. When Repair and Reconstruction are Required. In the event of damage to or destruction of all or any part of the Condominium as a result of fire, other casualty or the exercise of the power of eminent domain, the Board of Directors on behalf of the Association shall promptly arrange for and supervise the prompt repair, replacement and restoration thereof. Such repair or restoration shall be substantially in accordance with the Declaration, the Plat and Plan and the original plans and specifications therefore unless (a) the Condominium is terminated, or (b) repair, replacement or restoration would be illegal under any state or local health, safety, land-use or environmental statute, code or ordinance, or (c) eighty percent (80%)

of the Unit owners and the Eligible Mortgage Holders holding mortgages on Units to which are allocated at least fifty-one percent (51%) of the Votes in the Association vote not to repair, restore or replace the damaged or destroyed Condominium, and such decision is approved by every owner of a Unit or assigned or allocated Limited Common Element that will not be repaired, replaced or restored and by all Eligible Mortgage Holders of Mortgages thereon.

7.2. Procedure for Reconstruction and Repair. If repair, replacement or restoration shall be required pursuant to paragraph 7.1 hereof.

7.2.1. Cost Estimates. The Board of Directors shall promptly obtain reliable and detailed estimates of the cost of repairing and restoring such portion substantially in accordance with the Declaration, the Plat and Plan and the original building plans and specifications therefor unless other action is approved by at least sixty-seven percent (67%) in voting interest of the Unit owners and the Eligible Mortgage Holders holding mortgages on Units to which are allocated at least fifty-one percent (51%) of voting interest in the Association. Such costs may also include professional fees and premiums for such bonds as the Insurance Trustee may determine to be necessary.

7.2.2. Assessments. If the net proceeds of insurance, if any, are not sufficient to defray such estimated costs of reconstruction, repair, replacement and reconstruction, or if upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, the amount necessary to complete such reconstruction and repair may be obtained from the appropriate reserve for replacement funds and any such excess costs shall be deemed a common expense, and a special assessment therefor shall be levied by the Association.

7.2.3. Construction Fund and Disbursement. The proceeds of insurance collected on account of the casualty and the sums received by the Association from collections of assessments against Unit owners pursuant to subparagraph 7.2.2 on account of such casualty or taking shall constitute a construction fund, which shall be held in trust by the Insurance Trustee or the Association as provided in the Declaration and disbursed in payment of the costs of reconstruction and repair in a manner that would normally be used by any prudent financial institution advancing construction funds. Any holder of a first mortgage shall have the right to inspect building plans, construction schedules and contractors.

7.3. Damage or Destruction; No Repair or Replacement. If the entire Condominium is not repaired or replaced:

7.3.1. The insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Condominium as determined by the Board of Directors or its architect.

7.3.2. The insurance proceeds attributable to Units and Limited Common Elements that are not rebuilt shall be distributed to the owners and Mortgagees of those Units, as their insurable interests may appear, and the owners and Mortgagees of the Units to which those Limited Common Elements were assigned or allocated, as their insurable interests may appear.

7.3.3. The remainder of the proceeds shall be distributed to all the Unit owners and Mortgagees as their insurable interests may appear, in proportion to their respective Common Element Interests or the Common Expense Liability and subject to their respective mortgages.

7.3.4. If the Unit owners and their Mortgagees vote not to rebuild any Unit, that Unit's entire Allocated Interest shall be automatically reallocated upon said vote as if the Unit had been condemned, and the Association shall prepare, execute and record an amendment to the Declaration reflecting the reallocations. Notwithstanding any provision of this Article VII to the contrary, section 1602-118 of the Act governs the distribution of insurance proceeds if the Condominium is terminated.

7.4. Mortgagee 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 Eligible Mortgage Holder pursuant to its mortgage in the case of a distribution to Unit owners of insurance proceeds or condemnation awards for losses to or a taking of Units, Common Elements or both.

ARTICLE VIII RECORDS OF INFORMATION

8.1. Title. Every Unit owner shall promptly cause to be duly recorded the deed, lease, assignment or other conveyance to him or her of his or her Unit or other evidence of his title thereto and file such evidence of his title with the Board of Directors through the Secretary or Manager. The Secretary shall maintain such information in the record of ownership of the Association.

8.2. Availability of Information. The Association shall make available at its principal offices, for inspection by Unit owners, lenders and the holders, insurers and guarantors of the first mortgage on any Unit, current copies of the Declaration, these Bylaws and the Rules and Regulations governing the Condominium and other books, records and financial statements of the Association. The Association shall also make available to Eligible Mortgage Holders, eligible insurers, Unit owners and prospective purchasers at the cost of the person requesting the same current copies of the Declaration, these Bylaws and the Rules and Regulations governing the Condominium.

ARTICLE IX AMENDMENTS

9.1. General Requirements; Consent of Declarant or Holders of Mortgages; Curative Amendments to Bylaws. Except as otherwise provided in any one or more of these Bylaws, the Declaration or the Act, these Bylaws may be amended by the approval of sixty-seven percent (67%) of the aggregate votes in the Association, cast by Unit owners in person or by proxy at a duly convened meeting at which a quorum is present; provided, however, that no amendment seeking (i) to abandon, partition, subdivide, encumber, sell or transfer any portion of the Common Elements, or (ii) to abandon or terminate the condominium form of ownership of the Condominium, except as otherwise provided in the Declaration, shall be effective without the prior written approval of all Eligible Mortgage Holders. Notwithstanding the foregoing, amendments of a material nature must be approved by Unit owners entitled to cast at least seventy-five percent (75%) of the aggregate votes in the Association and by Eligible Mortgage Holders representing at least seventy-five percent (75%) of the votes of Units subject to mortgages held by Eligible Mortgage Holders, unless the Declaration or Act require a higher percentage. A change of any of the following would be considered material:

- (a) Voting rights.
- (b) Assessments, assessment liens or subordination of assessment liens.

- (c) Reserves for maintenance, repair and replacement of Common Elements.
- (d) Responsibility for maintenance and repairs.
- (e) Reallocation of interests in the Common or Limited Common Elements, or rights to their use.
- (f) Boundaries of any Unit.
- (g) Convertibility of Units into Common Elements or vice versa.
- (h) Expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominium.
- (i) Insurance or fidelity bonds.
- (j) Leasing of Units.
- (k) Restriction of a Unit owners' right to sell or transfer the owner's Unit;
- (l) Restoration or repair of the Condominium (after a hazard damage or partial condemnation) in a manner other than that specified in the Condominium Documents.
- (m) Any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs.
- (n) Any provisions that expressly benefit mortgage holders, insurers, or guarantors.

Additionally, if any amendment is of a non-material nature, or in the judgment of the Board of Directors is necessary to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, missing or inconsistent with any other provision herein, or with the Act or the Declaration, the approval of an Eligible Mortgage Holder may be assumed when such a mortgage holder fails to submit a written response to any written proposal for an amendment within thirty (30) days after the proposal is made, and the Board of Directors, acting through the President, may effect an appropriate amendment without the approval of the Unit owners.

9.2. Amendments to the Declaration. The Declaration may be amended pursuant to the provisions of the Act and the Declaration. The President is empowered to prepare and execute any amendments to the Declaration on behalf of the Association, and the Clerk is empowered to attest, seal with the Association's corporate seal and record any such amendments on behalf of the Association.

ARTICLE X CORPORATE SEAL

10.1. Seal. The Association may have a seal in circular form having within its circumference the words:

30 LOFTS CONDOMINIUM OWNERS ASSOCIATION
PORTLAND, MAINE

ARTICLE XI

11.1. To Unit Owners. The Association shall give any notices, demands, bills, statements or other communications affecting the Condominium that it is required to give to a Unit owner in writing. The Association shall be deemed to have duly given any such notice if the notice is delivered personally securing a receipt therefor, or sent by United States Mail, postage prepaid, or if such notice is of a default or lien, sent by registered or certified mail, return receipt

requested, postage prepaid, addressed to the Unit owner at the address that 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 which such Unit owner is the record owner. Notice may be given by email if the Maine Nonprofit Act or the Maine Condominium Act permits 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.

11.2. To the Association. All notices, demands, statements or other communications affecting the Condominium given by a Unit owner to the Association shall be in writing and shall be deemed to have been duly given to the Association if delivered personally securing a receipt therefor, or sent by United States Mail, postage prepaid, return receipt requested, addressed to the Association at the principal office of the Managing Agent, or if there shall be no Managing Agent, then to the Secretary of the Association at the address of the Unit of which the Secretary is the record Unit owner thereof. Notice may be given by email if the Maine Nonprofit Act or the Maine Condominium Act permits 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.

11.3. To Eligible Mortgage Holder, Etc. The Association shall give any notices, demands, statements or other communications affecting the Condominium that it is required to give to an Eligible mortgage Holder or eligible insurer in writing. The Association shall be deemed to have duly given any such notice if the notice is delivered personally securing a receipt therefor, or sent by United States Mail, postage prepaid, addressed to the Eligible Mortgage Holder at the address identified pursuant to paragraph 25 of the Declaration and to the eligible insurer at the address provided.

ARTICLE XII MISCELLANEOUS

12.1. Remedies Cumulative. All rights, remedies and privileges granted to the Board of Directors or a Unit owner pursuant to any terms, provisions, covenants or conditions of the Condominium documents shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such party hereunder or by any instruments or documents incorporated herein by reference or at law or in equity.

12.2. Captions. The headings in these Bylaws are for purposes of reference only and shall not limit or otherwise affect the meaning hereof. Any tables of contents or indices attached to these Bylaws are for purposes of reference and convenience only and shall neither limit nor otherwise affect the meaning hereof nor be deemed as part of these Bylaws. References in these Bylaws to articles, paragraphs, subparagraphs and schedules without references to the document in which they are contained are references to these Bylaws. Schedules are attached to and are an integral part of these Bylaws. Any Exhibits are attached to these Bylaws for purposes of identification only and shall not be deemed as part of these Bylaws.

12.3 Gender, Number, Etc. The use of the singular number in these Bylaws 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.

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

Received
Recorded Register of Deeds
Aug 03, 2017 01:32:15P
Cumberland County
Nancy A. Lane