

PUBLIC OFFERING STATEMENT

PROMENADE PLACE CONDOMINIUM

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| NAME OF CONDOMINIUM: | Promenade Place Condominium |
| PRINCIPAL ADDRESS OF CONDOMINIUM: | 234-236 Eastern Promenade, Portland, Maine |
| NAME OF DECLARANT: | G.O. Enterprises, LLC |
| PRINCIPAL ADDRESS OF DECLARANT: | 19 South Street, Suite 5, Portland, Maine 04101 |
| EFFECTIVE DATE OF PUBLIC OFFERING STATEMENT: | As of May 5, 2014 |

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EXHIBITS

- Exhibit 1 - Declaration of Condominium
- Exhibit 2 - Bylaws
- Exhibit 3 - Rules and Regulations
- Exhibit 4 - Budget
- Exhibit 5 - Specimen Title Insurance Policy
- Exhibit 6 - Form of Purchase and Sale Agreement
- Exhibit 7 - Agreement to Reduce Period of Limitations for Unit
- Exhibit 8 - Agreement to Reduce Period of Limitations For the Common Elements (Assoc)
- Exhibit 9 - Reduced copies of Plat and Plans – Promenade Place Condominium

IMPORTANT NOTICE:

The following capitalized statements are made in compliance with Section 1604-103(a)(11) of the Maine Condominium Act, Chapter 31 of Title 33 of the Maine Revised Statutes of 1964, as amended.

I. UNLESS A PURCHASER HAS RECEIVED AND REVIEWED A COPY OF THIS PUBLIC OFFERING STATEMENT PRIOR TO THE EXECUTION OF A CONTRACT FOR SALE OF A UNIT, A PURCHASER, BEFORE CONVEYANCE OF A UNIT, MAY CANCEL ANY CONTRACT FOR PURCHASE OF A UNIT FROM THE DECLARANT.

II. IF A PURCHASER ACCEPTS THE CONVEYANCE OF A UNIT HE **MAY NOT** CANCEL THE CONTRACT.

Unless prior to the execution of a contract for sale of a unit, a purchaser acknowledges, in writing, the receipt and review of such public offering statement, the purchaser, upon written notice to the Declarant, may cancel the contract at any time prior to conveyance of the unit, unless the purchaser shall, subsequently, expressly and in writing, waive such right to cancel after having received and reviewed such public offering statement.

READING THIS PUBLIC OFFERING STATEMENT:

ALL PORTIONS OF THIS PUBLIC OFFERING STATEMENT SHOULD BE READ AND REVIEWED CAREFULLY BY A PROSPECTIVE PURCHASER PRIOR TO SIGNING A PURCHASE AND SALE AGREEMENT.

The Declarant's sales persons and other representatives are not permitted to orally change any of the terms or conditions of this Public Offering Statement or of the documents that are part of this Public Offering Statement, and may not attempt to interpret their legal effect.

BUYER'S OVERVIEW

I. INTRODUCTION

Thank you for your interest in Promenade Place Condominium. This Public Offering Statement is prepared in compliance with the Maine Condominium Act, Chapter 31, Title 33, of the Maine Revised Statutes of 1964, as amended (the "Act"). It is also designed to serve as a reference source for as long as you own your Unit at Promenade Place Condominium.

For your convenience, this Public Offering Statement is divided into two parts. The first section, entitled "Buyer's Overview", summarizes the significant features of Promenade Place Condominium (the "Condominium") and discusses the legal documents creating and governing the Condominium. The second section contains the appropriate legal documents which are part of the Public Offering Statement (the "Governing Documents"). Capitalized terms used, but not specifically defined in this Public Offering Statement are intended to have the same meaning given to them in the Act or the Declaration or the Bylaws. In the event of any conflict between the Buyer's Overview and the Governing Documents, the Governing Documents will control.

II. CONDOMINIUM FORM OF LEGAL OWNERSHIP

The term "Condominium" can be defined generally as the separate ownership of individual units in a multi-unit project. Under this form of ownership, the purchaser of a condominium unit acquires legal title to a physical portion of the condominium designated for separate ownership, the boundaries of which are described in the declaration of the condominium.

In addition to unit ownership, a purchaser acquires, in common with other Unit owners in the condominium, an undivided interest in all portions of the condominium that do not constitute Units (the "Common Elements"). Certain portions of the Common Elements may be designated as Limited Common Elements. "Limited Common Elements" are owned in common by all Unit owners, but are assigned for the exclusive use of fewer than all Unit owners. Windows and doors are examples of Limited Common Elements.

III. THE DECLARANT

The Declarant is G.O. Enterprises, LLC. The Declarant's principal address is 19 South Street, Suite 5, Portland, Maine 04101.

IV. DESCRIPTION OF THE CONDOMINIUM

A. Site, Description of Condominium.

For many years the two (2) buildings at 234-236 Eastern Promenade have been used as multi-unit apartment buildings with five rental apartments in each building. In April 2014, the Declarant is converting the apartments to residential condominiums. Promenade Place Condominium is located on the northwesterly side of the Eastern Promenade at the intersection of Turner Street and the Eastern Promenade, in Portland, Maine. The Condominium has ten (10) residential units (individually, a "Unit" and collectively, the "Units"). Specifically, in the building situated at 234 Eastern Promenade ("Building A"), Units A-1, A-2, A-3, A-4 and A-5; and in the building situated at 236 Eastern Promenade ("Building B"), Units B-1, B-2, B-3, B-4 and B-5. Each Unit is a single floor with two (2) bedrooms and one (1) bathroom, except Units A-5 and B-5 that have two (2) bathrooms.

B. Units.

Each Unit will be heated by its own gas heat and will include heating and hot water apparatus exclusively serving the Unit, whether lying partially within and/or outside the Unit. Each Unit will consist of the space bounded by the walls, subflooring and ceiling of the Unit. Additionally, each Unit will include all spaces and improvements lying within the boundaries of the Unit, as outlined in Section 4 of the Declaration, including: (i) all walls, partitions, and dividers wholly within such boundary lines (excluding any wires, ducts, calves conduits or other facilities contained therein, which do not serve the Unit exclusively); (ii) all wall board, plaster board, paneling, wallpaper, paint, tile, carpeting, wood flooring and other materials constituting the finished surfaces of the walls; (iii) all plumbing and plumbing fixtures, kitchen equipment, exhaust fans, and all lighting fixtures, electrical outlets and receptacles and wiring systems wholly within the Unit boundaries; and, (iv) all doors and passages located wholly within the Unit boundaries or that form such boundaries, and all windows and window glass, frames, assemblies, handles, locks and hardware. The windows and doors serving the Unit are Limited Common Elements assigned to that Unit only. Parking for each Unit will be provided in the paved area shown on the Plat and described more fully herein. Reduced copies of the Plat and Plans for the Condominium are attached hereto as Exhibit 9.

The operation and maintenance of the Common Elements of the Condominium is the responsibility of Promenade Place Condominium Association (the "Association"), which is the association of the owners of Units in the Condominium. Through membership in the Association, each Unit owner has the right to use and participate in the control of the Common Elements, and a corresponding obligation to pay a portion of the Condominium's operation and maintenance expenses ("Common Expense Liability"). While the Association is responsible for the operation and maintenance of the Common Elements and Limited Common Elements, the purchaser is solely responsible for the maintenance, repair or replacement of his, her, or its own Unit.

C. Common Elements.

The Common Elements constitute all of the Condominium other than the Units. The following are the major Common Elements of the Condominium: any and all structural components and common utility systems of or serving the Condominium and not included within the boundaries of the Units, including stairways, corridors, lobbies, common trash collection facilities, and otherwise all portions of the Condominium not included within the boundaries of the Units themselves.

The Limited Common Elements of the Condominium include, but are not limited to, (i) pipes, ducts, wires, cables, conduits or other installations for services and utilities located outside the boundaries of, but serving only a particular Unit; (ii) mailboxes, if any, assigned to a Unit and located in any common mail room or delivery room; and (iii) individual utility meters located outside the boundaries of a Unit, but serving only that Unit. In addition, the Condominium's ten (10) open-air surface parking spaces located on the paved area of the Condominium. Each Unit is exclusively assigned one (1) of the surface parking spaces as more particularly set forth in Section 15 of the Declaration and Sections 25 - 27 of the Regulations.

The percentage of undivided interests in the Common Elements and the Common Expense Liability allocated to each Unit is set forth in Exhibit B to the Declaration. No percentage of undivided interest allocated to any Unit shall be altered in any manner except by conveyance of the Unit to which such rights are appurtenant.

The Declaration does not contain a specific description of any Common Elements which may be conveyed or encumbered pursuant to Section 1603-112 of the Act. However, portions of the Common Elements can be conveyed and encumbered pursuant to Section 1603-112 of the Act with (i) the prior consent of the owners of Units having at least seventy-five percent (75%) of the votes that all Members are entitled to cast, including seventy-five percent (75%) of the votes allocated to Units not owned by the Declarant, (ii) the Declarant, during the Declarant Control Period, and (iii) the required approval of Eligible Mortgage Holders, to the extent required under the Act or pursuant to the Declaration.

V. DESCRIPTION OF GOVERNING DOCUMENTS

The Condominium will be established by the Declaration, and its operation will be governed by the Declaration, the Bylaws, and the Regulations. The conduct of persons on the Condominium property will be governed by any Regulations adopted by the Association. Copies of the Declaration, the Bylaws and the Regulations are contained in the Governing Documents. The following is a summary of these documents:

A. Declaration of Condominium.

The Declaration of Condominium (the "Declaration"), a copy of which is attached as Exhibit 1 and the Plat and Plans are the legal documents necessary to create the Condominium. The Declaration and Plat and Plans will be recorded in the Cumberland County Registry of

Deeds and will not be effective until that time. Essentially, the Declaration is viewed as being a deed, which establishes and defines the Condominium, reciting the manner in which the Declarant desires to create the Condominium. The Declaration describes the real estate that is subject to the Act and the Declaration, establishes the boundaries of Units, the portions of the Condominium that comprise the Common Elements, the purposes of and restrictions on the use of the real estate or the Condominium, provisions for easements, and provisions concerning assessments and liens against Units and the liability of the Unit owners for payment of the Common Expenses (as defined in the Declaration). The Declaration also describes the manner in which the Board of Directors will be elected, the manner in which Unit owners may cast their votes as members of the Association, the rights held by the holders of mortgages on Units, the insurance coverage to be maintained on the Condominium by the Association, the manner in which portions of the Condominium damaged by fire, eminent domain or casualty are to be rebuilt, the restrictions on alterations to Units and Common Elements, the supervision and management of and alterations to the Condominium property, the manner in which the Condominium can be terminated and the responsibilities and relief from personal liability of the members of the Board of Directors. General amendments of the Declaration may be permitted upon a vote of seventy-five percent (75%) or more of the votes that all Unit owners are entitled to cast.

B. Bylaws.

The operation and administration of the Condominium and the Association is governed by the Bylaws, a copy of which is attached as Exhibit 2. The Bylaws provide for the creation of the Board of Directors, which directs the affairs of the Condominium, administers policies outlined in the Bylaws, and generally oversees the upkeep and administration of the Condominium. The Bylaws cover such matters as the composition of the Board of Directors, requirements for meetings, voting, the manner in which the Condominium budget should be prepared and approved, the determination and handling of assessments, including special assessments, and the filing of assessment liens.

C. Regulations.

The Declaration and the Bylaws provide that the Board of Directors may promulgate rules and regulations governing the details of the use and operation of the Condominium. As of the effective date of this Public Offering Statement, the rules and regulations established by the Board of Directors are those that are described in Exhibit 3.

VI. LIENS, DEFECTS, ENCUMBRANCES AND RESTRICTIONS ON USE

A Unit owner's use and enjoyment is restricted by the Declaration, the Bylaws, and the Regulations. These restrictions, which will apply to all Units in all sections of the Condominium, relate to such matters as the leasing of Units, posting of advertisements, keeping of pets, and excess noise and nuisance. In addition, the Board of Directors may adopt and/or amend existing and future rules and regulations restricting or regulating the use of the Condominium.

As of the time of conversion from apartments to condominiums many of the Units continue to be leased to tenants under short-term leases. Any purchaser of a Unit occupied by a tenant on the closing date will have the Unit transferred to the purchaser subject to the existing lease and tenant(s) together with an assignment from the Declarant that assigns the landlord interest under the lease to the purchaser.

The Condominium is also subject to the usual utility easements for water, sewer, electric and telephone lines, all as described on the property description attached to the Declaration. In addition, the Condominium will be subject to certain easements created by the Declaration and/or by the Act. These easements include, but are not limited to, the following:

1. Easement for the Proper Maintenance and Operation of the Condominium. The Common Elements are subject to an easement in favor of the Declarant and the Association and the agents, employees and independent contractors thereof for the purpose of inspection, upkeep, maintenance, use, repair and replacement of the Common Elements.

2. Easement to Facilitate Sales. The Declarant may use any unsold Units in the Condominium as models or as sales offices and may place advertising signs anywhere within the Condominium.

The Declaration, the Bylaws and the Regulations attached to this Public Offering Statement as Exhibits 1, 2 and 3 should be carefully reviewed by each prospective purchaser of a Unit.

VII. OPERATION OF CONDOMINIUM

A. Association

The Act provides for self-governing of the Condominium by the Association of Unit owners. All of the Unit owners collectively constitute the Association. Membership in the Association is an incident of ownership of a Unit. Therefore, every Unit owner is automatically a member of the Association and remains a member until his or her ownership of a Unit ceases. The Association is organized as a nonprofit corporation under Maine law. A Unit owner is entitled to cast the votes allocated to his or her Unit. In the event that two (2) or more persons own a Unit, one (1) such person may cast the applicable vote for that Unit on behalf of all persons owning that Unit.

The Bylaws provide that the powers and responsibilities of the Association are delegated to the Condominium's Board of Directors, some of which in turn may be delegated to a managing agent. In short, the Board of Directors is given the powers and responsibilities in administering the Condominium to, among other things (a) prepare the annual budget; (b) make and collect assessments against Unit owners for Common Expenses; (c) provide for the upkeep, maintenance and care of Common Elements; (d) designate, hire and dismiss the personnel necessary for the maintenance of the Condominium; (e) make rules and regulations concerning

the use of the Condominium; (f) establish a bank account on behalf of the Association; (g) make alterations to the Condominium; (h) enforce by legal means the provisions of the Governing Documents; (i) obtain necessary insurance; (j) pay the cost of services rendered to the Condominium; and (k) keep the books of account of the Condominium. The Board of Directors shall consist of three (3) board members elected by the Association.

The Declaration authorizes the Declarant to appoint and remove all three (3) members of the Board of Directors and all officers of the Association until the earlier to occur of (i) not more than five (5) years following conveyance of the first Unit or (ii) sixty (60) days following the conveyance of seventy-five percent (75%) of the Units in the Condominium (the "Declarant Control Period"). Prior to the end of the Declarant Control Period, a meeting of the Members must be held at which all Directors shall be elected by the Unit Owners and the Declarant-appointed Directors shall resign. The Declarant, at its option, can relinquish its authority to appoint and remove Directors.

B. Management of the Condominium.

The Bylaws provide that the Board of Directors may employ a professional managing agent for the Condominium at a level of compensation fixed by the Board of Directors. During the Declarant Control period the managing agent for the Condominium is Aquarius Property Management. The regulations require that the Condominium hire a professional property management company as managing agent to manage the Condominium. The Board of Directors cannot delegate to the managing agent the adoption of the annual budget or the assessment of any Common Expenses Liability, the adoption, repeal or amendment of rules and regulations of the Association, the designation of signatories on Association bank accounts, borrowing money on behalf of the Association, the acquisition and mortgaging of Units, or the designation of Common Elements as Limited Common Elements. The Declarant will cause the Association to enter into an independent third party management company to manage the Condominium.

VIII. PROJECTED ASSOCIATION BUDGET AND BUDGET RELATED MATTERS

The Association will be established and organized by the Declarant either contemporaneously with or shortly before the recording of the first deed to a Purchaser of a Unit. A projected budget for the Association (the "Budget") for the first year of operation of the Association has been prepared by the Declarant, a copy of which is attached hereto as Exhibit 4.

The First Common Expense Assessment will be made as and when determined by the Board of Directors. The amount of the monthly assessment per Unit is set forth in the Budget. The Budget amounts are based on the figures shown in the Pro Forma Budget. The Pro Forma Budget is similar to the budget which may be adopted by the Association after the Declarant Control Period.

The Budget has been prepared based on what the Declarant believes to be the best current estimates of future costs based on information currently available related to projected operation and maintenance of the property.

These projections are based on 2014 costs and may require adjustments for future inflation. If the cost of living should increase as a result of inflation, it is expected that the Common Expenses would increase but not necessarily in proportion to increases in the cost of living index.

A replacement reserve is included in the Budget. Please review the Budget and the attachments to the Budget for further details on how this funding is expected to work for you. The Declarant does not warrant or guarantee that the money in the capital improvements fund will be adequate to cover the costs of capital replacement when required.

The Declarant provides no special services not reflected in the Budget nor incurs any special expenses on behalf of the Unit owners that are anticipated to become Common Expenses at a subsequent time.

ANY CURRENT BALANCE SHEET AND A PROJECTED BUDGET FOR THE ASSOCIATION, EITHER WITHIN OR AS AN EXHIBIT TO THIS PUBLIC OFFERING STATEMENT, FOR ONE YEAR AFTER THE DATE OF THE FIRST CONVEYANCE TO A PURCHASER; AND THEREAFTER THE CURRENT BUDGET OF THE ASSOCIATION, A STATEMENT OF WHO PREPARED THE BUDGET, AND A STATEMENT OF THE BUDGET'S ASSUMPTIONS CONCERNING OCCUPANCY AND INFLATION FACTORS. THE BUDGET MUST INCLUDE, WITHOUT LIMITATION: (I) A STATEMENT OF THE AMOUNT, OR STATEMENT THAT THERE IS NO AMOUNT, INCLUDED IN THE BUDGET AS A RESERVE FOR REPAIRS AND REPLACEMENT; (II) A STATEMENT OF THE AMOUNT AND PURPOSE OF ANY OTHER RESERVES; (III) THE PROJECTED COMMON EXPENSE ASSESSMENT BY CATEGORY OF EXPENDITURES FOR THE ASSOCIATION; AND, (IV) THE PROJECTED MONTHLY COMMON EXPENSE ASSESSMENT FOR EACH TYPE OF UNIT.

IX. PURCHASE OF A UNIT

A specimen title insurance policy for a Unit at the Condominium is attached hereto as Exhibit 5. The Purchase and Sale Agreement, attached hereto as Exhibit 6, sets forth the terms and conditions by which the prospective purchaser can acquire the Unit from the Declarant. The purchaser is advised to read carefully the Purchase and Sale Agreement. At the closing, the Declarant will convey the Unit to the purchaser. All deposits made in connection with the purchase of a Unit will be placed in escrow by the Declarant with the Escrow Agent and held in the State of Maine by the Escrow Agent in an account designated solely for that purpose with an institution whose accounts are insured by a governmental agency or instrumentality in accordance with Section 1604-109 of the Act until (1) delivered to the Declarant at closing under the Purchase and Sale Agreement; (2) delivered to the Declarant because of the purchaser's default under the Purchase and Sale Agreement; or (3) returned to the purchaser if the purchaser cancels the Purchase and Sale Agreement pursuant to Section 1604-107 of the Act.

As discussed above, the Condominium is a conversion condominium and subject to the City of Portland's Conversion Ordinance. Under the Portland Conversion Ordinance, each occupant of a Unit is entitled to a sixty (60) day right of first refusal. The notices of the existing tenant's right of first refusal were delivered on or about May 6, 2014 and each tenant's right to purchase will expire on or about July 7, 2014, as it may vary by a few days due to timing of delivery to an individual tenant (the "first refusal period"). A potential purchaser can still enter into a valid purchase and sale agreement during a tenant's first refusal period contingent on the condition that a tenant with such right may exercise his or her right during that period and any closing with a non-tenant purchaser will need to wait for the expiration of the first refusal period.

At the closing on the purchase of a Unit, the purchaser will be required to pay, in addition to the purchase price of the Unit, those settlement costs identified in the Purchase and Sale Agreement and/or the Declaration. These costs include, among other things, a non-refundable amount equal to twice the then current estimated monthly assessment against the Unit being purchased. This amount will be paid directly to the Association to provide it with working capital, and such amount will not, under any circumstances, relieve the purchaser from paying the next monthly assessments in their regular course nor be refundable to the Unit owners at any time. Additionally, it is not anticipated that the purchaser will be required to sign any contracts or leases at or before the closing other than an Agreement to Reduce Period of Limitations.

At the time of closing, the Declarant shall cause its mortgage loan Bank to release the purchased Unit from the Bank's mortgage lien.

X. INITIAL CAPITAL PAYMENT

The Declarant, as the agent of the Executive Board, will collect from each new 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 - see Section 5.7 of the Bylaws. The Declarant will deliver the funds so collected to the Executive Board for deposit into the Association's capital reserve account (for contingencies, replacements, capital improvements and other items which cannot be expected to occur on a regular basis) 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. Except for the Declarant as described aforesaid, initial capital payments shall not be returned or reimbursed to a Unit owner for any reason whatsoever and will not, under any circumstances, relieve the purchaser from paying the next two (2) monthly assessments in their regular course.

XI. WARRANTIES PROVIDED BY THE DECLARANT

On or before settlement of the purchase of a Unit, as a condition of purchase, the buyer will be required to execute an Agreement to Reduce Period of Limitations in the form attached hereto as Exhibit 7 limiting to two (2) years the statute of limitations for warranties provided in Section 1604-115 of the Act. On or before the settlement of the first purchase of a Unit, the President of the Association will execute the Agreement to Reduce Period of Limitations in the form attached hereto as Exhibit 8 limiting to two (2) years the statute of limitations for warranties provided in Section 1604-115 of the Act.

In addition to the above matters identified in this Article XI, the terms and significant limitations of the statutory warranties and limitations on the enforcement thereof or on damages are provided in the Maine Condominium Act at Section 1604-112, Express Warranties of Quality; Section 1604-113, Implied Warranties of Quality; Section 1604-114, Exclusion or Modification of Implied Warranties of Quality; and Section 1604-115, Statute of Limitations for Warranties.

XII. LITIGATION INVOLVING THE CONDOMINIUM OR THE CONDOMINIUM ASSOCIATION

As of the effective date of this Public Offering Statement, there are no judgments against the Association nor is the Association a party to any pending litigation. The Declarant has no actual knowledge of any currently pending litigation material to the Condominium.

XIII. AMENDMENTS

This Public Offering Statement is subject to change without notice in order to reflect changes in the information and materials herein set forth or otherwise required by the Act.

XIV. INFORMATION OR DATA NOT SET FORTH IN THIS PUBLIC OFFERING STATEMENT MUST NOT BE RELIED UPON

INFORMATION OR DATA NOT SET FORTH IN THIS PUBLIC OFFERING STATEMENT MUST NOT BE RELIED UPON. NO PERSON HAS BEEN AUTHORIZED IN WRITING BY THE DECLARANT TO MAKE ANY STATEMENT, REPRESENTATION OR WARRANTY NOT SPECIFICALLY CONTAINED HEREIN. THIS PUBLIC OFFERING STATEMENT MAY NOT BE CHANGED OR MODIFIED ORALLY OR BY ANYONE OTHER THAN THE DECLARANT OR PERSONS SPECIFICALLY AUTHORIZED IN WRITING BY THE DECLARANT. THIS PUBLIC OFFERING STATEMENT MAY NOT BE USED TO CONSTRUE, ALTER, AMEND OR MODIFY THE GOVERNING DOCUMENTS.

DECLARATION OF CONDOMINIUM
FOR
PROMENADE PLACE CONDOMINIUM
PORTLAND, MAINE
BY
DECLARANT:
G.O. ENTERPRISES, LLC

DECLARATION OF CONDOMINIUM
FOR
PROMENADE PLACE CONDOMINIUM

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

1. Property. Declarant hereby submits the real estate situated at and near the intersection of Turner Street and Eastern Promenade 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 Promenade Place Condominium.

The plat of the land submitted under the provisions of the Act is entitled "Promenade Place Condominium" (the "Plat"). The Plat was prepared by Northeast Civil Solutions, Inc., is dated April 16, 2014, and is recorded in the Cumberland County Registry of Deeds in Plan Book ____, Page _____. The plan of improvements for the Condominium is entitled "Promenade Place Condominium" (the "Plan"). The Plan was prepared by Northeast Civil Solutions, Inc., is dated April 16, 2014, and is recorded in the Cumberland County Registry of Deeds in Plan Book ____, Page _____.

2. Defined Terms. 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.

(a) "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.

(b) “Common Expense Liability” means the allocation to each Unit of the respective liability for Common Expenses as set forth in Exhibit B attached hereto.

(c) “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.

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

3. Creation of Units. Declarant hereby creates ten (10) units (individually, a “Unit” and collectively, the “Units”) in the Condominium. Specifically, in the building situated at 234 Eastern Promenade (“Building A”), Units A-1, A-2, A-3, A-4 and A-5; and in the building situated at 236 Eastern Promenade (“Building B”), Units B-1, B-2, B-3, B-4 and B-5. The location, boundaries and identifying number of the Units are shown on the Plat and Plan. A reduced copy of the Plat and the 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. Boundary lines shall also be the interior surface of doors, windows and storm windows, and glass walls, and their frames, sills and thresholds.

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

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

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

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

5. Common Elements. Each Unit will be conveyed together with its respective undivided interest in the Common Elements as hereinafter set forth and will have the benefit of the right to use the Common Elements in common with others entitled thereto as provided by the Bylaws (the "Bylaws") adopted by the Promenade Place Condominium Association (the "Association") and any rules and regulations adopted by the Association (the "Rules and Regulations"). A copy of the Bylaws initially adopted by the Association is attached hereto as Exhibit C. The "Common Elements" consist of all portions of the Condominium other than the Units. Common Elements shall also include those parts of the Condominium described in the Act or the Plat and Plan as being Common Elements. Common Elements shall include, but not be limited to, Limited Common Elements.

6. Limited Common Elements. "Limited Common Elements" mean those portions of the Common Elements where the exclusive use is reserved to one or more than one but less than all of the Units as allocated by this Declaration and/or as shown on the Plat or Plan. The Association shall be solely responsible for all maintenance, repair and upkeep thereof in good condition, as provided in paragraph 13 below, but the associated expenses shall be specially assessed to the owner(s) of the Unit to which the Limited Common Element is appurtenant. The initial Limited Common Elements include the pipes, ducts, wires, cables, conduits and/or other installations, plumbing fixtures and utilities located outside of the boundaries of, but serving

fewer than all of the Units. 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.

7. Fraction of Common Element Interests, Voting Rights and Common Expense Liabilities. (a) 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 eligible mortgage holder as defined in the Act.

(b) Each Unit owner purchasing a Unit from the Declarant shall pay to the Association, at the time of conveyance, a one time initial contribution in an amount equal to twice the then current monthly Common Expense Liability allocated to such Unit, which is in addition to, and not in lieu of, the regular assessments payable with respect to the year in which such conveyance takes place. Such payments shall be nonrefundable and will not be returned by the Association if the Unit owner subsequently sells or conveys his Unit.

(c) Any person purchasing a Unit from a Unit owner other than a Declarant shall pay to the Association at the time of such purchase a one-time contribution in an amount equal to twice the then current monthly Common Expense Liability allocated to such Unit, which contribution shall be in addition to the then current regular assessments payable with respect to the year in which such conveyance takes place allocable to such Unit. The Board shall have the authority to increase such contribution due on re-sales from time to time, by resolution of the Board.

(d) The contributions collected pursuant to this Section 7 may be used and allocated by the Board to set up and/or fund operating, repair/replacement or capital improvement reserves, or to defray current Common Expenses, in such manner as the Board shall determine.

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

9. Easements.

(a) The Units and Common Elements (including the Limited Common Elements) shall be, and hereby are, made subject to perpetual easements in favor of the utility and service companies, cable television companies, telecommunication 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 permits, licenses and/or easements to a Unit owner for the erection of improvements in Limited Common Elements appurtenant to the Unit owned by that owner.

(d) Each Unit and its Limited Common Elements are subject to the following easements in favor of all other Units: (i) for installation, inspection, repair, maintenance, use, removal or replacement of pipes, ducts, heating and air conditioning systems, electrical, telephone, telegraph or other communication systems, wiring and cables and all of the utility lines and conduits that are a part of or exclusively serve any Unit and that pass across or through a portion of such Unit and/or its Limited Common Element or the Common Elements; and (ii) for the maintenance or the encroachment of any lighting devices, outlets, medicine cabinets,

exhaust fans, ventilation ducts, registers, grilles and similar fixtures that serve only one Unit but encroach into any part of such Unit, and/or its Limited Common Element or the Common Elements on the date that this Declaration is recorded or any amendment thereof is recorded.

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

(f) The Units and the Limited Common Elements are hereby made subject to an easement in favor of the Association and its agents, employees and independent contractors for: (i) inspection of the Units and Limited Common Elements in order to verify the performance by Unit owners of all items of maintenance and repair for which they are responsible; (ii) installation, inspection, maintenance, repair, and replacement of the Common Elements situated in or accessible from such Units or Limited Common Elements or both; (iii) correction of emergency conditions in one or more Units or Limited Common Elements, or both, or casualties to the Common Elements, the Limited Common Elements and/or the Units; and (iv) any purposes set forth in paragraph 9(g) below.

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

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

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

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

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

(l) Declarant shall have the right, until Declarant has conveyed all of the Units in the Condominium, to grant and reserve easements and rights-of-way through, under, over and across the Condominium for construction purposes, and for the installation, maintenance and inspection of the lines and appurtenances for public water, sewer, drainage, gas, electricity, telephone and other utilities.

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

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

10. Eminent Domain.

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

Unit remaining after part of a Unit is taken, as determined under this paragraph 10(a), shall be thereafter a Limited Common Element, subject to the provisions of paragraph 5 above.

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

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

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

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

11. Restrictions on Use and Occupancy.

(a) The Units are restricted to private residential use, including residential activities engaged in by Unit owners, members of the Unit owners, immediate family and the guests and other authorized occupants, licensees and visitors of the Unit owners. These Units may not be used for professional, business, commercial, industrial or manufacturing purposes, or primarily for storage, provided, however, a Unit may also be used for "home office" purposes so long as commercial deliveries are minimal, no commercial signage is used, and no staff, employees, agents customers or business associates visit the Condominium in connection therewith.

(b) No Unit owner may carry on any practice, or permit any practice to be carried on, that unreasonably interferes with the quiet enjoyment of the occupants of any other Unit. Each Unit owner shall maintain its Unit and the appurtenant Limited Common Elements in a clean and sanitary condition.

(c) No Unit shall be used, occupied or kept in a manner that in any way would be

deemed hazardous and/or result in an increase in the fire insurance premiums for a Unit beyond the standard rates for a dwelling in a multi-family structure, without the prior specific written permission of the Board of Directors.

(d) No owner of a Unit may erect any sign on or in a Unit or any Limited Common Element that is visible from outside such Unit, without in each instance having obtained the prior written permission of the Board of Directors.

(e) A Unit owner shall be absolutely liable to the other Unit owners and family, guests, licensees and invitees of the other Unit owners for any damage to personal property caused by any pets or animals kept at the Condominium by such Unit owner; provided, however, nothing in this subparagraph (e) shall be construed or deemed to limit the right of the Association to regulate, restrict or prohibit pets in the Condominium pursuant to rules and regulations duly adopted from time to time.

(f) A Unit owner may lease or sublease its Unit at any time and from time to time. No Unit may be leased or subleased without a written lease or sublease. No Unit may be leased for a term of less than thirty (30) days. A copy of each such lease or sublease shall be furnished to the Board of Directors; or, if applicable, the management company hired by the Association to manage the Condominium, within ten (10) days after execution thereof. Each lease must provide expressly that the lessee or sublessee shall be bound by the covenants, conditions and restrictions set forth in this Declaration, the Bylaws and the Rules and Regulations, and that a default thereunder shall constitute a default under the lease or sublease. The Unit owner shall provide any lessee or sublessees of a Unit with a copy of the Rules and Regulations of the Condominium. The foregoing shall not impose any direct liability on any lessee or sublessees of a Unit to pay any common expense assessments on behalf of the owner of that Unit unless so provided for in said lease or sublease.

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

(h) Each Unit owner shall comply strictly with the Bylaws and with the Rules and Regulations adopted and amended from time to time by the Board of Directors and with the covenants, conditions and restrictions set forth in this Declaration or in the deed to a Unit. Failure to so comply shall be grounds for an action to recover damages or for injunctive relief or both maintainable by the Association or any aggrieved Unit owner.

12. Common Expenses. 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 Exhibit B as the "Common Expense Liability." Limited Common Expenses shall be assessed against the Unit(s) to which the associated Limited Common Elements are appurtenant. Any Limited Common Expenses applicable to fewer than all of the Units shall be allocated pro-rata to the affected Units and shall

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

13. Maintenance Each Unit owner shall furnish and be responsible for, at such owner's expense, all the maintenance, repairs and replacements within and upon such owner's Unit. The Association shall be responsible for maintenance, repairs and replacements of the Common Elements, including the Limited Common Elements. Notwithstanding the foregoing, in case of any such work that is required with respect to a Limited Common Element appurtenant to a Unit, the Association may delegate any such work 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. The Association shall also be responsible for maintaining any storm water drainage system or infrastructure.

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

15. Parking. Each Unit shall be allocated the exclusive use of one (1) parking space in the location designated on the Plat. There is no other parking available on site, and each Unit owner shall be responsible to ensure that no Unit owner (or any of Unit owner's tenants, invitees or guests) park a vehicle in any parking space designated for the exclusive use of another Unit.

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

Each Unit owner and/or owners shall be a member of the Association. Membership shall

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

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

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

The Association may assign its rights to future income including the right to receive common expense assessments in order to obtain a loan pursuant to 33 M.R.S.A. Section 1603-102(14).

17. Board of Directors. Except as otherwise provided in section 1603-103(b) of the Act, the Board of Directors may act on behalf of the Association and shall have all of the powers necessary to administer the affairs of the Association. A Board of Directors composed of at least three (3) and no more than five (5) natural persons shall govern the affairs of the Association. Prior to the transition election provided for by paragraph (a) below, the Board of Directors shall be composed of three (3) natural persons appointed by the Declarant. This “Declarant Control Period” means the entire time period that extends from the date of the recording of this Declaration until the earlier of (i) five (5) years following the conveyance of the first Unit to a purchaser or (ii) sixty (60) days after the conveyance to purchasers of seventy-five percent (75%) of the Units. The Declarant shall have the right during the Declarant Control Period to appoint, remove and replace from time to time any and all members of the Board of Directors and officers of the Association, without the necessity of obtaining resignations. The appointees of the Declarant need not be Unit owners. After the transition election, at least a majority of the

members of the Board of Directors shall be Unit owners or spouses of Unit owners, or in the case of a Unit owner that is a corporation, partnership, limited liability company, trust or estate, a designated agent thereof. The transition from Declarant-appointed members of the Board of Directors to Unit owners other than the Declarant shall occur as follows:

(a) No later than the earlier of (i) sixty (60) days after the conveyance of seventy-five percent (75%) of the Units to purchasers, or (ii) five (5) years following conveyance of the first Unit to a purchaser, or at such earlier date as the Declarant in its sole discretion shall specify, a transition meeting of the Association and transition election shall be held at which all of the members of the Board of Directors and officers of the Association appointed by the Declarant shall resign, and the Unit owners, including the Declarant if the Declarant owns one or more Units, shall thereupon elect no fewer than three (3) and no more than five (5) successor members of the Board of Directors to act in the place and stead of those resigning.

(b) The Declarant may voluntarily surrender the right to appoint and remove officers and members of the Board of Directors before termination of the Declarant Control Period, but in that event, it may require, for the duration of the Declarant Control Period, that specified actions of the Association or Board of Directors, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before such actions can become effective.

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

The Association shall indemnify each member of the Board of Directors, in his or her capacity as a member of the Board of Directors, an officer or both (each, an "Indemnitee") against all expenses and liabilities, including attorney's fees, that the Indemnitee reasonably

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

Complaints brought against the Association, the Board of Directors or the officers, employees or agents of them or the Condominium as a whole, shall be directed to the Board of Directors, which shall promptly give written notice thereof to the Unit owners and the Eligible Mortgage Holders and the mortgagees of Units, and such complaints shall be defended by the Association. The Unit owners shall have no right to participate in such defense other than through the Association.

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

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

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

20. Insurance and Related Matters. The Board of Directors shall maintain all property and liability insurance required by section 1603-113 of the Act, including (a) "all risk" property insurance insuring the Common Elements and Units (including all improvements and betterments installed in the Units as of the date that the Unit is conveyed by the Declarant to a Unit buyer, and exclusive of personal property therein) against all common risks of direct physical loss commonly insured against, covering the interests of the Association, the Board of Directors and the Unit owners, as their interest may appear. The total amount of insurance shall be one hundred percent (100%) of the replacement cost of the insured property (exclusive of land, excavations, foundations and other items normally excluded from such property policies), subject to such reasonable deductibles as the Board of Directors may determine; and (b) comprehensive general public liability insurance, including medical payments insurance, in an amount determined by the Board of Directors, but not less than \$2,000,000.00 for bodily injury or death arising from a single occurrence, insurance for liability for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements, and any property owned or leased by the Association. The Board of Directors may also obtain and maintain as a Common Expense: (i) to the extent available on reasonable terms, "directors and officers" liability insurance to satisfy indemnification obligations of the Association; (ii) workers' compensation insurance, if and to the extent necessary to meet the requirements of law; and (iii) other insurance that the Board of Directors may determine is necessary or as may be requested by a majority of the Unit owners.

With respect to each Unit and the Limited Common Elements appurtenant thereto, each Unit owner shall be individually and solely responsible for maintaining (a) liability insurance with respect to his/her/its Unit, providing coverage in amounts of not less than a combined single limit of \$500,000, or such other amounts as the Board of Directors may from time to time reasonably require, and (b) property insurance insuring the improvements and betterments in the Unit not covered by insurance maintained by the Association, and insuring the contents thereof and any personal property therein, such coverage to be in an amount sufficient to prevent the Unit owner from becoming a co-insurer under such policy. The foregoing coverages shall be obtained through a customary condominium unit owner's insurance policy, and upon request will furnish the Association evidence that such coverage is in force. The Association shall have no insurance responsibility with respect to any Unit or the contents thereof except as expressly provided herein.

21. Mortgage Provisions.

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

(b) The Board of Directors, when giving notice to a Unit owner of a default in paying common charges or other violation of the provisions of this Declaration, the Bylaws or the Rules and Regulations, shall, upon the written request of the holder of a mortgage, send a copy of such notice within thirty (30) days after the occurrence of such default to each holder of a mortgage covering such Unit whose name and address has previously been furnished to the Board of Directors.

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

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

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

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

(iii) A first mortgagee of a Unit shall, upon written request of such first mortgagee, be entitled to prompt written notification from the Board of Directors of (A) any default by the mortgagor of such Unit in the performance of such mortgagor's obligations under this Declaration and/or the Bylaws that is not cured within thirty (30) days; (B) any event of substantial destruction to, or condemnation or governmental taking of, such Unit or any portion of the Common Elements appurtenant thereto; (C) any lapse or modification of insurance or fidelity bond coverages; (D) any proposed amendment under paragraph 22 of this Declaration; and (E) any proposed action that entitles an eligible mortgage holder to notice under section 1602-119(b) of the Act.

(e) Any first mortgagee of a Unit who obtains title to the Unit pursuant to the remedies provided in the mortgage, or through foreclosure of the mortgage, or through deed (or assignment) in lieu of foreclosure, shall take the property free of any claims for unpaid

assessments or charges against such Unit that accrue prior to the acquisition of title to such Unit by the mortgagees, other than the proportionate share of Common Expenses that become due and payable from and after the date on which said mortgagee acquires the Unit through a completed foreclosure or through deed (or assignment) in lieu of foreclosure.

22. Method of Amending Declaration. Except to the extent expressly permitted or required by the Act or as otherwise set forth herein, including without limitation Section 7(a) hereof and §1602-117(d) of the Act, this Declaration may be amended by a vote or by written approval of the owners of Units to which at least seventy-five percent (75%) of the votes in the Association are allocated and written approval from eligible mortgage holders, as defined in the Act, representing at least seventy-five percent (75%) of the votes allocated to Units that are subject to eligible first mortgages.

23. Name and Address. The name of the Condominium is Promenade Place Condominium, and the Units of the Condominium are located in two (2) buildings: Building A is at 234 Eastern Promenade, Portland, Maine 04101 and Building B is at 236 Eastern Promenade, Portland, Maine 04101.

24. Applicable law; interpretation; severability. This Declaration shall be governed by and construed in accordance with the laws of the State of Maine. In the event of any conflict or discrepancy between this Declaration, the Bylaws and the Plat and Plan, this Declaration shall govern. If any provision of this Declaration, the Bylaws and the Plat and Plan, this Declaration shall govern. If any provision of this Declaration, the Bylaws or the Rules and Regulations are in conflict with any applicable laws, including the Act, then such laws shall govern and such invalid provision shall be of no force and effect, but the validity of the remainder of this Declaration, the Bylaws and the Rules and Regulations shall not be affected thereby and shall remain in full force and effect as if such invalid provision had not been included. The captions herein are inserted for convenience and reference and do not limit, alter or define the terms of this Declaration. All exhibits attached to this Declaration are hereby made a part hereof.

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

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

[Signature Page Follows]

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed this
__ day of _____, 2014.

WITNESS:

G.O. ENTERPRISES, LLC

By: _____
Andrew W. Greene
Its Member, duly authorized

STATE OF MAINE
County of Cumberland, ss.

_____, 2014

PERSONALLY APPEARED the above-named Andrew W. Greene, duly authorized member of G.O. Enterprises, LLC, and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of said limited liability company.

Notary Public/Attorney at Law
Print Name: _____
My Commission Expires: _____

LIMITED JOINDER AGREEMENT OF MORTGAGEE

The undersigned, GORHAM SAVINGS BANK, a Maine banking company, of Gorham, Maine (herein called the "Mortgagee"), as holder of and mortgagee under a certain Mortgage Deed, Security Agreement and Financing Statement (herein called the "Mortgage") by G.O. ENTERPRISES, LLC, a Maine limited liability company (herein called the "Declarant"), to Mortgagee, dated March 14, 2008, and recorded in the Cumberland County Registry of Deeds in **Book 25895, Page 159**, hereby joins with the Declarant in submitting the land and the buildings and rights appurtenant thereto described in this Declaration and being subject to the lien of said Mortgage, to the provisions of the Maine Condominium Act, 33 M.R.S.A. Chapter 31, §§ 1601-101, et seq., as amended, for the sole and limited purposes of evidencing its consent as Mortgage holder to such submission and to the creation and granting of those easements, uses, rights and privileges described in this Declaration, PROVIDED, that such joinder and consent shall not be construed to make said Mortgagee, its successors and assigns, as mortgagee, the Declarant or to impose on it any of the obligations or liabilities of the Declarant under this Declaration, including, without limitation, any obligation or liability of any kind to any purchaser(s) of any condominium unit(s), and said Mortgagee makes no warranties or covenants to any person or party, express or implied, as to title, merchantability, fitness for any particular purpose, physical condition or otherwise as to the Condominium premises.

The Mortgagee hereby agrees that its lien under the aforesaid Mortgage as to the premises described in this Declaration shall be subject to the provisions of said Maine Condominium Act and shall attach to the Units together with their respective undivided interest in the Common Elements created by this Declaration, as it may be amended. The Mortgagee further agrees that in the exercise of its rights as mortgagee under the aforesaid Mortgage, the Mortgagee will recognize the establishment of a condominium by this Declaration of Condominium.

IN WITNESS WHEREOF, the Mortgagee has caused this instrument to be executed and sealed in its name as of the date of the foregoing Declaration.

WITNESS:

GORHAM SAVINGS BANK

By: _____
Name:
Title:

STATE OF MAINE

County of Cumberland, ss.

_____, 2014

Personally appeared before me the above-named _____, the _____ of Gorham Savings Bank and acknowledged the foregoing instrument to be his/her free act and deed and the free act and deed of Gorham Savings Bank.

Notary Public / Attorney at Law

Print Name: _____

My Commission Expires: _____

EXHIBIT A

A certain lot or parcel of land with the buildings thereon, situated on the northwesterly side of Turner Street, in the City of Portland, County of Cumberland and State of Maine, bounded and described as follows:

Beginning on said northwesterly side of Turner Street at the easterly corner of land conveyed by Elias Thomas, et als., to James Albert; thence northeasterly by said Turner Street seventy (70) feet to a stake; thence northwesterly at right angles with said Turner Street forty-three and five tenths (43.5) feet to a stake; thence westerly fifty-five (55) feet to a stake situated thirty-two and five tenths (32.5) feet southeasterly from land now or formerly of Eva Gould, et al.; thence northwesterly thirty-two and five tenths (32.5) feet to a stake in the line of said Gould land; thence southwesterly by said Gould land thirty and eighty-one hundredths (30.81) feet to said Albert land; thence southeasterly by said Albert land one hundred fifteen (115) feet, more or less, to said Turner Street at the point of beginning.

Being lot numbered five (5) on a plan recorded in the Cumberland County Registry of Deeds in Plan Book 28, Page 28.

Also a certain lot or parcel of land with the buildings thereon, situated on the southwesterly side of the Eastern Promenade and the northwesterly side of Turner Street, in said City of Portland, bounded and described as follows:

Beginning at the intersection of the northwesterly side of Turner Street with the southwesterly side of the Eastern Promenade; thence northwesterly along said Eastern Promenade one hundred fifteen and forty-three hundredths (115.43) feet to a stake and land now or formerly of Eva Gould, et al.; thence southwesterly by said Gould land eighty-four and thirty-eight hundredths (84.38) feet to a stake; thence southeasterly at right angles with said Gould line thirty-two and five tenths (32.5) feet to a stake; thence easterly fifty-five (55) feet to a stake situated forty-three and five tenths (43.5) feet northwesterly from Turner Street; thence southeasterly forty-three and five tenths (43.5) feet to said Turner Street at a stake seventy-nine and forty-three hundredths (79.43) feet from the point of beginning; thence northeasterly by Turner Street seventy-nine and forty-three hundredths (79.43) feet to the intersection of the Eastern Promenade and the point of beginning.

Being lot numbered six (6) on a plan recorded in the Cumberland County Registry of Deeds in Plan Book 28, Page 28.

Together with and subject to the terms and conditions as set forth in Easement Deed from Perlin Realty LLC, to Turner Eastern Promenade, LLC, dated October 22, 2007 and recorded in said Registry in Book 25665, Page 101.

The property is hereby conveyed together with all hereditaments, privileges, tenements and

appurtenances belonging to said property, and all right, title and interest of the Grantor in and to all open or proposed highways, streets, roads, alleys, avenues, easements, strips, gores and rights of way in, on, across, in front of or contiguous to, abutting or adjoining said property.

EXHIBIT B

Promenade Place Condominium

Percentage of undivided interests in the Common Elements, Common Expense Liabilities and Votes in the Association.

| Unit Number | Square Footage* | Percentage of undivided interests in the Common Elements | Common Expense Liability | Votes in Association |
|--------------|-----------------|--|--------------------------|----------------------|
| Unit A-1 | 646 | 8.50 | 0.0850 | 85.00 |
| Unit A-2 | 646 | 8.50 | 0.0850 | 85.00 |
| Unit A-3 | 646 | 8.50 | 0.0850 | 85.00 |
| Unit A-4 | 646 | 8.50 | 0.0850 | 85.00 |
| Unit A-5 | 1,314 | 17.34 | 0.1734 | 173.40 |
| Unit B-1 | 610 | 8.05 | 0.0805 | 80.50 |
| Unit B-2 | 610 | 8.05 | 0.0805 | 80.50 |
| Unit B-3 | 610 | 8.05 | 0.0805 | 80.50 |
| Unit B-4 | 610 | 8.05 | 0.0805 | 80.50 |
| Unit B-5 | 1,247 | 16.46 | 0.1646 | 164.60 |
| Total | 7,585 | 100%** | 100%** | 1,000 |

A Unit's percentage of undivided interests in the Common Elements is the same as the percentage of Common Expense Liability allocated to that Unit. The percentage of undivided interests in the Common Elements for each Unit is calculated based on the following formula: a ratio of the percentage of the approximate gross floor area square footage of one Unit compared to the approximate gross floor area square footage of all Units (i.e., a 1,000 square foot Unit out of a total of 100,000 square feet of units equals a 1% percentage of undivided interests in the Common Elements allocated to that Unit). In the absence of manifest error in such measurements, no Unit owner shall have the right to compel or require as-built measurements and all such determinations of percentage of undivided interests in the Common Elements by the Declarant shall be conclusive upon all Unit owners. The "size" of each Unit is the number of square feet therein determined by reference to the dimensions shown on the Plan. The actual area in square feet of Units of the same type may vary from Unit to Unit, but the "sizes" depicted on the Plan shall control for purposes of calculating the percentage of undivided interests in the Common Elements and Common Expense Liabilities. The Votes in the Association allocated to each respective Unit is a sum rounded to the nearest whole number determined by multiplying by one thousand (1,000) the quotient resulting from dividing the "size" of each respective Unit by the aggregate "sizes" of all the Units in the Condominium.

* Square footage calculations are approximate and are measured to the centerline of interior walls that separate the Units and to the outside of the exterior walls of the Condominium building.

** Rounded

BYLAWS
PROMENADE PLACE CONDOMINIUM ASSOCIATION

ARTICLE I
INTRODUCTORY PROVISIONS

1.1. Name. The name of the Association is Promenade Place Condominium Association (the “Association”). The address of the Association is 234-236 Eastern Promenade, Portland, Maine 04101. These Bylaws have been adopted as required by Section 1603-106 of the Maine Condominium Act to govern the Association (the “Bylaws”).

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 the Condominium, or at such other location as the Board 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, and the “Board of Directors” described therein shall be referred to herein and in the Declaration as either the “Board of Directors” or the “Board.”

1.5. Definitions. Capitalized terms used herein without definition shall have the meanings specified for such terms in said Declaration to which these Bylaws pertain, or, if not defined therein, 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 Exhibit B of the Declaration.

1.5.2. “Common Expense Liability” means the allocation to each Unit of the respective liability for 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 which 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 the name and address of the said holder of a Mortgage, 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 which shall be assessed against the Unit to which that 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 Section 16 of the Declaration.

2.2. Nontransferability of Interests. Except as provided herein or in the Declaration, membership shall not be transferable. The membership of each Unit owner shall terminate upon a sale, transfer or 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 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 Saturday of the month of June. 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 which 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. 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) owners of Units presented to the Clerk or 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; provided, however, if the purpose included the consideration of the rejection of a capital expenditure pursuant to Section 5.9 herein, such meeting shall be held within fifteen (15) 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 fifty percent (50%) 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. The vote in the Association allocated to each Unit is set forth in Exhibit B of the Declaration.

2.10. Voting. Voting shall be in accordance with Section 1603-110 of the Act, including, but not limited to, Section 1603-110(b), and Section 7 and Exhibit B 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. The Votes in the Association allocated to a Unit can only be cast as a unit and cannot be split. If a Unit is owned of record by one person, that Unit owner's right to vote shall be established by the record title to the Unit. If ownership of a Unit is in more than one person, the person who shall be entitled to cast the vote allocated to that Unit shall be the person named in a certificate executed by all of the owners of such Unit and filed with the Secretary of the Association. If ownership of a Unit is in a corporation, partnership, limited liability company, trust or estate, the officer or employee of that corporation, partner of that partnership, manager or member of that limited liability company, trustee of that trust, or agent of that estate, entitled to cast for the corporation, partnership, limited liability company, trust or estate the vote allocated to such Unit shall be designated in a certificate for that purpose executed by the president or a vice president of that corporation, and attested to by the secretary or clerk of that corporation, executed by all the partners of that partnership, by all of the members of that limited liability company, or executed by all the beneficiaries of that trust, or executed by either all the devisees of that estate or by order of the probate court and filed with the Secretary of the Association. Such certificates of multiple owners, corporations, partnerships, limited liability companies, trusts or estates shall be valid until revoked by a subsequent certificate similarly executed and filed with the Secretary of the Association. Wherever the vote, approval or disapproval of a Unit owner is required by the Declaration or the Act, such vote, approval or disapproval shall be made only by the person who would be entitled pursuant to such certificate to cast at any meeting of the Association the vote allocated to such Unit. If the person named or designated in said certificate for a particular Unit shall be absent from a meeting of the Association, no person may cast the vote allocated to that Unit at the meeting. If a multiple owner of a Unit (that is not a partnership, limited liability company, trust, estate or corporation) has failed to file said certificate with the Secretary of the Association and only one of the multiple owners is present at a meeting of the Association, he or

she shall be entitled to cast at the meeting the vote allocated to that Unit without establishing the concurrence of the absent owner just as though that person were the sole owner of the Unit. If a multiple owner of a Unit (that is not a partnership, trust, limited liability company, estate or corporation) has failed to file said certificate with the Secretary and if more than one owner of that Unit is present at the meeting, the vote allocated to that Unit may be cast only in accordance with the agreement of a majority of the multiple owners present at the meeting. Such majority agreement shall be conclusively presumed if any one of those multiple owners shall cast the vote allocated to the Unit without protest being promptly made to the person presiding over the meeting by any other owners of that Unit.

2.11. Majority Vote Required. Unless by express provisions of the Act, these Bylaws or the Declaration a different vote is required, each question presented at a meeting shall be determined by a vote of a majority of votes present at meeting at which a quorum is present. As used in these Bylaws, the term “majority vote” shall mean the Unit owners of those Units to which are allocated more than fifty percent (50%) of the total authorized votes allocated to all of the Units 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 Telephonic Meetings. Members of the Association may attend a meeting by conference telephone or similar communications equipment as long as all members participating in the meeting can hear each other at the same time. Notice of such meeting shall be deemed waived by the member participating in such telephonic meeting.

2.14. 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 members of the Board (when so required).
- (g) Unfinished business.
- (h) 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 these Bylaw 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 composed of no fewer than three (3) and no more than five (5) natural persons. During the Declarant Control Period, as provided in Section 17 of the Declaration, the Board shall be composed of (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 shall be composed of no fewer than three (3) and no more than five (5) individuals, as the Board may determine from time to time. Each member of the Board shall be a Unit owner (or spouse of a Unit owner), or in the case of a Unit owner which 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 may be. 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 shall be elected as follows:

3.2.1. At the annual meetings of the Association, subject to Section 16 of the Declaration, the election of members of the Board of Directors shall be held. The term of office of each Board member shall be fixed at three (3) years, so that after the Declarant Control Period ends, one-third (1/3) of the Board may be replaced at each annual meeting. Each member of the Board 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. A Board member 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 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. 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 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 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. 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:

- 3.4.1. To adopt the annual budget and any amendment thereto or to assess any Common Expenses.
- 3.4.2. To adopt, repeal or amend rules and regulations of the Association.
- 3.4.3. To designate signatories on Association bank accounts.
- 3.4.4. To borrow money on behalf of the Association.
- 3.4.5. To acquire and mortgage Units.
- 3.4.6. 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 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 Board member may be removed by vote of a majority of the other Board members if said Board member is not current in the payment of condominium fees. Any Unit owner proposing removal of a Board member 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 Board member may resign by submitting his or her resignation in writing to the President or the Secretary of the Board.

3.6. Vacancies. Except as set forth in Paragraph 3.1 hereof with respect to members appointed by the Declarant, vacancies in the Board 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 members at a special meeting of the Board 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 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 shall have been elected, and no notice shall be necessary to the newly elected members of the Board in order legally to constitute such meeting, if a majority of the Board 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 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 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 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 therefor, 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.

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 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, 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, at least one-half (1/2) 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 which might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Board 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 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, and the Secretary shall keep a minute book of the Board meetings, recording therein all resolutions adopted by the Board 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 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 shall individually or collectively consent in writing to such action. Any such person's written consent shall be filed with the minutes of the proceedings of the Board.

3.15 Telephonic Meetings. Members of the Board may attend a meeting by conference telephone or similar communications equipment as long as all members of the Board participating in the meeting can hear each other at the same time. Notice of such meeting shall be deemed waived by the member participating in such telephonic meeting.

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

3.16.1. The fact that a Board member is also such a director or officer or has a financial interest which 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 Board member or members.

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

3.17. Inclusion of Interested Board of Directors Members in a Quorum. Any Board of Directors member 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 or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Paragraph 3.15 herein.

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 which 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 required to be provided by the Association pursuant to Sections 1603-116(h) and 1604-108(b) of the Act and subparagraph 5.2.2 hereof.

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; 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 Four Thousand Dollars (\$4,000.00) shall be executed by the President or the Secretary and the Treasurer of the Association. All such instruments for expenditures or obligations of Four Thousand Dollars (\$4,000.00) 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 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 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 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 which 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 shall consider necessary to provide working capital, a general operating reserve fund for replacements, capital improvements and other items which 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 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 reject 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 upon the same conditions as are provided in subparagraph 5.2.1 above 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 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 for such fiscal year.

5.5. Reserves. The Board 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 which 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 separate special accounts with a lending institution, the accounts of which are insured by an agency of the United States of America. Neither the Board 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 which may become necessary during the year shall be charged first against such reserves. If the reserves are deemed by the Board to be inadequate for any reason, including nonpayment of any Unit owner's assessment, the Board may at any time 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 may determine.

5.6. Further Assessments. Subject to Paragraph 5.10 hereof, the Board 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 which 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 installment, 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. The Declarant, as the agent of the Board, will collect from each new 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 for deposit into the Reserve 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 three hundred sixty (360) 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 three hundred sixty (360) days after the first Unit is conveyed to a purchaser. Except for the Declarant as described aforesaid, initial capital payments shall not be returned or reimbursed to a Unit owner for any reason whatsoever.

5.8. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board 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.

5.9. Rejection of Budget; Limitation of Expenditures. In the event of a rejection of a proposed budget, the Board shall prepare a revised budget, which such revised budget shall be subject to the same procedures as set forth above for the original proposed budget.

5.10. Limitations on Expenditures. The power of the Board 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 Four Thousand Dollars (\$4,000.00) 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.

5.11. 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 notwithstanding 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.

5.12. 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 Section 7 of the Declaration, plus Limited Common Expenses assessed against a 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 hereof, 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 Exhibit B of the Declaration, plus Limited Common Expenses assessed against a Unit.

5.13. Interest; Acceleration. Monthly condominium assessments shall be due on the first day of each month. If any such assessments are not paid by the 10th day of the month, a late fee of the greater of Ten Dollars (\$10.00) or four percent (4%) of the amount due will be charged. 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.

5.14. Liens for Assessments. The total annual assessment levied against each Unit for Commons 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 which 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 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. The Board of Directors shall 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 Section 17 of the Declaration; (ii) workers’ compensation insurance, if and to the extent necessary to meet the requirements of law; and (iii) other insurance that the Board may determine is necessary or as may be requested by a majority of the Unit owners. In addition to the foregoing, policies purchased by the Association shall provide the following:

6.1.1. Hazard Insurance. The blanket policy purchased by the Association shall cover all of the Condominium, including Common Elements and Limited Common Elements of the Condominium, and including fixtures, building service equipment and common personal property and supplies belonging to the Association. Such policy shall cover one hundred percent (100%) of the then current replacement cost of all such property, including the Units (but need not include improvements and betterments installed by Unit owners). Such policy shall include the following endorsements: (a) Agreed amount and inflation guard; (b) construction code endorsements; and (c) steam boiler coverage endorsement providing at least One Hundred Thousand Dollars (\$100,000.00) coverage for each accident, if applicable. Such policy shall provide for the recognition of any insurance trust agreement. Such policy shall show Promenade Place Condominium Association as the named insured, for the use and benefit of the individual Units owners, and must also designate any holder of a first mortgage of such Unit and its successors and assigns, as mortgagee.

6.1.2. Flood Insurance. If any part of the Condominium is in a flood hazard area as defined by the Federal Emergency Management Agency, the Association shall maintain a master or blanket flood insurance policy. Such policy shall cover all buildings and other property, real or personal, located within the flood area. The amount of such insurance shall be equal to at least the lesser of (a) one hundred percent (100%) of the then current replacement cost of all property in the flood area, or (b) the maximum coverage available for the Condominium under the National Flood Insurance Program.

6.1.3. Liability Insurance. Liability insurance required under the Act shall also include all areas under supervision of the Association. Such policies shall be in an amount of at least Two Million Dollars (\$2,000,000.00), or in such amount as the Federal National Mortgage Association may require. Such policy shall also include coverage for any legal liability related to employment contracts in which the Association is a party.

6.2. Insurance Trustee. The Board of the Association 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 Condominium for the purpose of purchasing and

maintaining the insurance described herein, the collection and appropriate disposition of the proceeds thereof with any bank or trust company authorized to do business in the State of Maine as trustee for all Unit owners and their Mortgagees as their respective interests may appear (the "Insurance Trustee"), to hold any insurance proceeds in trust for disbursement as provided in Paragraph 6.3 hereof, the negotiation of losses and execution of releases of liability, and the execution of all documents and the performance of all other acts necessary to accomplish such purposes.

6.3. Losses; Adjustment and Payment; Insurance Trustee. Any loss covered by the insurance policies described in Paragraph 6.1 hereof shall be adjusted with the Association by its Board, but the insurance proceeds for said loss shall be payable to the Insurance Trustee designated for that purpose as provided in Paragraph 6.2, or otherwise to the Association, and not to any Mortgagee. The Insurance Trustee or the Association shall hold any insurance proceeds in trust for the Unit owners, Mortgagees and other lien holders as their interests may appear. Subject to the provisions of Paragraph 6.2 and subparagraph 7.2.3, the proceeds shall be disbursed first for the repair or restoration of the damage to the Condominium, and Unit owners, Mortgagees and other lien holders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the damaged Common Elements and Units have been repaired or restored, the decision has been made not to repair or restore the damage as provided in Paragraph 7.1 hereof, or the Condominium is terminated.

6.4. Memoranda, Cancellation, Additional Required Provisions. 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. No such insurer issuing a policy may cancel (including cancellation for non-payment of premium), substantially modify or refuse to renew such policy or policies until twenty (20) days after notice of the proposed cancellation or 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.

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 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, which will not be repaired, replaced or restored, and by all Eligible Mortgage Holders of all 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 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 therefore 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 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 Paragraph 6.2 hereof and disbursed in payment of the costs of reconstruction and repair in a manner which 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 or its architect.

7.3.2. The insurance proceeds attributable to Units and Limited Common Elements which 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 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 the 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 the Condominium to Unit owners, lenders and the holders, insurers and guarantors of the first mortgage on any Unit, for inspection at the Condominium, 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 a majority 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. 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 owner's 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.

9.1.1. 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:

PROMENADE PLACE CONDOMINIUM ASSOCIATION
2014
MAINE

ARTICLE XI
NOTICES

11.1. To Unit Owners. All notices, demands, bills, statements or other communications affecting the Condominium shall be given to Unit owners by the Association in writing and shall be deemed to have been duly given if delivered personally, or sent by e-mail with an acknowledgement of receipt by the recipient, or sent by United States Mail, postage prepaid, or if such notifications are of a default or lien, sent by registered or certified mail, return receipt requested, postage prepaid, addressed to the Unit owner at the address which the Unit owner shall designate in writing and file with the Secretary of the Association, or if no such address is so designated, the address of the Unit that which such Unit owner is the record owner.

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, or sent by e-mail with an acknowledgement of receipt by the recipient, 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.

11.3. To Eligible Mortgage Holder, Etc. All notices demands, statements or other communications affecting the Condominium given by the Association to any Eligible Mortgage Holder and eligible insurer shall be in writing and shall be deemed to have been duly given by the Association if 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 Section 21(a) 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 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 of 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.

RULES AND REGULATIONS
OF
PROMENADE PLACE CONDOMINIUM

General

1. Promenade Place Condominium Association (the “Association”), acting through its Board of Directors, has adopted the following Rules and Regulations (“Regulations”). These Regulations may be amended from time to time by resolution of the Board of Directors.

2. Wherever in these Regulations reference is made to “Unit owners,” such term shall apply to the owner of any Unit, to his or her family or tenants, whether or not in residence, servants, employees, agents, visitors and to any guests, invitees or licensees of such Unit owner, his or her family or tenant of such Unit owner. Wherever in these Regulations reference is made to the Association, such reference shall include the Association and the Managing Agent, if any, when the Managing Agent is acting on behalf of the Association. During the Declarant Control Period (as defined in Section 17 of the Declaration of Condominium), the Management Agent shall be Aquarius Property Management, or its successor as designated by the Board of Directors, and at all times thereafter, the Association shall hire a professional property management company to act as the Managing Agent for the Condominium. There shall be only one (1) professional management company acting at the Condominium.

3. The Unit owners shall comply with all the Regulations hereinafter set forth governing the buildings, public hallways, terraces, balconies, drives, grounds, parking areas and any other appurtenances.

Restrictions of Use

4. No part of the Condominium shall be used for any purpose except housing. Each Unit shall be used as a residence for a single family, its servants and guests.

5. There shall be no obstruction of the Common Elements. Nothing shall be stored on the Common Elements without the prior consent of the Board of Directors as herein or in the Bylaws expressly provided. No public hall shall be decorated or furnished by any Unit owner in any manner.

6. Nothing shall be done or kept in any of the Common Elements which will increase the rate of insurance for the buildings or contents thereof applicable for residential use without the prior written consent of the Board of Directors. No Unit owner shall permit anything to be done or kept in his or her Unit or on the Common Elements which will result in the cancellation of insurance on the building or contents thereof or which would be in violation of

any public law, ordinance or regulation. No gasoline or other explosive or inflammable material may be kept in any Unit or storage area. No waste shall be committed on the Common Elements.

7. All garbage and trash must be placed in the proper receptacles designated for refuse collection situated in the Common Elements behind each building, and no garbage or trash shall be placed elsewhere on any Common Element. No bulk waste may be placed in or near the trash receptacles. Each Unit owner is responsible for the removal of any bulk waste.

8. No playing or lounging shall be permitted, nor shall baby carriages, bicycles, playpens, wagons, toys, benches, chairs or other articles of personal property be left unattended in public areas of the building or passageways, parking areas, sidewalks or lawns or elsewhere on the Common Elements.

9. Each Unit owner shall keep his or her Unit in a good state of preservation, repair and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

10. Each Unit owner shall maintain the heat in his or her Unit at not less than fifty degrees (50) Fahrenheit at all times.

11. Nothing shall be done in any Unit or on the Common Elements which may impair the structural integrity of the building or which may structurally change the building nor shall anything be altered or constructed on or removed from the Common Elements, except upon the prior written consent of the Board of Directors.

12. No noxious or offensive activity shall be carried on in any Unit or on the Common Elements, nor shall anything be done therein which may be or become an annoyance or nuisance to the other Unit owners or occupants. No Unit owner shall make or permit any disturbing noises in the building or do or permit anything which will interfere with the rights, comforts or convenience of other Unit owners. All Unit owners shall keep the volume of any radio, television or musical instrument in their Units sufficiently reduced at all times so as not to disturb other Unit owners. No snowmobile, motorized dirt bikes, or ATV use shall be allowed on the Condominium property.

13. No industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, exploitation or otherwise, shall be conducted, maintained or permitted on any part of the Condominium nor shall any "For Sale," "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted on any part of the Condominium or in any Unit, nor shall any Unit be used or rented for hotel or motel purposes. The right is reserved by the Declarant to place "For Sale," "For Rent" or "For Lease" signs on any unsold Units, and the right is hereby given to any Mortgagee who may become the owner of any Unit to place such signs on any Unit owned by such Mortgagee, but in no event will any sign be larger than one (1) foot by two (2) feet.

14. No Unit owner shall cause or permit anything to be hung, displayed or exposed on the exterior of a Unit or Common Elements appurtenant thereto, whether through or upon windows, doors or masonry of such Unit. The prohibition herein includes, without limitation, laundry, clothing, rugs, signs, awnings, canopies, shutters, radios or television antennas or any other items. Under no circumstances shall any air conditioning apparatus be visible from the front of the buildings, and no television or radio antennas or other items shall be installed by the Unit owner beyond the boundaries of his or her Unit. No clothes line, clothes rack or any other device may be used to hang any items on any window nor may such devices be used anywhere on the Common Elements except in such areas as may be specifically designated for such use by the Board of Directors.

15. Terraces shall not be used as storage areas. All outside grills must be located on the outside decks. To the extent permitted by local law, all outside grills must be either electric or propane gas. No propane canisters may be stored inside any Unit. No terrace shall be enclosed or covered by a Unit owner without the prior consent in writing of the Board of Directors. No outside hot tubs shall be allowed on the decks or Unit balcony.

16. No Unit shall be used for any unlawful purpose, and no Unit owner shall do or permit any unlawful act in or upon his or her Unit.

Pet Rules

17. Except for personal household pets normally housed in residences similar to the Units (e.g., dogs, cats, caged birds), no animals or reptiles of any kind shall be raised, bred or kept in any Unit or on the Common Elements. The keeping of any allowable pets as described in this Section 17 shall at all time be subject to compliance with the Declaration and these Regulations.

18. A personal household pet as described in Section 17 above may be maintained in a Unit so long as it is not a nuisance. Actions which will constitute a nuisance include, but are not limited to, abnormal or unreasonable crying, barking, scratching or unhygienic offensiveness, or unleashed pets in the Common Elements.

19. All pets must be registered and inoculated as required by law and registered with the Association.

20. Pet owners are fully responsible for personal injuries and/or property damage caused by their pets.

21. All pets must be leashed. Leashes may not exceed six (6) feet in length.

22. Owners of pets walked upon the Common Elements must promptly clean up their pet's droppings.

Parking and Storage

23. All personal property placed in any portion of the building or any place appurtenant thereto, including, without limitation, the storage areas, shall be at the sole risk of the Unit owner, and the Association shall in no event be liable for the loss, destruction, theft or damage to such property.

24. Should an agent of the Association at the request of a Unit owner move, handle or store any articles in storage rooms or remove any articles therefrom or handle, move, park or drive any automobile placed in the parking areas, then, and in every such case, such agent shall be deemed the agent of the Unit owner. The Association shall not be liable for any loss, damage or expense that may be suffered or sustained in connection therewith.

25. Unless otherwise authorized by the Association, the parking areas may not be used for any purpose other than parking automobiles. Each Unit owner is entitled to use the one (1) parking space designated for use for that Unit. There are no extra parking spaces available at the Condominium and all guests (or a tenant's or Unit owner's second vehicle) must park off-site. No Unit owner shall park in, or allow a guest or tenant to park in another Unit's designated space. No buses, commercial trucks, trailers, boats, recreational or commercial vehicles (except automobiles) shall be parked in the parking areas or in driveways. All vehicles must have current license plates and be in operating condition. No vehicles shall be parked on the Condominium with conspicuous "For Sale" signs attached.

26. All Unit owners shall observe and abide by all parking and traffic regulations as posted by the Association or by municipal authorities. Vehicles parked in violation of any such regulations may be towed away at the Unit owner's sole risk and expense.

27. Parking so as to block sidewalks or driveways shall not be permitted. If any vehicle owned or operated by a Unit owner, any member of his or her family, tenants, guests, invitees or licensees shall be illegally parked or abandoned on the Condominium, the Association shall be held harmless by such Unit owner for any and all damages or losses that may ensue, and any and all rights in connection therewith that the owner or driver may have under the provisions of state or local laws and ordinances are hereby expressly waived. The Unit owner shall indemnify the Association against any liability which may be imposed on the Association as a result of such illegal parking or abandonment and any consequences thereof.

Entry into Units

28. The Association or the Managing Agent shall cause a master key system to be used for Units in the Condominium. The Association or the Managing Agent shall establish and implement, subject to prior approval of the Board of Directors, procedures and controls to insure the proper use of such master key. In no event (except as set forth in Section 30 below) shall the master key be used to facilitate entry to a Unit for purposes other than the fact or threat of fire, flood or any other condition which may adversely affect the Common Elements or other Units.

No Unit owner shall alter any lock or install additional locks, or a knocker, or a bell on any doors of a Unit without the prior written consent of the Board of Directors.

29. The agents of the Board of Directors or the Managing Agent, and any contractor or worker authorized by the Board of Directors or the Managing Agent, may enter any room or Unit in the building with the permission of the Unit owner at any reasonable hour of the day (except in case of emergency in which case entry may be immediate and without such permission) for the purpose of exercising and discharging their respective powers and responsibilities.

30. Employees and agents of the Association are not authorized to accept packages, keys, money (except for Condominium assessments) or articles of any description from or for the benefit of a Unit owner. If packages, keys (whether for a Unit or an automobile), money or articles of any description are left with the employees or agents of the Association, the Unit owner assumes the sole risk therefor, and the Unit owner, not the Association, shall be liable for injury, loss or damage of any nature whatsoever directly or indirectly resulting therefrom or connected therewith. The Association does not assume any responsibility for loss or damage in such cases. Deliveries requiring entrance to a Unit owner's Unit will not be accepted without the prior written permission of the Unit owner accompanied by a written waiver of all liability in connection with such deliveries.

31. Any damage to the building or other Common Elements or equipment caused by a Unit owner or such Unit owner's pets or caused by such Unit owner's family, guests, licensees and invitees or by pets brought to the Condominium by such Unit owner's family, guests, licensees and invitees, shall be repaired at the expense of the Unit owner.

Association

32. All charges and assessments imposed by the Association are due and payable on the first day of each month, unless otherwise specified. Payment shall be made by cash, check or money order, payable to the Promenade Place Condominium Association.

33. Complaints regarding the management of the Condominium or regarding actions of other Unit owners shall be made in writing to the Board of Directors. No Unit owner shall direct, supervise or in any manner attempt to assert control over or request favors of any employee of the Managing Agent or the Association.

Consideration in Use of Units

34. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the Board of Directors and the public authorities having jurisdiction, and the Unit owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit.

35. Unit doors opening into the public halls and building entry doors shall be kept closed and secured at all times except when in use.

General

36. The planting of plants, flowers, trees, shrubbery and crops of any type is prohibited anywhere on the Common Elements without the prior written consent of the Board of Directors.

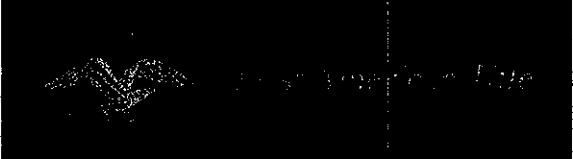
37. Solicitors are not permitted in the buildings.

**2014 BUDGET
FOR
PROMENADE PLACE CONDOMINIUM**

| <u>EXPENSES</u> | <u>ANNUAL</u> | <u>% OF BUDGET</u> |
|------------------------|----------------------|---------------------------|
| Master Insurance | \$6,000.00 | 18.5% |
| Water & Sewer | \$4,500.00 | 13.9% |
| Electric – Common | \$1,000.00 | 03.1% |
| Trash Removal | \$0.00 | 00.0% |
| Snow Removal | \$3,800.00 | 11.7% |
| Landscaping | \$3,500.00 | 10.8% |
| Legal & Accounting | \$2,500.00 | 07.7% |
| Maintenance & Repairs | \$2,600.00 | 08.0% |
| Management Fee | \$5,000.00 | 15.5% |
| Capital Reserve | \$3,500.00 | 10.8% |
| Total Expenses | \$32,400.00 | 100% |

Monthly Assessment per Unit:

| | |
|----------|-------|
| Unit A-1 | \$230 |
| Unit A-2 | \$230 |
| Unit A-3 | \$230 |
| Unit A-4 | \$230 |
| Unit A-5 | \$444 |
| Unit B-1 | \$218 |
| Unit B-2 | \$218 |
| Unit B-3 | \$218 |
| Unit B-4 | \$218 |
| Unit B-5 | \$468 |

| | |
|---|--|
|  | Owner's Policy of Title Insurance |
| | ISSUED BY First American Title Insurance Company |
| Owner's Policy | POLICY NUMBER SPECIMEN |

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, **FIRST AMERICAN TITLE INSURANCE COMPANY**, a California corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.

(Covered Risks Continued on Page 2)

In Witness Whereof, First American Title Insurance Company has caused its corporate name to be hereunto affixed by its authorized officers as of Date of Policy shown in Schedule A.

First American Title Insurance Company

For Reference:



Dennis J. Gilmore

Dennis J. Gilmore
President

Timothy Kemp

Timothy Kemp
Secretary

File #:
Loan #:

(This Policy is valid only when Schedules A and B are attached)

This Jacket was created electronically and constitutes an original document

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Policy # :

SPECIMEN

COVERED RISKS (Continued)

5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (a) the occupancy, use, or enjoyment of the Land;
 - (b) the character, dimensions, or location of any improvement erected on the Land;
 - (c) the subdivision of land; or
 - (d) environmental protectionif a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
 - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Insured": The Insured named in Schedule A.
 - (i) The term "Insured" also includes
 - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
 - (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
 - (C) successors to an Insured by its conversion to another kind of Entity;
 - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
 - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
 - (2) if the grantee wholly owns the named Insured,
 - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
 - (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
 - (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": An Insured claiming loss or damage.
- (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice

of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

- (j) "Title": The estate or interest described in Schedule A.
- (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

- (b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
- (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.
- 6. DUTY OF INSURED CLAIMANT TO COOPERATE**
- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.
- 7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY**
- In case of a claim under this policy, the Company shall have the following additional options:
- (a) To Pay or Tender Payment of the Amount of Insurance.
To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.
Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.
- (b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.
- (i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
- (ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.
Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.
- 8. DETERMINATION AND EXTENT OF LIABILITY**
- This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.
- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of
- (i) the Amount of Insurance; or
- (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.
- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,
- (i) the Amount of Insurance shall be increased by 10%, and
- (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

Policy # :

CONDITIONS (Continued)

9. LIMITATION OF LIABILITY

- (a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies. If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.
- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title

Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

16. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM

- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located. Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.
- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at First American Title Insurance Company, Attn: Claims National Intake Center, 1 First American Way, Santa Ana, CA 92707. Phone: 888-632-1642.



First American
Title Insurance Company

**SPECIMEN OWNER POLICY
SCHEDULE A**

| | | | | |
|---------|----------------------------------|--|--|---------------|
| Owner's | POLICY NUMBER SPECIMEN | DATE & TIME OF POLICY Date and time of recording of deed to Buyer | AMOUNT OF INSURANCE \$ Purchase price of condominium unit | PREMIUM \$ |
| | POLICY NUMBER | DATE & TIME OF POLICY * | AMOUNT OF INSURANCE \$ | PREMIUM \$ |
| Loan | | | | |

1. Name of Insured:

2. The estate or interest in the Land that is insured by this policy is:

Fee Simple

3. Title is vested in:

_____ by virtue of a deed from G.O. Enterprises, LLC, dated _____, and recorded in the Cumberland County Registry of Deeds in Book _____, Page _____.

4. The Land herein described is encumbered by the following mortgage, and the assignment thereof, if any:

TBD

5. The land referred to in this Policy is described as follows:

Unit _____ of Promenade Place Condominium, 234-236 Eastern Promenade, Portland, in the County of Cumberland, State of Maine; and is described as set forth in "Exhibit A" attached hereto and made a part hereof.

Note: This is only a Specimen Policy. This document does not provide insurance coverage and is subject to modification. Contact Atlantic Coast Title Company for the requirements to issue this policy.

Atlantic Coast Title Company, LLC
76 Atlantic Place
South Portland, ME 04106

By: **SPECIMEN**
_____ Authorized Signatory



*First American
Title Insurance Company*

**EXHIBIT A
LEGAL DESCRIPTION**

File No. 14-8310BH

Policy No.

Unit # ____ (the "Unit") of "Promenade Place Condominium" (the "Condominium"), together with the undivided interest in the common elements of the Condominium and rights and liabilities appurtenant to such unit (the "Property") in accordance with the Declaration of Condominium dated _____, and recorded in the Cumberland County Registry of Deeds in Book _____, Page _____, which Unit is located in Portland, Maine.

SPECIMEN

INITIAL FOR IDENTIFICATION

Form No. 1402.06A
ALTA Owner's Policy (6-17-06)



*First American
Title Insurance Company*

**OWNERS POLICY
SCHEDULE B – PART I
EXCEPTIONS FROM COVERAGE**

File No. 14-8310BH

Policy No.

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses which arise by reason of:

1. The mortgage, if any, referred to in Item 4 of Schedule A.
2. Liens for taxes and assessments which become due and payable subsequent to the date of policy.
3. Title to and rights of the public and others entitled thereto in and to those portions of the insured premises lying within the bounds of adjacent streets, roads and ways.
4. Such state of facts as shown on a plan entitled "Proposed Plot Plan, Eastern Promenade and Turner Street, Portland, Maine, dated September 15, 1942 and recorded in the Cumberland County Registry of Deeds in Plan Book 28, Page 28.
5. Subject to and with the benefit of an Easement Deed from Perlin Realty LLC to Turner Eastern Promenade, LLC dated October 22, 2007 and recorded in the Cumberland County Registry of Deeds in Book 25565, Page 101.
6. Covenants, conditions, restrictions, reservations, easements, liens for assessments, options, powers of attorney and limitation on title, created by the Maine Condominium Act, Chapter 31 of Title 33 of the Maine Revised Statutes of 1964, as amended, or set forth in the Declaration of Condominium, Promenade Place Condominium, dated _____, and recorded in the Cumberland County Registry of Deeds in Book _____, Page _____.
7. Such state of facts as shown on the Plats and Plans of Promenade Place Condominium dated _____ and recorded in the Cumberland County Registry of Deeds in Plan Book _____, Page _____.

Note: This Specimen Policy is based on the standard ALTA Owner's Policy, as revised June 17, 2006. As long as title to the condominium unit is taken in the name of an individual or individuals or in the name of a trustee or trustees of a trust, an enhanced First American EAGLE Owner's Policy is also available at a slightly higher premium rate. The attached page shows some of the advantages of the extended coverage provided by the EAGLE policy.

SPECIMEN

INITIAL FOR IDENTIFICATION

Form No. 1402.06B
ALTA Owner's Policy (6-17-06)

Benefits of Standard vs. EAGLE Owner's Policies

Risks vs. Coverage (✓)

The **EAGLE Owner's Policy** works harder to provide you with peace of mind. No Policy issued by any company in our industry has ever offered a broader, more comprehensive, more reassuring range of coverages for the homeowner. In addition to the protections listed the EAGLE Policy offers:

Automatic Coverage Increases

The Policy amount increases automatically 10% per year for the first 5 years up to 150% of the policy amount listed on your original policy.

Continuous Coverage

Our Policy actually states as one of its conditions

'This Policy insures you forever, even after you no longer have your title'

Estate Planning Provisions

Now living trust coverage includes the beneficiaries of the trust as well as the trustees of that trust. This important expansion of coverage recognizes the growing popularity of living trusts as well as concerns of trustors for those who will succeed them in ownership of the real property.

Post Closing Protection for Covered Risks

Our EAGLE Policy offers post-closing protection in regards to Forgery, Encroachment of a neighbors structure on your property, Adverse Possession, Building Permit and Zoning violations, Restrictive Covenant violations, Expanded Access and more.

| | Buyer has No attorney and No Policy | Buyer has Own Attorney with Title Opinion | Standard Owner Title Policy | EAGLE Owner Title Policy |
|---|-------------------------------------|---|-----------------------------|--------------------------|
| Matters Found In Title Search | | ✓ | ✓ | ✓ |
| Matters Predating Title Search | | | ✓ | ✓ |
| Attorney's Fault | B | B | ✓ | ✓ |
| Matters Not Found In Search Of Public Records - Hidden Defects In Title | U | U | ✓ | ✓ |
| Examples Of Hidden Defects (Standard Owner Policy): | Y | Y | | |
| Forged Documents | E | E | ✓ | ✓ |
| Incapacity of Grantors | R | R | ✓ | ✓ |
| Missing Heirs | | | ✓ | ✓ |
| Mis-indexed Documents | S | S | ✓ | ✓ |
| Mistakes in Recording | | | ✓ | ✓ |
| Additional EAGLE Coverages: | R | R | | |
| Post-Policy Forgeries | | | B | ✓ |
| Post-Policy Encroachments | I | I | U | ✓ |
| Enhanced Pedestrian and Vehicular Access | S | S | Y | ✓ |
| Prior Building Permit Violations | K | K | E | ✓ |
| Certain Zoning Violations | | | R | ✓ |
| Violations of Excepted Restrictive Covenants | | | S | ✓ |
| Post-Policy Defects | | | RISK | ✓ |

For more information, please contact:

Atlantic Coast Title Company, LLC
76 Atlantic Place, South Portland, ME 04106
(t) 207-774-8884 ~ (f) 207-774-5935
www.atlancoast.com

Atlantic Coast Title Company, LLC is an approved agent of First American Title Insurance Company



PURCHASE AND SALE AGREEMENT

("days" means business days unless otherwise noted, see paragraph 23)

Offer Date _____

Effective Date _____
Effective Date is defined in Paragraph 23 of this Agreement.

1. PARTIES: This Agreement is made between _____ ("Buyer") and _____ **G. O. Enterprises, LLC** ("Seller").

2. DESCRIPTION: Subject to the terms and conditions hereinafter set forth, Seller agrees to sell and Buyer agrees to buy (all part of ; If "part of" see para. 26 for explanation) the property situated in municipality of Portland, County of Cumberland, State of Maine, located at Unit # @ 234/236 Eastern Promenade and described in deed(s) recorded at said County's Registry of Deeds Book(s) 25895, Page(s) 157.

3. FIXTURES: The Buyer and Seller agree that all fixtures, including but not limited to existing storm and screen windows, shades and/or blinds, shutters, curtain rods, built-in appliances, heating sources/systems including gas and/or kerosene-fired heaters and wood/pellet stoves, sump pump and electrical fixtures are included with the sale except for the following: None

Seller represents that all mechanical components of fixtures will be operational at the time of closing except: None

4. PERSONAL PROPERTY: The following items of personal property as viewed on _____ are included with the sale at no additional cost, in "as is" condition with no warranties: _____

5. PURCHASE PRICE/EARNEST MONEY: For such Deed and conveyance Buyer agrees to pay the total purchase price of \$ _____. Buyer has delivered; or will deliver to the Agency within _____ days of the Effective Date, a deposit of earnest money in the amount \$ _____. Buyer agrees that an additional deposit of earnest money in the amount of \$ _____ will be delivered _____. If Buyer fails to deliver the initial or additional deposit in compliance with the above terms Seller may terminate this Agreement. The remainder of the purchase price shall be paid by wire, certified, cashier's or trust account check upon delivery of the Deed.

This Purchase and Sale Agreement is subject to the following conditions:

6. ESCROW AGENT/ACCEPTANCE: REMAX BY THE BAY ("Agency") shall hold said earnest money and act as escrow agent until closing; this offer shall be valid until _____ (date) AM PM; and, in the event of non-acceptance, this earnest money shall be returned promptly to Buyer.

7. TITLE AND CLOSING: A deed, conveying good and merchantable title in accordance with the Standards of Title adopted by the Maine Bar Association shall be delivered to Buyer and this transaction shall be closed and Buyer shall pay the balance due and execute all necessary papers on _____ (closing date) or before, if agreed in writing by both parties. If Seller is unable to convey in accordance with the provisions of this paragraph, then Seller shall have a reasonable time period, not to exceed 30 calendar days, from the time Seller is notified of the defect, unless otherwise agreed to in writing by both Buyer and Seller, to remedy the title. Seller hereby agrees to make a good-faith effort to cure any title defect during such period. If, at the later of the closing date set forth above or the expiration of such reasonable time period, Seller is unable to remedy the title, Buyer may close and accept the deed with the title defect or this Agreement shall become null and void in which case the parties shall be relieved of any further obligations hereunder and any earnest money shall be returned to the Buyer.

8. DEED: The property shall be conveyed by a Quit Claim with covenants deed, and shall be free and clear of all encumbrances except covenants, conditions, easements and restrictions of record which do not materially and adversely affect the continued current use of the property.

9. POSSESSION, OCCUPANCY, AND CONDITION: Unless otherwise agreed in writing, possession and occupancy of premises, free of tenants and occupants, shall be given to Buyer immediately at closing. Said premises shall then be broom clean, free of all possessions and debris, and in substantially the same condition as at present, excepting reasonable use and wear. Buyer shall have the right to view the property within 24 hours prior to closing.

10. RISK OF LOSS, DAMAGE, DESTRUCTION AND INSURANCE: Prior to closing, risk of loss, damage, or destruction of premises shall be assumed solely by the Seller. Seller shall keep the premises insured against fire and other extended casualty risks prior to closing. If the premises are damaged or destroyed prior to closing, Buyer may either terminate this Agreement and be refunded the earnest money, or close this transaction and accept the premises "as-is" together with an assignment of the insurance proceeds relating thereto.

Revised 2014 Page 1 of 4 - P&S Buyer(s) Initials _____ Seller(s) Initials _____

11. FUEL/UTILITIES/PRORATIONS: Fuel remaining in tank on day of closing shall be paid by Buyer at cash price as of date of closing of company that last delivered the fuel. Metered utilities such as electricity, water and sewer will be paid through the date of closing by Seller. The following items, where applicable, shall be prorated as of the date of closing: collected rent, association fees, (other) None. The day of closing is counted as a Seller day. Real estate taxes shall be prorated as of the date of closing (based on municipality's fiscal year). Seller is responsible for any unpaid taxes for prior years. If the amount of said taxes is not known at the time of closing, they shall be apportioned on the basis of the taxes assessed for the preceding year with a reapportionment as soon as the new tax rate and valuation can be ascertained, which latter provision shall survive closing. Buyer and Seller will each pay their transfer tax as required by State of Maine.

12. DUE DILIGENCE: Neither Seller nor Licensee makes any warranties regarding the condition, permitted use or value of Sellers' real or personal property, or any representations as to compliance with any federal, state or municipal codes, including, but not limited to, fire, life safety, electrical and plumbing. Buyer is encouraged to seek information from professionals regarding any specific issue or concern. This Agreement is subject to the following investigations, with results being satisfactory to Buyer:

| TYPE OF INVESTIGATION | | | YES | NO | RESULTS REPORTED TO SELLER | TYPE OF INVESTIGATION | | | YES | NO | RESULTS REPORTED TO SELLER |
|-----------------------------|-----|-----|-----|-----|----------------------------|-----------------------------|-----|-----|-----|-----|----------------------------|
| a. General Building | ___ | ___ | ___ | ___ | Within ___ days | n. Arsenic Treated Wood | ___ | ___ | ___ | ___ | Within ___ days |
| b. Sewage Disposal | ___ | ___ | ___ | ___ | Within ___ days | o. Pests | ___ | ___ | ___ | ___ | Within ___ days |
| c. Coastal shoreland septic | ___ | ___ | ___ | ___ | Within ___ days | p. Code Conformance | ___ | ___ | ___ | ___ | Within ___ days |
| d. Water Quality | ___ | ___ | ___ | ___ | Within ___ days | q. Insurance | ___ | ___ | ___ | ___ | Within ___ days |
| e. Water Quantity | ___ | ___ | ___ | ___ | Within ___ days | r. Environmental Scan | ___ | ___ | ___ | ___ | Within ___ days |
| f. Air Quality | ___ | ___ | ___ | ___ | Within ___ days | s. Lot size/acreage | ___ | ___ | ___ | ___ | Within ___ days |
| g. Square Footage | ___ | ___ | ___ | ___ | Within ___ days | t. Survey/MLI | ___ | ___ | ___ | ___ | Within ___ days |
| h. Pool | ___ | ___ | ___ | ___ | Within ___ days | u. Zoning | ___ | ___ | ___ | ___ | Within ___ days |
| i. Energy Audit | ___ | ___ | ___ | ___ | Within ___ days | v. Registered Farmland | ___ | ___ | ___ | ___ | Within ___ days |
| j. Chimney | ___ | ___ | ___ | ___ | Within ___ days | w. Habitat Review/Waterfowl | ___ | ___ | ___ | ___ | Within ___ days |
| k. Smoke/CO detectors | ___ | ___ | ___ | ___ | Within ___ days | x. Flood Plain | ___ | ___ | ___ | ___ | Within ___ days |
| l. Mold | ___ | ___ | ___ | ___ | Within ___ days | y. Tax Status/Tree Growth | ___ | ___ | ___ | ___ | Within ___ days |
| m. Lead Paint | ___ | ___ | ___ | ___ | Within ___ days | z. Other | ___ | ___ | ___ | ___ | Within ___ days |

All investigations will be done by persons chosen and paid for by Buyer in Buyer's sole discretion. If the result of any investigation or other condition specified herein is unsatisfactory to Buyer, Buyer will declare the Agreement null and void by notifying Seller in writing within the specified number of days, and any earnest money shall be returned to Buyer. If the result of any investigation or other condition specified herein is unsatisfactory to Buyer in Buyer's sole discretion, and Buyer wishes to pursue remedies other than voiding the Agreement, Buyer must do so to full resolution within the time period set forth above; otherwise this contingency is waived. If Buyer does not notify Seller that an investigation is unsatisfactory within the time period set forth above, this contingency is waived by Buyer. In the absence of investigation(s) mentioned above, Buyer is relying completely upon Buyer's own opinion as to the condition of the property.

13. PROPERTY DISCLOSURE FORM: Buyer acknowledges receipt of Seller's Property Disclosure Form and the information developed by the Maine Center for Disease Control and Prevention regarding arsenic in private water supplies and arsenic in treated wood.

14. FINANCING: This Agreement is is not subject to Financing. If subject to Financing:

- This Agreement is subject to Buyer obtaining a Conventional/Portfolio loan of 75.000 % of the purchase price, at an interest rate not to exceed market rate % and amortized over a period of 30 years. Buyer is under a good faith obligation to seek and obtain financing on these terms.
- Buyer to provide Seller with letter from lender showing that Buyer has made application for loan specified in (a) and, subject to verification of information, is qualified for the loan requested within 3 days from the Effective Date of the Agreement. If Buyer fails to provide Seller with such letter within said time period, Seller may terminate this Agreement and the earnest money shall be returned to Buyer.
- Buyer hereby authorizes, instructs and directs its lender to communicate the status of the Buyer's loan application to Seller, Seller's licensee or Buyer's licensee.
- After (b) is met, Buyer is obligated to notify Seller in writing if the lender notifies Buyer that it is unable or unwilling to provide said financing. Any failure by Buyer to notify Seller within two days of receipt by Buyer of such notice from lender shall be a default under this Agreement. After notifying Seller, Buyer shall have 5 days to provide Seller with a letter from another lender showing that Buyer has made application for loan specified in (a) and, subject to verification of information, is qualified for the loan requested. If Buyer fails to provide Seller with such letter within said time period, Seller may terminate this Agreement and the earnest money shall be returned to Buyer.
- Buyer agrees to pay no more than 0 points. Seller agrees to pay up to \$ zero toward Buyer's actual pre-pays, points and/or closing costs, but no more than allowable by Buyer's lender.
- Buyer's ability to obtain financing is is not subject to the sale of another property. See addendum Yes No .
- Buyer may choose to pay cash instead of obtaining financing. If so, Buyer shall notify Seller in writing including providing proof of funds and the Agreement shall no longer be subject to financing, and Seller's right to terminate pursuant to the provisions of this paragraph shall be void.

15. BROKERAGE DISCLOSURE: Buyer and Seller acknowledge they have been advised of the following relationships:

David Marsden (008681) of REMAX BY THE BAY (1150)
Licensee MLS ID Agency MLS ID
is a Seller Agent Buyer Agent Disc Dual Agent Transaction Broker

N/A (N/A) of N/A (N/A)
Licensee MLS ID Agency MLS ID
is a Seller Agent Buyer Agent Disc Dual Agent Transaction Broker

If this transaction involves Disclosed Dual Agency, the Buyer and Seller acknowledge the limited fiduciary duties of the agents and hereby consent to this arrangement. In addition, the Buyer and Seller acknowledge prior receipt and signing of a Disclosed Dual Agency Consent Agreement.

16. DEFAULT/RETURN OF EARNEST MONEY: In the event of default by the Buyer, Seller may employ all legal and equitable remedies, including without limitation, termination of this Agreement and forfeiture by Buyer of the earnest money. In the event of a default by Seller, Buyer may employ all legal and equitable remedies, including without limitation, termination of this Agreement and return to Buyer of the earnest money. Agency acting as escrow agent has the option to require written releases from both parties prior to disbursing the earnest money to either Buyer or Seller. In the event that the Agency is made a party to any lawsuit by virtue of acting as escrow agent, Agency shall be entitled to recover reasonable attorney's fees and costs which shall be assessed as court costs in favor of the prevailing party.

17. MEDIATION: Earnest money disputes subject to the jurisdiction of small claims court will be handled in that forum. All other disputes or claims arising out of or relating to this Agreement or the property addressed in this Agreement (other than requests for injunctive relief) shall be submitted to mediation in accordance with generally accepted mediation practices. Buyer and Seller are bound to mediate in good faith and pay their respective mediation fees. If a party does not agree first to go to mediation, then that party will be liable for the other party's legal fees in any subsequent litigation regarding that same matter in which the party who refused to go to mediation loses in that subsequent litigation. This clause shall survive the closing of the transaction.

18. PRIOR STATEMENTS: Any representations, statements and agreements are not valid unless contained herein. This Agreement completely expresses the obligations of the parties.

19. HEIRS/ASSIGNS: This Agreement shall extend to and be obligatory upon heirs, personal representatives, successors, and assigns of the Seller and the assigns of the Buyer.

20. COUNTERPARTS: This Agreement may be signed on any number of identical counterparts with the same binding effect as if the signatures were on one instrument. Original or faxed or other electronically transmitted signatures are binding.

21. SHORELAND ZONE SEPTIC SYSTEM: Seller represents that the property does does not contain a septic system within the Shoreland Zone. If the property does contain a septic system located in the Shoreland Zone, Seller agrees to provide certification at closing indicating whether the system has/has not malfunctioned within 180 calendar days prior to closing.

22. NOTICE: Any notice, communication or document delivery requirements hereunder may be satisfied by providing the required notice, communication or documentation to or from the parties or their licensee. Only withdrawals of offers and counteroffers will be effective upon communication, verbally or in writing.

23. EFFECTIVE DATE/BUSINESS DAYS: This Agreement is a binding contract when the last party signing has caused a paper or electronic copy of the fully executed agreement to be delivered to the other party which shall be the Effective Date. Licensee is authorized to fill in the Effective Date on Page 1 hereof. Except as expressly set forth to the contrary, the use of the term "days" in this Agreement, including all addenda made a part hereof, shall mean business days defined as excluding Saturdays, Sundays and any observed Maine State/Federal holidays. Deadlines in this Agreement, including all addenda, expressed as "within x days" shall be counted from the Effective Date, unless another starting date is expressly set forth, beginning with the first day after the Effective Date, or such other established starting date, and ending at 5:00 p.m. Eastern Time on the last day counted. Unless expressly stated to the contrary, deadlines in this Agreement, including all addenda, expressed as a specific date shall end at 5:00 p.m. Eastern Time on such date.

24. CONFIDENTIALITY: Buyer and Seller authorize the disclosure of the information herein to the real estate licensees, attorneys, lenders, appraisers, inspectors, investigators and others involved in the transaction necessary for the purpose of closing this transaction. Buyer and Seller authorize the lender and/or closing agent preparing the closing statement to release a copy of the closing statement to the parties and their licensees prior to, at and after the closing.

25. ADDENDA: Lead Paint - Yes No ; Other - Yes No

Explain: Condo Addendum

The Property Disclosure Form is not an addendum and not part of this Agreement.

26. OTHER CONDITIONS: At closing, Buyer shall execute the two (2) year statute of limitations certificate substantially in the form attached to the Public Offering Statement as Exhibit 7, and pay to the Condominium Association the initial capital payment described in the Public Offering Statement and in Section 5.7 of the Bylaws.

27. GENERAL PROVISIONS:

- a. A copy of this Agreement is to be received by all parties and, by signature, receipt of a copy is hereby acknowledged. If not fully understood, contact an attorney. This is a Maine contract and shall be construed according to the laws of Maine.
- b. Seller acknowledges that State of Maine law requires buyers of property owned by non-resident sellers to withhold a prepayment of capital gains tax unless a waiver has been obtained by Seller from the State of Maine Revenue Services.
- c. Buyer and Seller acknowledge that under Maine law payment of property taxes is the legal responsibility of the person who owns the property on April 1, even if the property is sold before payment is due. If any part of the taxes is not paid when due, the lien will be filed in the name of the owner as of April 1 which could have a negative impact on their credit rating. Buyer and Seller shall agree at closing on their respective obligations regarding actual payment of taxes after closing. Buyer and Seller should make sure they understand their obligations agreed to at closing and what may happen if taxes are not paid as agreed.
- d. Buyer acknowledges that Maine law requires continuing interest in the property and any back up offers to be communicated by the listing agent to the Seller.

Buyer's Mailing address is _____

BUYER DATE BUYER DATE

Seller accepts the offer and agrees to deliver the above-described property at the price and upon the terms and conditions set forth and agrees to pay agency a commission for services as specified in the listing agreement.

Seller's Mailing address is 19 South Street Suite # 5, Portland, ME 04101

SELLER G. O. Enterprises, LLC DATE SELLER DATE

COUNTER-OFFER

Seller agrees to sell on the terms and conditions as detailed herein with the following changes and/or conditions:

The parties acknowledge that until signed by Buyer, Seller's signature constitutes only an offer to sell on the above terms and the offer will expire unless accepted by Buyer's signature with communication of such signature to Seller by (date) _____ (time) _____ AM _____ PM.

SELLER DATE SELLER DATE

The Buyer hereby accepts the counter offer set forth above.

BUYER DATE BUYER DATE

EXTENSION

The closing date of this Agreement is extended until _____
DATE

SELLER DATE SELLER DATE

BUYER DATE BUYER DATE



CONDOMINIUM ADDENDUM

To Agreement dated _____, between G. O. Enterprises, LLC

_____ ("Seller")

and _____ ("Buyer")

for property located at Unit # @ 234/236 Eastern Promenade, Portland, ME 04101

The Purchase and Sale Agreement is further subject to the following terms:

- 1. Seller shall provide Buyer with a copy of the current Condominium Declaration, Bylaws and Rules/Regulations and an original Resale Certificate for the Promenade Place Condominium Association in accordance with the Maine Condominium Act* within 2 days of the Effective Date of this Agreement.
2. Buyer shall have 5 days (by statute cannot be less than 5 calendar) from receipt to review and approve above documents. If Buyer is not satisfied with such documents, Buyer may terminate this Agreement by written notice to Seller within the specified number of days in which case the earnest money deposit shall be returned to Buyer. In the event Buyer does not so notify Seller within the specified number of days, this contingency is waived by Buyer.
3. Seller represents that condominium association fees in the current amount of \$ _____ are due [X] monthly [] quarterly, and include the following:

- Water: [X] Yes [] No [] Unknown
• Sewer: [X] Yes [] No [] Unknown
• Heat: [] Yes [X] No [] Unknown
• Hot Water: [] Yes [X] No [] Unknown
• Insurance: [X] Yes [] No [] Unknown
• Maintenance: [X] Yes [] No [] Unknown
• Other: Snow/Landscape [X] Yes [] No [] Unknown
• Other: Capital Reserves [X] Yes [] No [] Unknown

The association fees are payable to Promenade Place at the following address: _____

Buyer _____ Date _____

Seller _____ Date _____
G. O. Enterprises, LLC

Buyer _____ Date _____

Seller _____ Date _____

* The Maine Condominium Act establishes the following requirements in connection with the resale of a condominium unit: A unit owner is required to furnish to a purchaser a copy of the declaration (other than the plats and plans), the bylaws, the rules or regulations of the association, and a reasonably current certificate containing the items set forth in 33 MRSA §1604-108. The condominium's association is required, within 10 calendar days after a request by a unit owner and payment of any reasonable fee established by the association, to furnish a certificate containing the information necessary to enable the unit owner to comply with this requirement. If the certificate is not provided prior to execution of the purchase contract, the purchase contract is voidable by the purchaser until the certificate has been provided and for 5 calendar days thereafter or until conveyance, whichever first occurs.



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PROMENADE PLACE CONDOMINIUM

AGREEMENT TO REDUCE PERIOD OF LIMITATIONS

(Unit Owner)

UNIT ____

Issued To and Accepted By

[_____]

(Buyer)

The Seller, G.O. Enterprises, LLC, as Declarant, has created Promenade Place Condominium and has sold Unit ____ to the Buyer pursuant to a Purchase and Sale Agreement dated _____, 2014 between the Seller and Buyer. The Buyer agrees with the Seller pursuant to the Public Offering Statement, as follows:

1. The six (6) year period (during which a judicial proceeding for breach of any obligation arising under Section 1604-112 and 1604-113 of the Maine Condominium Act must be commenced) is hereby reduced to a period of limitations of two (2) years as permitted pursuant to Section 1604-115(a) of the Maine Condominium Act.

2. Accordingly, the statute of limitations with respect to the Units is reduced to two (2) years from the date hereof.

3. Except as modified hereby, the said Purchase and Sale Agreement between the Seller and the Buyer and any limitation on express and limited warranties between the Seller and the Buyer remain in full force and effect.

Dated _____, 2014

[BUYER]

[BUYER]

PROMENADE PLACE CONDOMINIUM

AGREEMENT TO REDUCE PERIOD OF LIMITATIONS

(Common Elements)

Issued To and Accepted By

Promenade Place Condominium Association

The Seller, G.O. Enterprises, LLC, as Declarant, has created Promenade Place Condominium. Promenade Place Condominium Association agrees with the Seller pursuant to the terms of the Public Offering Statement, as follows:

1. The six (6) year period during which a judicial proceeding for breach of any obligation arising under Section 1604-112 and 1604-113 of the Maine Condominium Act must be commenced with respect to the Common Elements, is hereby reduced to a period of limitations of two (2) years as permitted pursuant to Section 1604-115(a) of the Maine Condominium Act.

2. Accordingly, the statute of limitations with respect to the Common Elements is reduced to two (2) years from the date hereof.

3. Except as modified hereby, the various agreements between the Seller and the Unit owners described in the Public Offering Statement issued by the Seller to the Association and the Unit owners remain in full force and effect.

Dated _____, 2014

G. O. ENTERPRISES, LLC
CONDOMINIUM LLC

By: _____

Name:

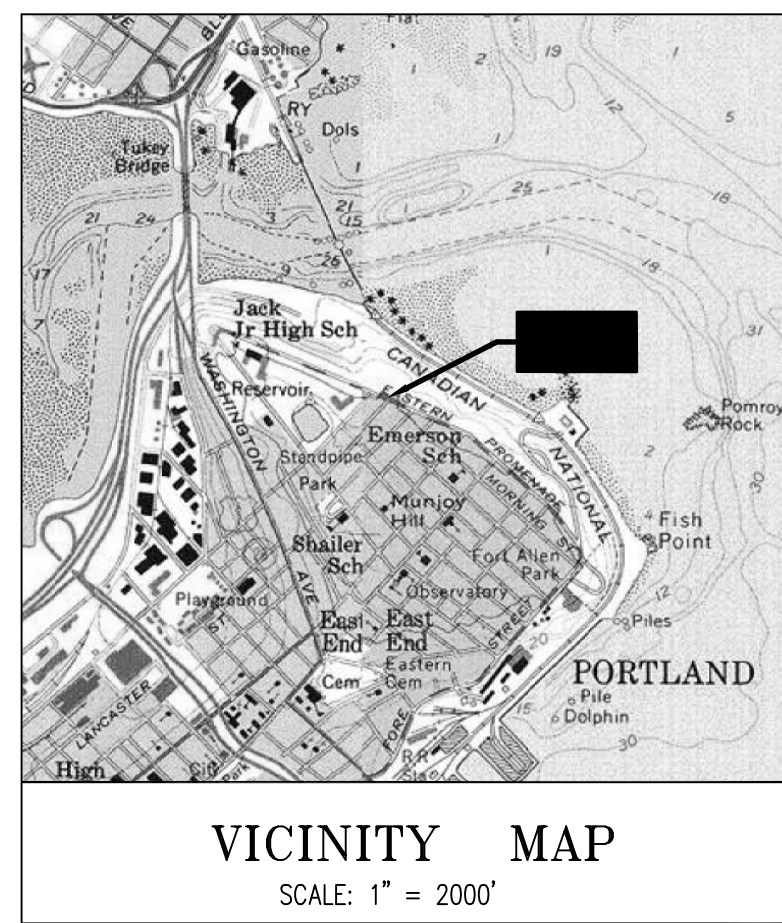
Title:

PROMENADE PLACE CONDOMINIUM
ASSOCIATION

By: _____

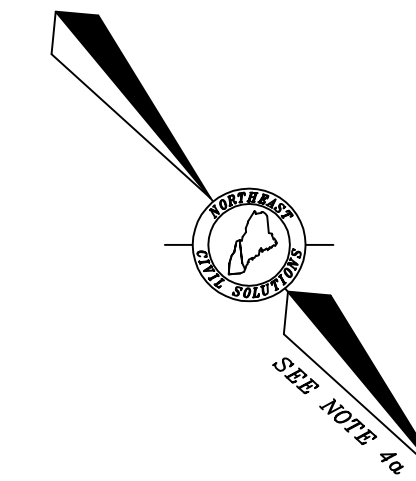
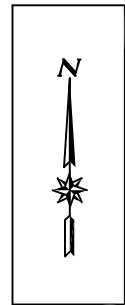
Name:

Title:



VICINITY MAP

SCALE: 1" = 2000'

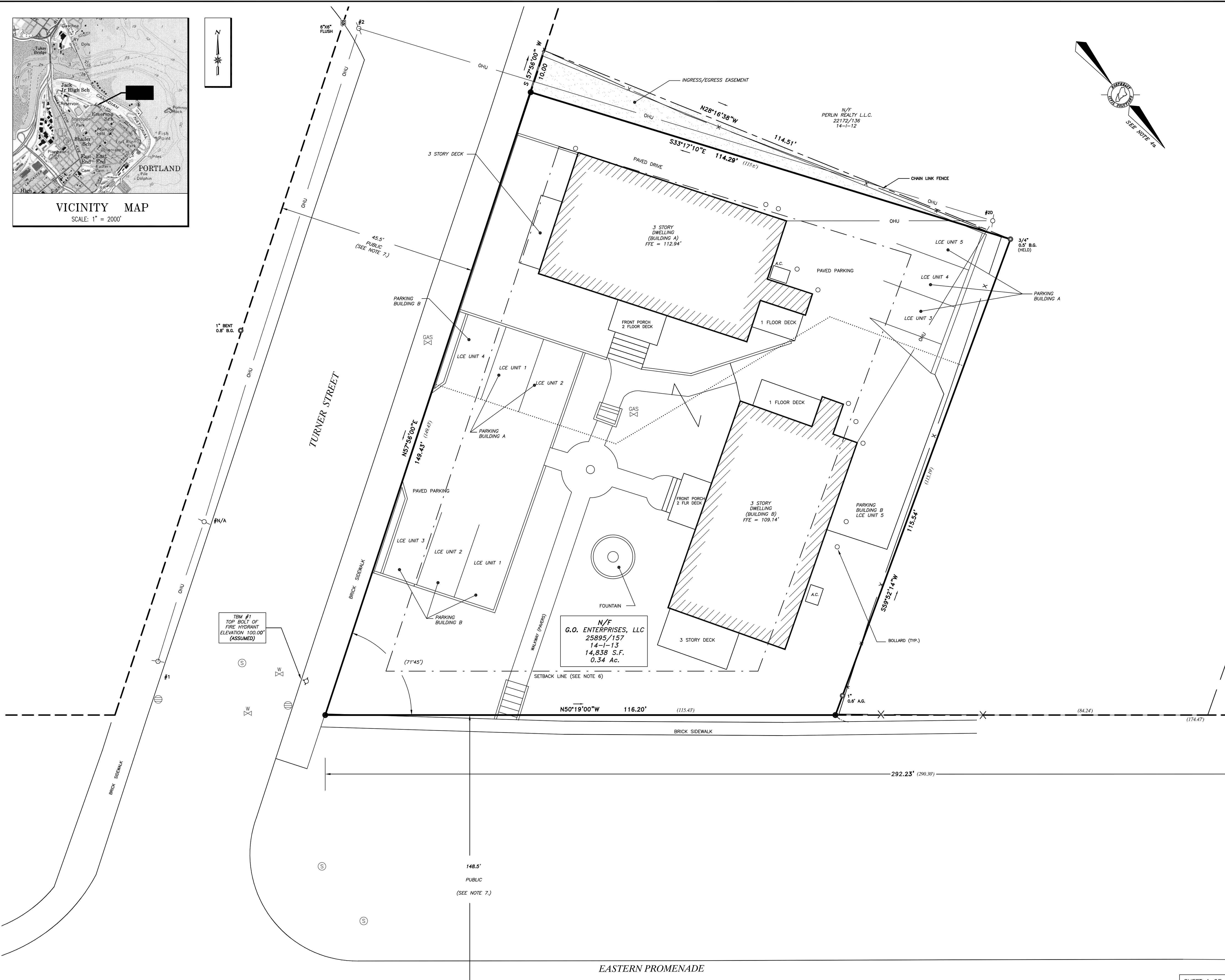


LEGEND

- SET #5 REBAR WITH PLASTIC CAP STAMPED "NCS, INC. PLS 1314" (SET IN DECEMBER 2005)
- FOUND IRON PIN (SIZE & TYPE AS NOTED)
- ⊕ REBAR FOUND (SIZE AND TYPE AS NOTED)
- ⊗ FOUND MONUMENT (SIZE & TYPE AS NOTED)
- UTILITY POLE (NUMBER AS NOTED)
- BOUNDARY LINE
- INTERIOR LOT LINE
- EDGE OF PAVEMENT
- RIGHT-OF-WAY LINE
- ABUTTER LINE
- OVERHEAD UTILITY
- OHU OVERHEAD UTILITY
- N/F NOW OR FORMERLY OWNED BY
- 1234/567 DEED BOOK AND PAGE (CCRD)
- 12-3-45 TAX MAP-BLOCK-LOT
- (123.45) PARENTHESIS DENOTE RECORD DATA

NOTES

1. THE BASIS OF BEARING FOR THIS SURVEY WAS TAKEN FROM THE PLAN REFERENCED IN NOTE 4c. BELOW.
2. DEED AND PLAN BOOK REFERENCES ARE TO THE CUMBERLAND COUNTY REGISTRY OF DEEDS. (C.C.R.D.)
3. RECORD OWNERSHIP OF THE PARCEL SURVEYED CAN BE FOUND IN A DEED FROM TURNER EASTERN PROMENADE, LLC TO G.O. ENTERPRISES, LLC., DATED MARCH 14, 2008 AND RECORDED IN BOOK 25895, PAGE 157. (C.C.R.D.)
4. REFERENCE IS MADE TO THE FOLLOWING PLANS:
 - a. PROPOSED PLOT PLAN EASTERN PROMENADE AND TURNER ST. RECORDED IN PLAN BOOK 28, PAGE 28. (C.C.R.D.)
 - b. PLAN ACCOMPANYING THE DIVISION OF LAND ON MUNJOY HILL IN PORTLAND DATED MARCH 8, 1858 AND RECORDED IN PLAN BOOK 2, PAGE 13.
 - c. CITY OF PORTLAND STREET LINE SHEETS FOR EASTERN PROMENADE, TURNER STREET, QUEBEC STREET AND EMERSON STREET.
 - d. PROMENADE BY THE BAY CONDOMINIUM PLAN FOR G.O. ENTERPRISES, LLC. BY NORTHEAST CIVIL SOLUTIONS, DATED DECEMBER 22, 2005 AND REVISED ON MARCH 5, 2014 UNRECORDED
5. THE PARCEL SURVEYED IS IDENTIFIED ON THE CITY OF PORTLAND ASSESSORS MAP 14, BLOCK 1, LOT 13.
6. THE PARCEL SURVEYED IS LOCATED IN THE R-6 ZONE. PORTIONS OF BULK AND SPACE REQUIREMENTS ARE AS FOLLOWS:
 MINIMUM LOT SIZE = 4500 S.F.
 MINIMUM FRONTAGE = 40 FEET.
 SETBACKS:
 FRONT = 10 FEET
 SIDE = 10 FEET
 REAR = 20 FEET
7. THE WIDTH AND LAYOUT OF THE EASTERN PROMENADE AND TURNER STREET WAS TAKEN FROM THE PLAN REFERENCED IN NOTE 4c. ABOVE. SAID WIDTH OF TURNER STREET IS 45.5 FEET. SAID WIDTH OF EASTERN PROMENADE IS 148.5 FEET.
8. ELEVATIONS ARE ASSUMED. SEE PLAN FOR TBM DESCRIPTION.
9. THIS SURVEY WAS PERFORMED WITH SEVERAL INCHES OF SNOW AND ICE ON THE GROUND.



N/F
G.O. ENTERPRISES, LLC
25895/157
14-1-13
14,838 S.F.
0.34 Ac.

TBM #1
TOP BOLT OF
FIRE HYDRANT
ELEVATION 100.00'
(ASSUMED)

| | |
|---------------------------------|---|
| PROJECT: 27991 | DRAWING NAME: 27991.DWG |
| DATE: DECEMBER 22, 2005 | SCALE: 1" = 10' |
| REVISED DATE: NOVEMBER 8, 2007 | COMMENTS: INGRESS/EGRESS EASEMENT ADDED |
| REVISED DATE: FEBRUARY 19, 2008 | COMMENTS: NAME CHANGE/LOT IMPROVEMENTS |
| REVISED DATE: MARCH 18, 2014 | COMMENTS: VERIFY COMMON AREA DIMENSIONS |
| REVISED DATE: APRIL 11, 2014 | COMMENTS: REVISE SCALE OF DRAWING |
| REVISED DATE: APRIL 16, 2014 | COMMENTS: REVISE BUILDING NUMBERS |

PROMENADE PLACE
CONDOMINIUM PLAN
234 & 236 EASTERN PROMENADE, PORTLAND, MAINE

Owner:
G.O. ENTERPRISES, LLC
19 SOUTH STREET, UNIT 5, PORTLAND, MAINE 04101

Prepared For:
G.O. ENTERPRISES, LLC
19 SOUTH STREET, UNIT 5, PORTLAND, MAINE 04101

SURVEYING ENGINEERING LAND PLANNING
Northeast Civil Solutions
INCORPORATED
153 US ROUTE 1, SCARBOROUGH, MAINE 04074

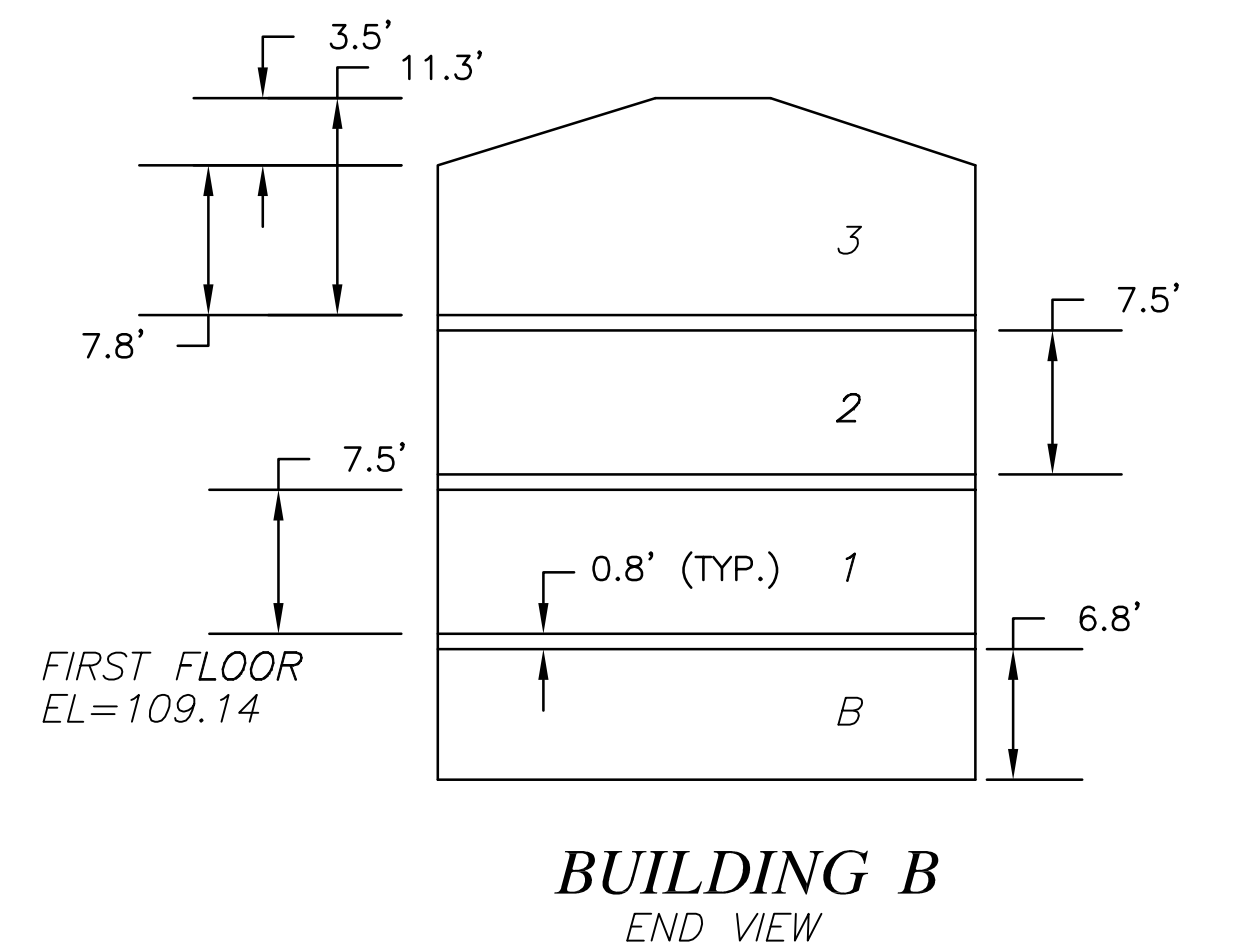
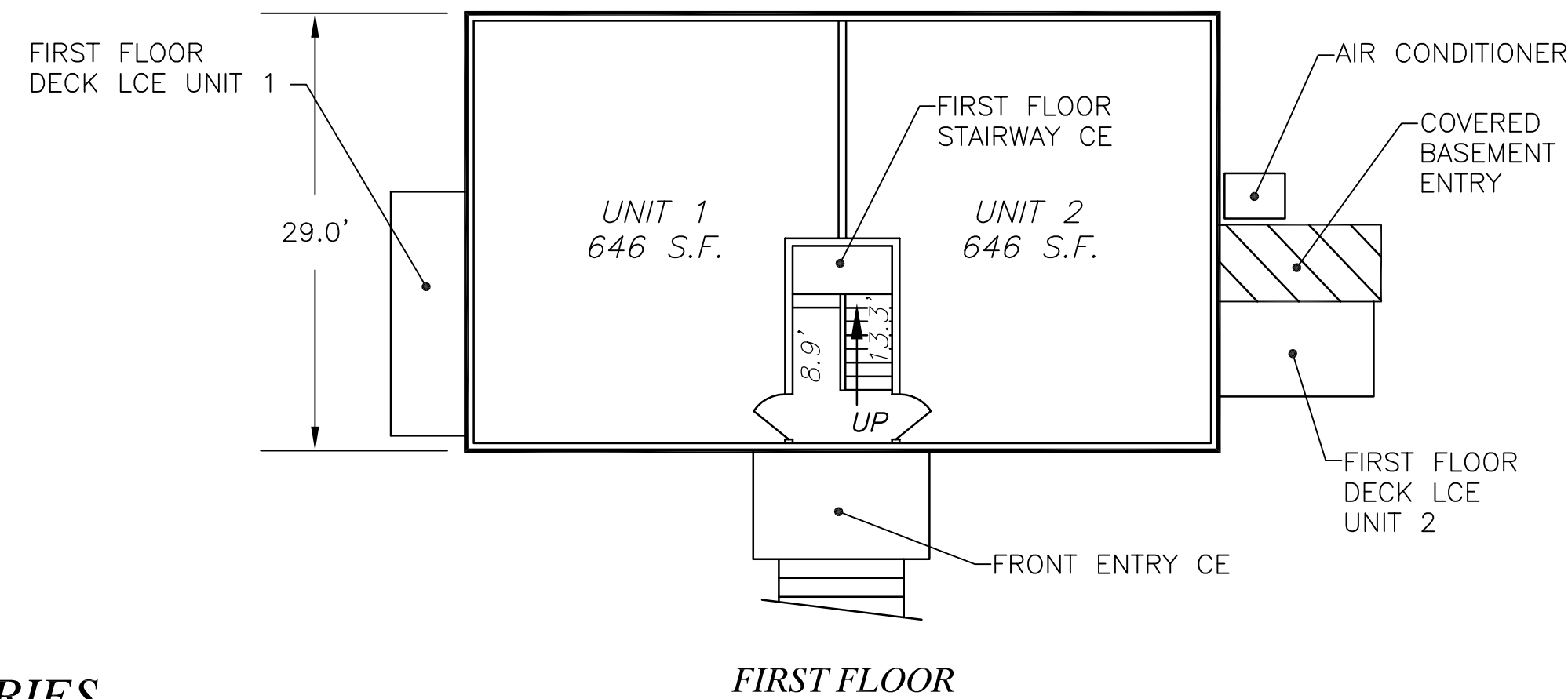
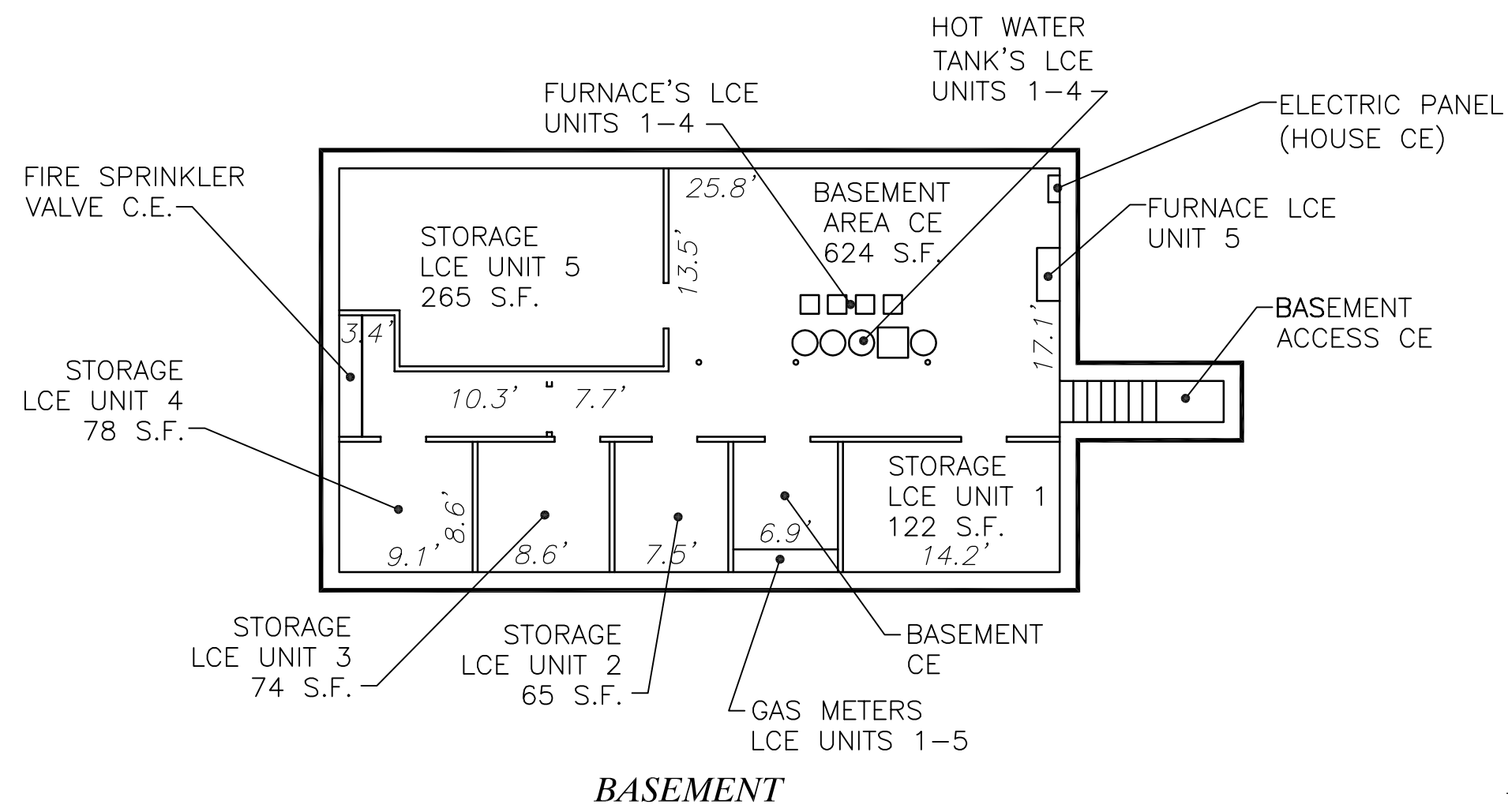
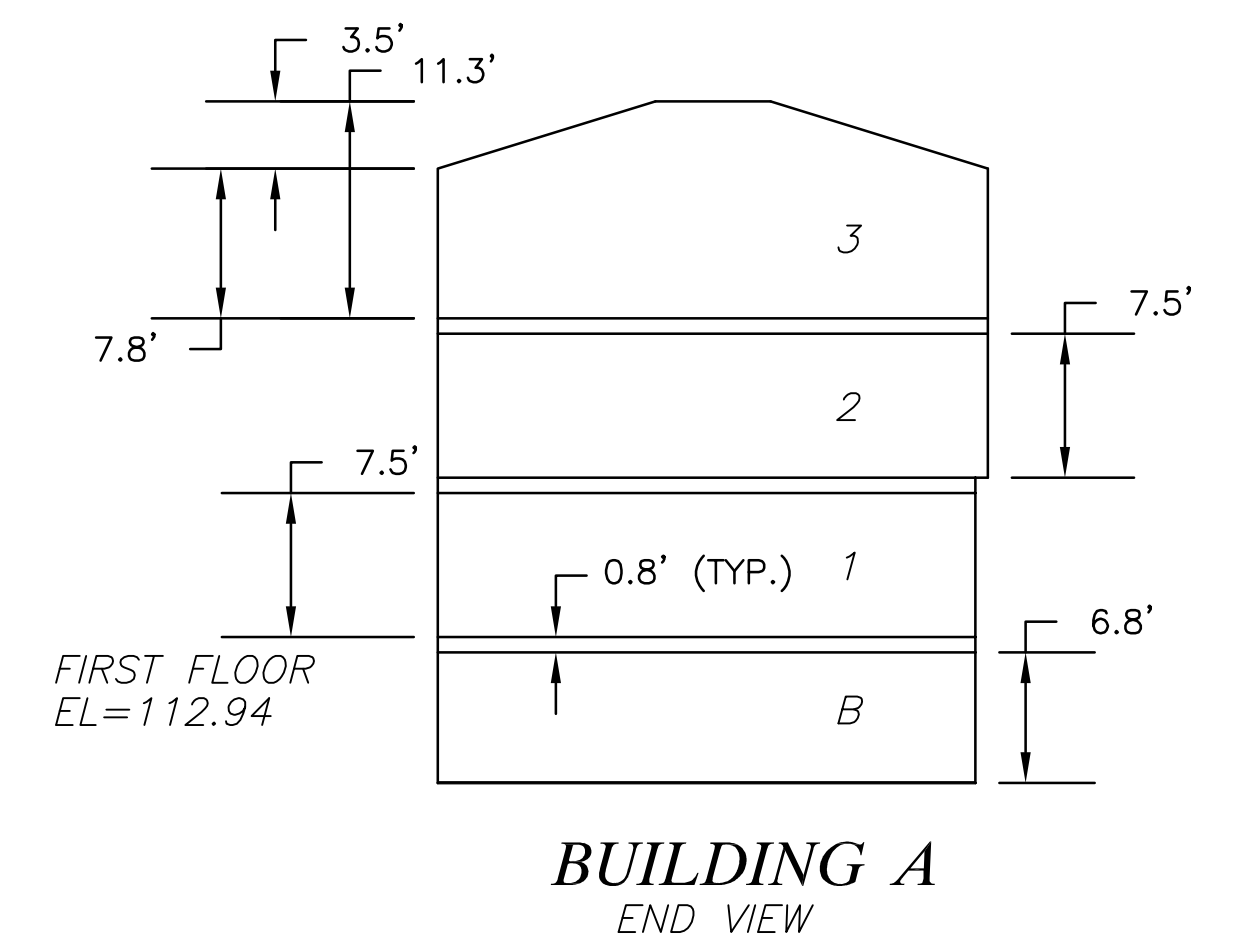
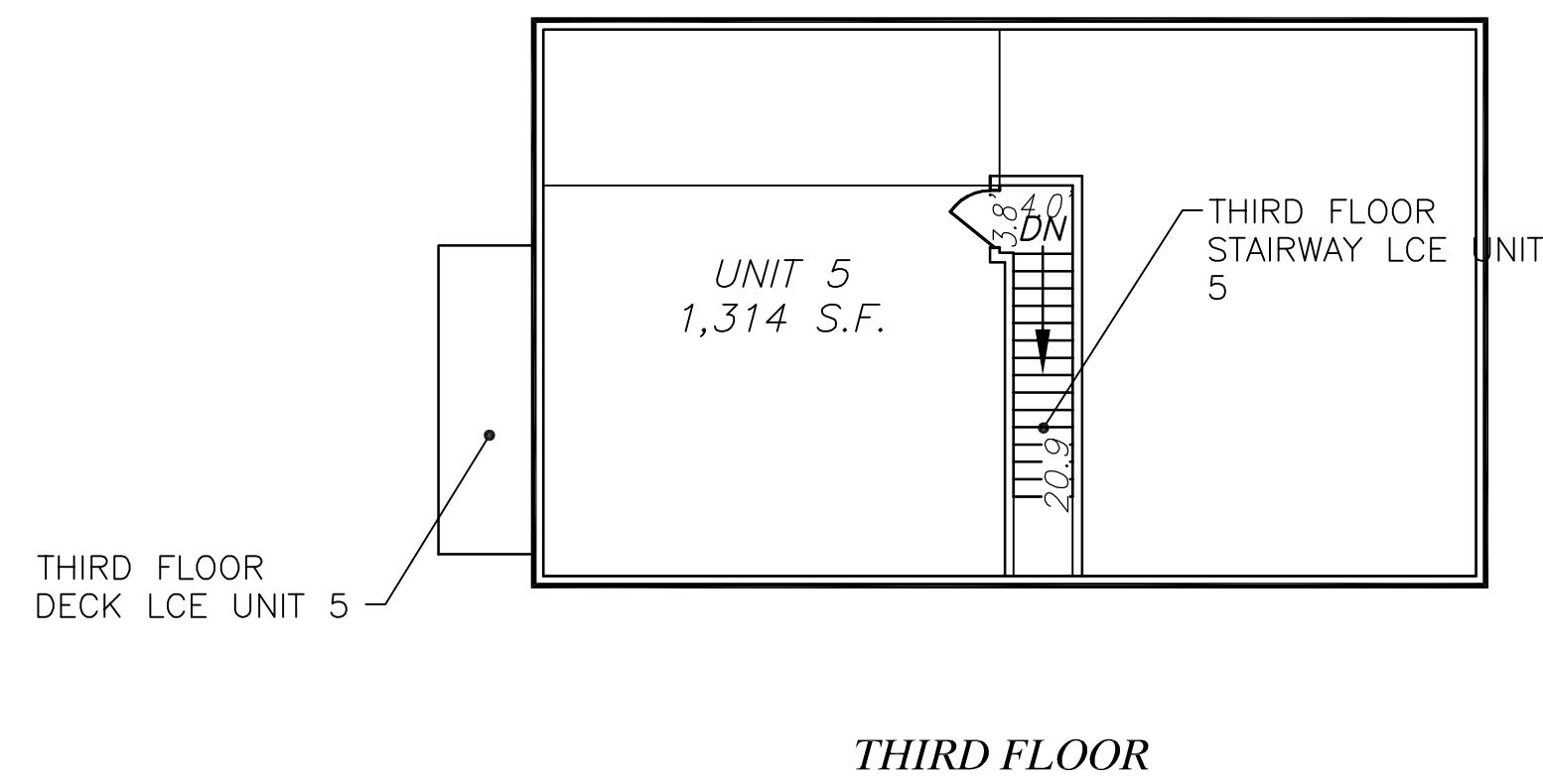
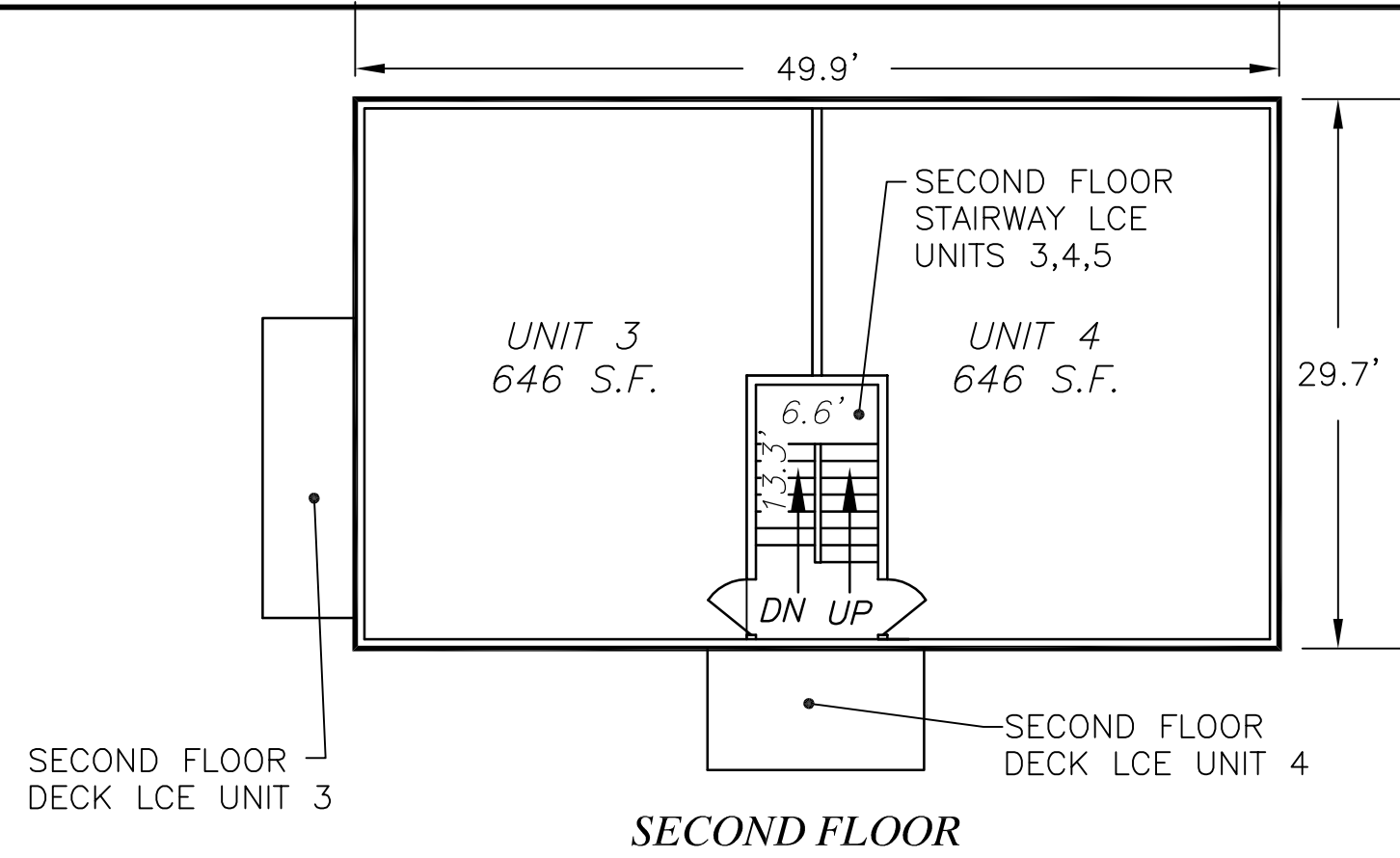
tel 207.883.1000 fax 207.883.1001 e-mail info@northeastcivilsolutions.com
800.882.2227

STAMP AND SIGNATURE

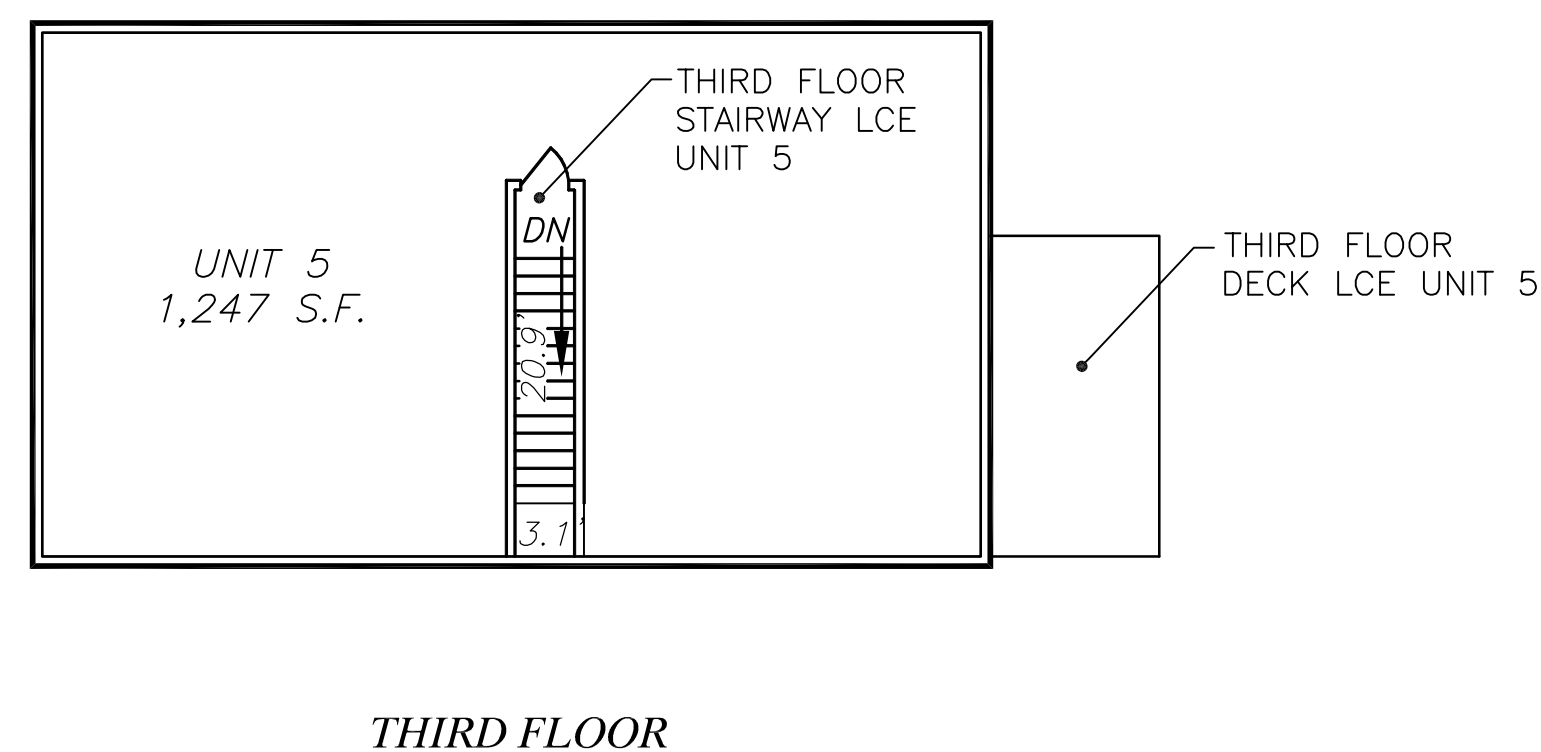
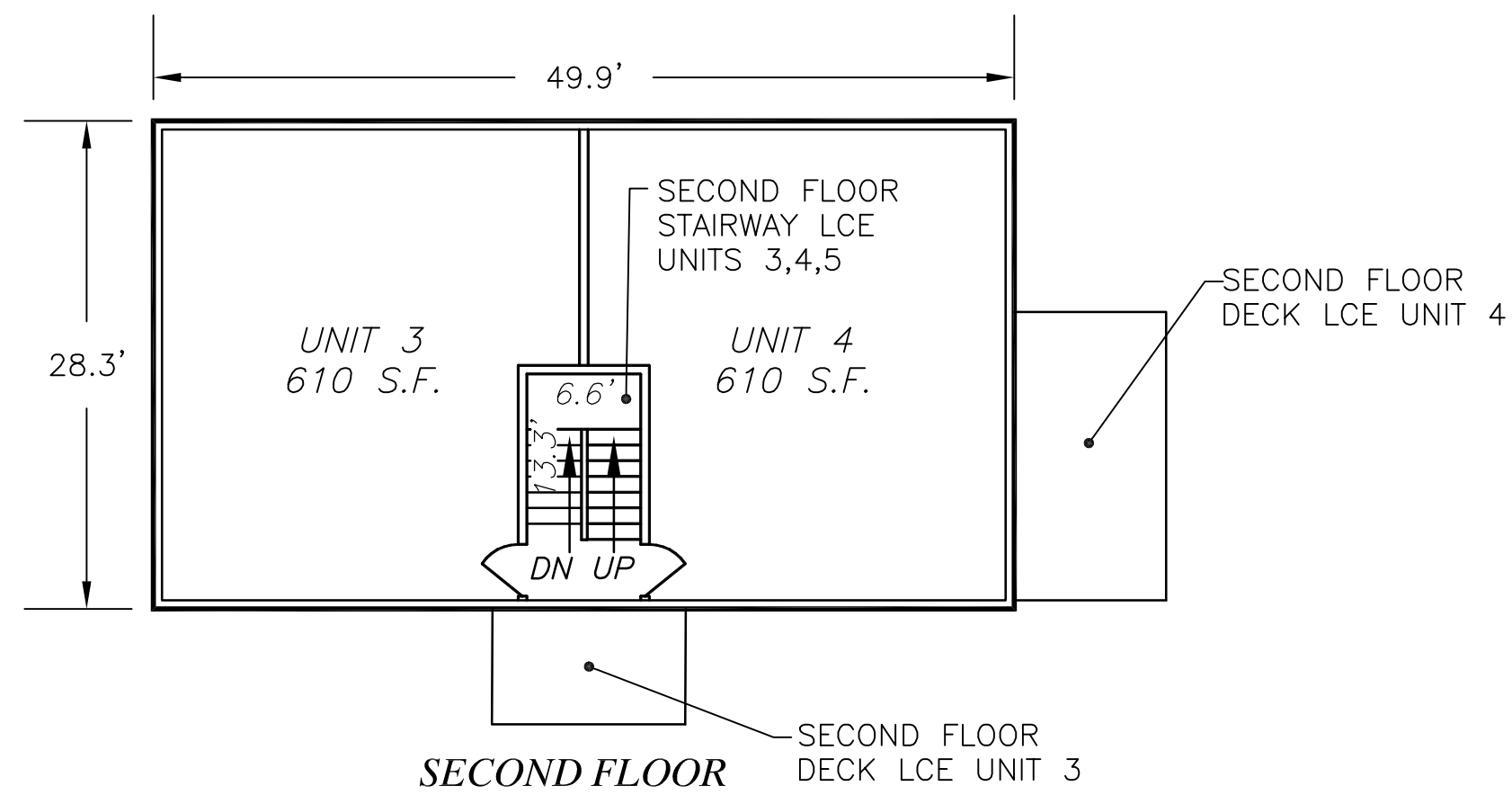
J. B. 4-16-2014

M. JOHANN BUISMAN
1314
PROFESSIONAL SURVEYOR

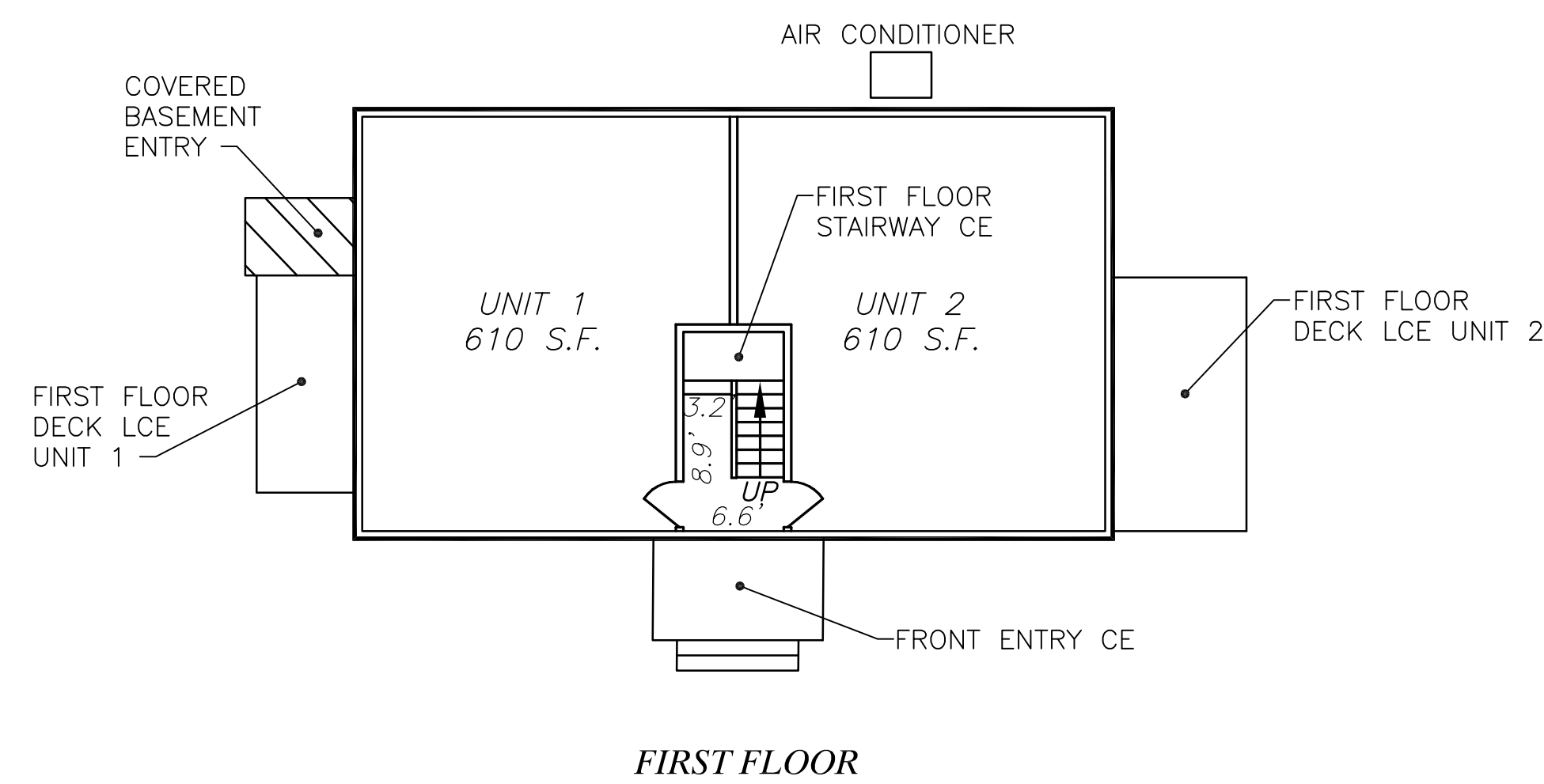
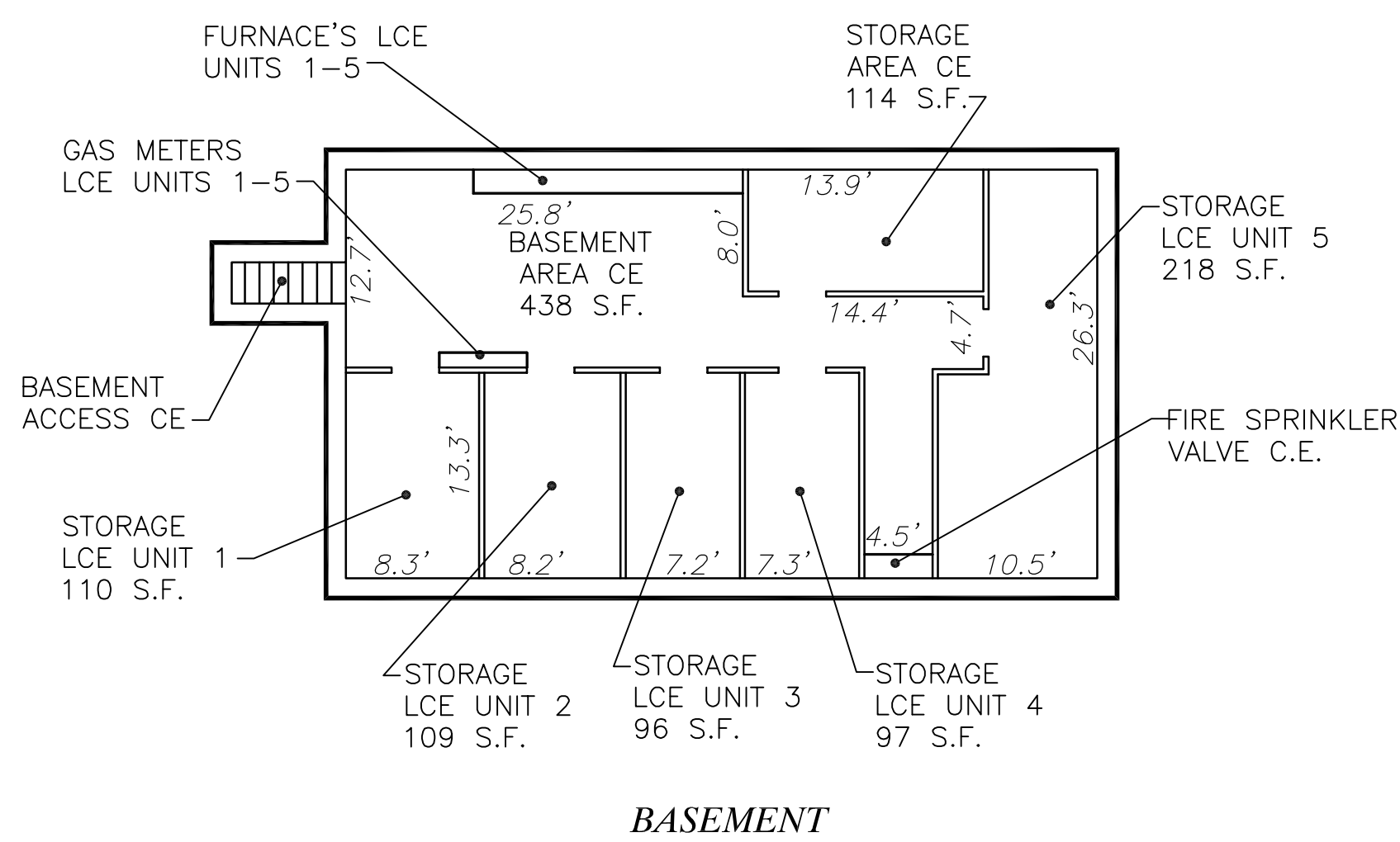
IF THIS PLAN DOES NOT CONTAIN AN EMBOSSED SEAL, IT IS NOT AN ORIGINAL AND MAY BE VOID.



BUILDING A
VERTICAL BOUNDARIES



BUILDING B
HORIZONTAL BOUNDARIES



BUILDING B
VERTICAL BOUNDARIES

| | |
|------------------------------|------------------------------------|
| PROJECT: 27991 | DRAWING NAME: 27991.DWG |
| DATE: FEBRUARY 19, 2008 | SCALE: 1"= 10' |
| REVISED DATE: APRIL 16, 2014 | COMMENTS: REVISED BUILDING NUMBERS |

Drawing Name and Location:
PROMENADE PLACE CONDOMINIUM
HORIZONTAL AND VERTICAL BOUNDARIES
 234 & 236 EASTERN PROMENADE, PORTLAND, MAINE

Owner:
G.O. ENTERPRISES, LLC
 19 SOUTH STREET, UNIT 5, PORTLAND, MAINE 04101

Prepared For:
G.O. ENTERPRISES, LLC
 19 SOUTH STREET, UNIT 5, PORTLAND, MAINE 04101

SURVEYING ENGINEERING LAND PLANNING
Northeast Civil Solutions
 INCORPORATED
 153 US ROUTE 1, SCARBOROUGH, MAINE 04074

tel 207.883.1000 fax 207.883.1001 e-mail info@northeastcivilsolutions.com
 800.882.2227

0 10' 20' 40'

STAMP AND SIGNATURE

J. B. 4-16-2014
 M. JOHANN BUISMAN
 1314
 PROFESSIONAL SURVEYOR
 STATE OF MAINE
 No. 1314

DATE