

27-C-1

2005-0096

266 Cumberland Ave.

Chestnut St. Church

Chestnut St. LLC.



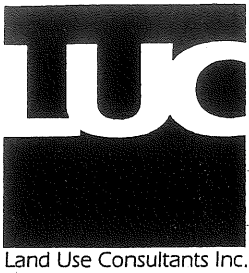
We are submitting plans to the City of Portland for review, to meet with the Planning Board on June 7. Thank you for your timely attention to this matter. Please call if you have any technical comments, or need additional information. The time frame for this project is on a fairly fast track and any effort to reduce the overall timeframe using telephone, fax or e-mail would be greatly appreciated.

Sincerely,

A handwritten signature in black ink, which appears to read "Thomas D. Doyle". The signature is written in a cursive style and is positioned above the typed name.

Thomas D. Doyle, EI
Project Civil Engineer
tdoyle@landuseinc.net

encl:



David A. Kamila PE
Frederic J. Licht PE
Thomas N. Emery RLA
J. David Haynes RLA

FILE COPY

June 1, 2005

4376

p l a n n e r s
e n g i n e e r s
l a n d s c a p e
a r c h i t e c t s

George Hillman
Verizon
Engineering Dept.
5 Davis Farm Road
Portland, Maine 04103

Chestnut Street Lofts, Portland, Maine:

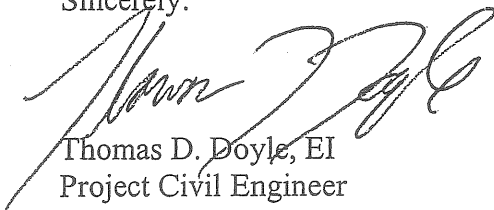
Dear Mr. Hillman:

Land Use Consultants, Inc. (LUC) is pleased to submit the attached Plans for Chestnut Street Lofts on behalf of Chestnut Street, LLC. The project site is located on Chestnut Street between Cumberland Avenue and Congress Street. The project replaces the existing Chestnut Street United Methodist Church with condominium units and commercial space.

The existing parcel consists of the Chestnut Street United Methodist Church and parking spaces for 46 vehicles. The proposed Chestnut Street Lofts project will consist of 38 Condominium Units, of which 30 will be one bedroom units and 8 will be 2 bedroom units, and 3,000 S.F. of commercial space. In addition to the 38 condominium units and 3,000 SF of commercial space there will also be a 38 space parking lot for the project. The project will include connection to the existing telephone service on Chestnut Street.

We are submitting plans to the City of Portland for review, to meet with the Planning Board on June 7. Thank you for your timely attention to this matter. Please call if you have any technical comments, or need additional information. The time frame for this project is on a fairly fast track and any effort to reduce the overall timeframe using telephone, fax or e-mail would be greatly appreciated.

Sincerely:

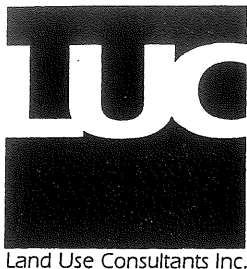


Thomas D. Doyle, EI
Project Civil Engineer

966 RIVERSIDE STREET
PORTLAND, MAINE 04103

Encl: Drawings:

voice (207) 878 · 3313
f a x (207) 878 · 0201
email: landuse@landuseinc.net



David A. Kamila PE
 Frederic J. Licht PE
 Thomas N. Emery RLA
 J. David Haynes RLA

FILE COPY

June 1, 2005

4376

Terry Bradish
 Central Maine Power
 162 Canco Road
 Portland, Maine 04103

*p l a n n e r s
 e n g i n e e r s
 l a n d s c a p e
 a r c h i t e c t s*

Chestnut Street Lofts, Portland, Maine:

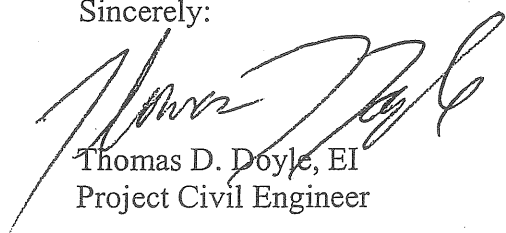
Dear Mr. Bradish:

Land Use Consultants, Inc. (LUC) is pleased to submit the attached Plans for Chestnut Street Lofts on behalf of Chestnut Street, LLC. The project site is located on Chestnut Street between Cumberland Avenue and Congress Street. The project replaces the existing Chestnut Street United Methodist Church with condominium units and commercial space.

The existing parcel consists of the Chestnut Street United Methodist Church and parking spaces for 46 vehicles. The proposed Chestnut Street Lofts project will consist of 38 Condominium Units, of which 30 will be one bedroom units and 8 will be 2 bedroom units, and 3,000 S.F. of commercial space. In addition to the 38 condominium units and 3,000 SF of commercial space there will also be a 38 space parking lot for the project. The project will include connection to the existing electrical service on Chestnut Street.

We are submitting plans to the City of Portland for review, to meet with the Planning Board on June 7. Thank you for your timely attention to this matter. Please call if you have any technical comments, or need additional information. The time frame for this project is on a fairly fast track and any effort to reduce the overall timeframe using telephone, fax or e-mail would be greatly appreciated.

Sincerely:

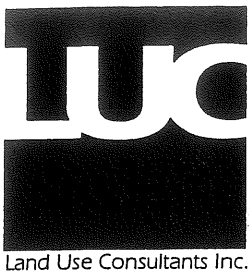


Thomas D. Doyle, EI
 Project Civil Engineer

Encl: Drawings:

966 RIVERSIDE STREET
 PORTLAND, MAINE 04103

voice (207) 878 · 3313
 fax (207) 878 · 0201
 email: landuse@landuseinc.net



David A. Kamila PE
Frederic J. Licht PE
Thomas N. Emery RLA
J. David Haynes RLA

FILE COPY

June 1, 2005

4376

*p l a n n e r s
e n g i n e e r s
l a n d s c a p e
a r c h i t e c t s*

Colin Chase
Construction Services
Time Warner Cable
118 Johnson Road
Portland, Maine 04102

Chestnut Street Lofts, Portland, Maine:

Dear Mr. Chase:

Land Use Consultants, Inc. (LUC) is pleased to submit the attached Plans for Chestnut Street Lofts on behalf of Chestnut Street, LLC. The project site is located on Chestnut Street between Cumberland Avenue and Congress Street. The project replaces the existing Chestnut Street United Methodist Church with condominium units and commercial space.

The existing parcel consists of the Chestnut Street United Methodist Church and parking spaces for 46 vehicles. The proposed Chestnut Street Lofts project will consist of 38 Condominium Units, of which 30 will be one bedroom units and 8 will be 2 bedroom units, and 3,000 S.F. of commercial space. In addition to the 38 condominium units and 3,000 SF of commercial space there will also be a 38 space parking lot for the project. The project will include connection to the existing cable service on Chestnut Street.

We are submitting plans to the City of Portland for review, to meet with the Planning Board on June 7. Thank you for your timely attention to this matter. Please call if you have any technical comments, or need additional information. The time frame for this project is on a fairly fast track and any effort to reduce the overall timeframe using telephone, fax or e-mail would be greatly appreciated.

Sincerely:

Thomas D. Doyle, EI
Project Civil Engineer

966 RIVERSIDE STREET
PORTLAND, MAINE 04103

Encl: Drawings:

voice (207) 878 · 3313
f a x (207) 878 · 0201
email: landuse@landuseinc.net

DRAINAGE MAINTENANCE AGREEMENT

IN CONSIDERATION OF site plan and subdivision approval granted by the Planning Board of the City of Portland to a plan entitled "Recording Plat, Chestnut Street Lofts," dated July 19, 2005, last revised _____, 2005, filed with the City of Portland, Department of Planning and Urban Development, 389 Congress Street, Portland, Maine, and to be recorded at the Cumberland County Registry of Deeds and pursuant to a condition thereof, CHESTNUT STREET LOFTS LLC, a Maine limited liability company with a place of business at Portland, Maine, the owner of the subject premises, does hereby agree, for itself, its successors and assigns (the "Owner)", as follows:

That it will, at its own cost and expense and at all times in perpetuity, maintain in good repair and in proper working order the surface water drainage system as shown on said plan, including but not limited to the catch basins and the outlet or outlets therefrom, for the benefit of the said City of Portland, all persons in lawful possession of said premises and abutters thereto; further, that the said City of Portland, said persons in lawful possession and said abutters, or any of them, may enforce this Agreement by an action at law or in equity in any court of competent jurisdiction; further, that after giving the Owner written notice and a reasonable time to perform, the said City of Portland may, by its authorized agents or representatives, enter upon said premises or any of said surface water drainage system in the event of any failure or neglect thereof, the cost and expense thereof to be reimbursed in full to the said City of Portland by the Owner upon demand.

This Agreement shall not confer upon the City of Portland or any other person the right to utilize said surface water drainage system for public use or for the development of any other property, and the Owner shall bear no financial responsibility by virtue of this Agreement for enlarging the capacity of said surface water drainage system for any reason whatsoever.

This Agreement shall bind the undersigned only so long as it retains any interest in said premises, and shall run with the land and be binding upon its successors and assigns as their interests may from time to time appear.

Dated at Portland, Maine this _____ day of _____, 20__.

CHESTNUT STREET LOFTS LLC

By _____
Richard Berman, its Member

STATE OF MAINE
CUMBERLAND, ss.

_____, 20__

Personally appeared the above-named Richard Berman, Member of Chestnut Street Lofts LLC, as aforesaid, 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.

Before me,

Notary Public/Attorney at Law

Print Name: _____

LICENSE AGREEMENT

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the CITY OF PORTLAND, a Maine body corporate and politic, with a mailing address of City Hall, 389 Congress Street, Portland, Maine 04101 (the "City"), hereby GRANTS to CHESTNUT STREET LOFTS LLC, a Maine limited liability company with a place of business in Portland, Maine and mailing address c/o Berman Associates, One India Street, Portland, Maine 04101 ("Grantee") a revocable license to occupy portions of land owned by the City comprising the subsurface foundation footings on the northwesterly side of Cumberland Avenue and the southwesterly side of Chestnut Street in Portland, Maine (collectively "City's Land") which land abuts certain land of Grantee's located at Cumberland Avenue and Chestnut Street in Portland, Maine, described in a deed to Grantee of Chestnut Street United Methodist Church of even or near date to be recorded herewith (collectively "Grantee's Land"), solely for the purposes described herein, and subject to the following conditions.

1. The license granted herein is given for the following purposes and is located as described below:

A license, revocable as provided below, for the encroachment of improvements onto City's Land, extending as follows:

_____ inches (_____) at _____ feet (_____) below grade, from Grantee's Land onto City's Land (i) running southeasterly from the northeast corner of Chestnut Street and Cumberland Avenue a distance of sixty feet (60'), more or less, along the northerly sideline of Chestnut Street and (ii) running northeasterly from the northeast corner of Chestnut Street and Cumberland Avenue a distance of one hundred fourteen feet (114'), more or less, along the northeasterly sideline of Cumberland Avenue, for the purpose of permitting concrete footings to encroach onto City's Land.

2. Grantee, its successors and assigns (hereinafter collectively the "Licensees") shall indemnify the City, its officers, agents and employees from any and all claims which arise out of its use, or the use of others, of the City's Land as described above.

3. Licensees shall procure and maintain commercial general liability insurance in an amount of not less than Four Hundred Thousand Dollars (\$400,000) combined single limit, covering claims for bodily injury, death and property damage and shall either name the City of Portland as an additional insured with respect to such coverage or shall obtain a contractual liability endorsement covering the obligations of Licensees under the terms of this license.

4. This license is assignable to any subsequent owners of the buildings located on the land described on Exhibit A attached hereto.

5. This license may be revoked upon six (6) months written notice by the City in the event that: 1) the buildings shown on the attached plans (Exhibit B) fail to be constructed

substantially in accordance with such plans or any amendments thereto; 2) the buildings as shown on such plans or any amendments thereto are destroyed, removed or otherwise thereafter cease to exist on the site at Chestnut Street and Cumberland Avenue for a period of one year or more. City acknowledges that Grantee may amend this Agreement unilaterally for the purpose of correcting the site plans attached hereto as Exhibit B more accurately to show the encroachments described above that are being licensed under this agreement, provide the planning board or planning authority, as applicable, has approved any amended site plan.

6. This License Agreement supersedes and replaces all prior similar agreements between the parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed this _____ day of _____, 2005.

CITY OF PORTLAND

By: _____
Joseph E. Gray
Its City Manager

CHESTNUT STREET LOFTS LLC

By: _____
Richard Berman, its sole Member

STATE OF MAINE
CUMBERLAND, SS

_____, 2005

PERSONALLY APPEARED the above named Joseph E. Gray, City Manager of the City of Portland as aforesaid, and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of the City of Portland.

Before me,

Notary Public/Attorney at Law
Print name:
My commission expires:

EXHIBIT A

O:\MAS\05180 Berman\Chestnut Street\Title\City License Agreement.doc

for: Maintenance
(cross-easement)

EASEMENT

KNOW ALL PERSONS BY THESE PRESENTS, that CHESTNUT STREET CHURCH LLC, a Maine limited liability company with a place of business in Portland, Maine and mailing address in care of Berman Associates, One India Street, Portland, Maine 04101 ("Church"), FOR VALUABLE CONSIDERATION, hereby GRANTS to CHESTNUT STREET CHAPEL LLC, a Maine limited liability company with a place of business in Portland, Maine and mailing address in care of Berman Associates, One India Street, Portland, Maine 04101, its successors and assigns ("Chapel") an easement, more particularly described below; and Chapel, FOR VALUABLE CONSIDERATION, hereby GRANTS to Church, its successors and assigns, an easement, more particularly described below (collectively the "Easements"), for the purposes described below, over certain land of Church and Chapel located at Chestnut, Portland, Maine and more particularly described in a deed to Church from Chestnut Street United Methodist Church of even or near date to be recorded in the Cumberland County Registry of Deeds herewith ("Church Land") and certain land of Chapel located at Chestnut, Portland, Maine and more particularly described in a deed to Chapel from Chestnut Street United Methodist Church of even or near date to be recorded in the Cumberland County Registry of Deeds herewith ("Chapel Land"). The Easements are described as follows:

An easement over an area ten feet (10') wide, more or less, for ingress and egress by foot and all types of motor vehicles, extending from the Chapel's northeasterly sidewall to the Church's northwesterly sidewall and running northeasterly from Chestnut Street between the Chapel building and the Church building forty feet (40'), more or less, in order to load and unload ladders and other materials and equipment necessary for the maintenance and upkeep of the walls and roofs of the Church and Chapel buildings, and to perform maintenance, repairs and replacements on the walls and roof of each of the Church and the Chapel. The portion of the Church Land and the Chapel Land subject to this Easement shall not be used to park vehicles except for short periods of time to unload ladders, staging and other materials and equipment necessary during the periods of time such maintenance is being performed. The portion of the Church Land and the Chapel Land subject to this Easement is depicted on a plan entitled "Recording Plat Chestnut Street Lofts, 29 Chestnut St., Portland, ME 04101", dated July 19, 2005, prepared by TFH Architects for Chestnut Street Lofts, LLC and duly recorded in the Cumberland County Registry of Deeds in Plan Book ____, Page ____ (the "Plat"), and consists of the hatched area running between the Chapel's building and the Church's building and identified as "Proposed Cross Easement Church to Chapel and Chapel to Church for Maintenance".

At all times when performing maintenance activities, the parties shall exercise reasonable caution to prevent damage and unreasonable disruption to the Church Land and the Chapel Land, and upon the conclusion of all activities, each party shall remove all debris, ladders and scaffolding and shall return the other party's Land to its original condition prior to such maintenance activities. Neither party shall allow any mechanics liens to be filed against the other's Land, and if any such lien is filed, the party whose activities resulted in the filing of the lien shall immediately cause the same to be bonded off and discharged at its sole cost and expense.

IN WITNESS WHEREOF, the Church and Chapel herein have caused this instrument to be signed and sealed this ____ day of _____, 2005.

WITNESS:

CHESTNUT STREET CHAPEL LLC

By: _____

Richard Berman, its sole Member

CHESTNUT STREET CHURCH LLC

By: _____

Richard Berman, its sole Member

STATE OF MAINE
CUMBERLAND, ss.

_____, 2005

Personally appeared the above named Richard Berman, sole member of Chestnut Street Church LLC and Chestnut Street Chapel LLC, as aforesaid, and acknowledged the foregoing instrument to be his free act and deed in his said capacities and the free act and deed of said limited liability companies.

Before me,

Attorney-at-Law/Notary Public

Printed Name: _____

Commission expires: _____

for: Maintenance

EASEMENT

KNOW ALL PERSONS BY THESE PRESENTS, that CHESTNUT STREET LOFTS LLC, a Maine limited liability company with a place of business in Portland, Maine (the "Grantor") FOR CONSIDERATION PAID, hereby GRANTS to CHESTNUT STREET CHAPEL LLC, a Maine limited liability company with a place of business in Portland, Maine and mailing address c/o Berman Associates, One India Street, Portland, Maine 04101, its successors and assigns (the "Grantee") forever, a perpetual easement (the "Easement") for the purposes described below, over certain land of Grantor's located at Chestnut Street, Portland, Maine and more particularly described in a deed from Chestnut Street United Methodist Church of even or near date to be recorded herewith in the Cumberland County Registry of Deeds ("Grantor's Land"). Grantor's Land abuts certain land of Grantee located at Chestnut Street, Portland, Maine, and more particularly described in a deed from Chestnut Street United Methodist Church to the Grantee herein of even or near date to be recorded herewith (the "Grantee's Land"). The Easement is described as follows:

A ten foot (10') wide easement for ingress and egress by foot and all types of motor vehicles running along the northwesterly and rear (northeasterly) sidelines of Grantee's Land, in order to load and unload ladders and other materials and equipment necessary for the maintenance, repair and replacement of the walls and roof of Grantee's building. The portion of Grantor's Land described in this Easement shall not be used to park vehicles except for short periods of time to unload ladders, staging and other materials and equipment necessary when such maintenance is being performed. The portion of Grantor's Land subject to this Easement is depicted on a plan entitled "Recording Plat Chestnut Street Lofts, 29 Chestnut St., Portland, ME 04101", dated July 19, 2005, prepared by TTH Architects for Chestnut Street Lofts, LLC and duly recorded in the Cumberland County Registry of Deeds in Plan Book __, Page ____ (the "Plat"), and consists of the striped area running along the northwesterly and rear (northeasterly) sidelines of Grantee's Land and identified as "Proposed Easement Condo to Chapel for Maintenance".

At all times when performing maintenance activities, Grantee shall exercise reasonable caution to prevent damage and unreasonable disruption to Grantor's Land, and upon the conclusion of all maintenance activities, Grantee shall remove all debris, ladders and scaffolding and shall return Grantor's Land to its original condition prior to such maintenance activities. Grantee shall not allow any mechanics liens to be filed against Grantor's Land, and if any such lien is filed, Grantee shall immediately cause the same to be bonded off and discharged at Grantee's sole cost and expense.

IN WITNESS WHEREOF, the Grantor herein has caused this instrument to be signed

and sealed this ____ day of _____, 2005.

WITNESS:

CHESTNUT STREET LOFTS LLC

By: _____
Richard Berman, its sole Member

STATE OF MAINE
CUMBERLAND, ss.

_____, 2005

Personally appeared the above named Richard Berman, sole Member of Chestnut Street Lofts LLC, as aforesaid, 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.

Before me,

Attorney-at-Law/Notary Public
Printed Name: _____
Commission expires: _____

O:\MAS\05180 Berman\Chestnut Street\Title\Chapel Easement for roof maintenance.doc

DRAFT

for: Turning Vehicles

EASEMENT

KNOW ALL PERSONS BY THESE PRESENTS, that CHESTNUT STREET CHURCH LLC, a Maine limited liability company with a place of business in Portland, Maine (the "Grantor") FOR CONSIDERATION PAID, hereby GRANTS to CHESTNUT STREET LOFTS LLC, a Maine limited liability company with a place of business in Portland, Maine and mailing address c/o Berman Associates, One India Street, Portland, Maine 04101, its successors and assigns (the "Grantee") forever, a perpetual easement (the "Easement") for the purposes described below, over certain land of Grantor's located at Chestnut Street, Portland, Maine and more particularly described in a deed from Chestnut Street United Methodist Church of even or near date to be recorded herewith in the Cumberland County Registry of Deeds ("Grantor's Land"). Grantor's Land abuts certain land of Grantee's located at Chestnut Street, Portland, Maine, and more particularly described in a deed from Chestnut Street United Methodist Church to the Grantee herein of even or near date to be recorded herewith (the "Grantee's Land"). The Easement is described as follows:

An easement for ingress and egress by foot and all types of motor vehicles, for the purpose of turning vehicles on Grantee's parking lot. The portion of Grantor's Land described in this Easement shall not be used to park vehicles. The portion of Grantor's Land subject to this Easement is depicted on a plan entitled "Recording Plat Chestnut Street Lofts, 29 Chestnut St., Portland, ME 04101", dated July 19, 2005, prepared by TFH Architects for Chestnut Street Lofts, LLC and duly recorded in the Cumberland County Registry of Deeds in Plan Book _____ Page _____ (the "Plat"), and consists of the hatched identified as "Proposed Easement from church to Chestnut Street Lofts Condo."

IN WITNESS WHEREOF the Grantor herein has caused this instrument to be signed

and sealed this _____ day of _____, 2005.

WITNESS:

CHESTNUT STREET CHURCH LLC

By: _____
Richard Berman, its sole Member

STATE OF MAINE
CUMBERLAND, ss.

_____, 2005

Personally appeared the above named Richard Berman, sole Member of Chestnut Street Church LLC, as aforesaid, 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.

Before me,

Attorney-at-Law/Notary Public
Printed Name: _____
Commission expires: _____

O:\MAS\05180 Berman\Chestnut Street\Title\Church Easement to condos.doc

DRAFT

for: parking spaces &
use of open space

EASEMENT

KNOW ALL PERSONS BY THESE PRESENTS, that CHESTNUT STREET LOFTS, LLC, a Maine limited liability company doing business in Portland, ME (the "Grantor") FOR CONSIDERATION PAID, hereby GRANTS to CHESTNUT STREET CHAPEL LLC, a Maine limited liability company with a place of business in Portland, Maine and mailing address c/o Berman Associates, One India Street, Portland, Maine 04101, its successors and assigns ("Chapel"), and to CHESTNUT STREET CHURCH LLC, a Maine limited liability company with a place of business in Portland, Maine and mailing address c/o Berman Associates, One India Street, Portland, Maine 04101, its successors and assigns, its successors and assigns ("Church;" Church and Chapel are sometimes referred to collectively as the "Grantee"), two (2) easements (the "Easements") for the purposes described below over certain land of Grantor's located at Chestnut Street, Portland, Maine and more particularly described in a deed to Grantor of even or near date from Chestnut Street United Methodist Church to be recorded herewith in the Cumberland County Registry of Deeds ("Grantor's Land"). Grantor's Land abuts certain land of Chapel's located at Chestnut Street, Portland, Maine, and more particularly described in a deed from Chestnut Street United Methodist Church to Chapel of even or near date to be recorded herewith in said Registry of Deeds (the "Chapel Land") and certain land of Church's located at Chestnut Street, Portland, Maine, and more particularly described in a deed from Chestnut Street United Methodist Church to Church of even date to be recorded herewith in said Registry of Deeds (the "Church Land").

The Easements are described as follows:

1. Each of Chapel and Church and their respective guests, invitees and tenants, shall have the right and easement, in common with others, to use and enjoy for recreational and park purposes the open space located on Grantor's Land as depicted on a plan entitled "Recording Plat Chestnut Street Lofts, 29 Chestnut St., Portland, ME 04101" dated July 19, 2005, prepared by TFH Architects for Chestnut Street Lofts LLC and duly recorded in the Cumberland County Registry of Deeds in Plan Book ___, Page ___ (the "Plat"), consisting of the area identified on the Plat as "Landscaped Open Space." The Landscaped Open Space shall be used in accordance with the rules and regulations established by the Chestnut Street Lofts Condominium Association (the "Association") and conditioned upon the payment by Church and Chapel to the Association of an annual fee to be determined by the Association in reasonable proportion to their respective use of the Landscaped Open Space.

2. Each of Chapel and Church shall have one (1) parking space in the parking lot area on Grantor's Land depicted on the Plat, the location of said parking spaces to be designated by the Association and conditioned upon the payment by Church and Chapel of an annual maintenance fee as determined by the Association.

The Association shall have the right to enforce against Chapel and Church any rules and regulations it may adopt governing use of the Landscaped Open Space and the parking areas by unit owners in the Chestnut Street Lofts Condominium, provided the Association furnishes written notice to Chapel and Church of the adoption of such rules and regulations, together with copies thereof. In the event of a breach of such rules and regulations, or nonpayment of their

respective fees for use of the Landscaped Open Space and parking areas, in either case not cured within thirty days after written notice from the Association, the Association shall have the right to terminate this easement by written notice to the breaching party. A statement executed by an officer of the Association and recorded at the Cumberland County Registry of Deeds as to the breach and stating that the same was not cured within the grace period provided herein shall be conclusive evidence of the proper termination of this easement as against the breaching party. No termination shall affect the non-breaching party, and the non breaching party may, but is not obligated to, cure the breach by the breaching party, at the breaching party's expense.

IN WITNESS WHEREOF, the Grantor herein has caused this instrument to be signed and sealed this ____ day of _____, 2005.

WITNESS:

CHESTNUT STREET LOFTS LLC

By: _____

Richard Berman, its sole member

STATE OF MAINE
CUMBERLAND, ss.

_____, 2005

Personally appeared the above named Richard Berman, Sole Member of Chestnut Street Lofts LLC as aforesaid, 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.

Before me, _____

Attorney-at-Law/Notary Public

Printed Name: _____

Commission expires: _____

DECLARATION OF CONDOMINIUM

OF

CHESTNUT STREET LOFTS CONDOMINIUM

This Declaration of Condominium is executed as of this ____ day of _____, 2005 by CHESTNUT STREET LOFTS LLC, a Maine limited liability company with a place of business in Portland, Maine ("Declarant"), pursuant to the Maine Condominium Act, 33 M.R.S.A. § 1601-101 et seq. (as amended from time to time, hereinafter the "Act").

ARTICLE I: CREATION OF CONDOMINIUM; DEFINED TERMS

Section 1.1 Declaration of Property. Declarant, owner in fee simple of the land and buildings (hereinafter "Land"), described in Exhibit A annexed hereto and incorporated herein, located within the City of Portland, Maine, hereby submits the Land, together with all improvements, easements, rights and appurtenances belonging thereto (hereinafter "Property") to the provisions of Chapter 31 of Title 33 of the Maine Revised Statutes Annotated, as amended, known as the Maine Condominium Act ("Condominium Act") and hereby creates, with respect to the Property, a condominium, reserving to itself Development Rights in the Property, such condominium to be known as Chestnut Street Lofts Condominium (the "Condominium"). The Property is shown on "Condominium Plat for Chestnut Street Lofts Condominium" dated _____ and on "Condominium Plans for Chestnut Street Lofts Condominium" dated _____ (hereinafter "Plat and Plans"), to be recorded herewith in the Cumberland County Registry of Deeds, as amended from time to time. The Property shall hereafter be held, sold and conveyed subject to the terms, conditions, covenants, easements and restrictions set forth in this Declaration of Chestnut Street Lofts Condominium, as amended from time to time (hereinafter the "Declaration") and in the Act, which shall run with the Property and bind and inure to the benefit of all owners of the Property or any portion thereof, their respective heirs, successors and assigns. Pursuant to the Act, the Chestnut Street Lofts Condominium Association, a Maine non-profit corporation created under the Maine non-profit corporation act,

13-B M.R.S.A. § 101 et seq., as amended (hereinafter the "Association") shall be the Unit Owners' Association under the Act.

Section 1.2 Defined Terms. Capitalized terms used in this Declaration shall have the meaning specified in this Declaration or, if not otherwise defined in this Declaration, as it may be amended from time to time, or in the Plats and Plans, shall have the same meanings as specified in the Act:

(1) "Allocated Interests" mean (a) the Common Element Interest as defined in Section 4.3 hereof, (b) the Common Expense Liability as defined in Section 6.1 hereof, and (c) the votes in the Association, allocated to each Unit pursuant to this Declaration.

(2) "Building" means the building erected on the Land containing the Units, as well as other improvements comprising a part of the Building or intended to be used for purposes incidental to the use of the Building.

(3) "Bylaws" mean such governing regulations for the Association as are adopted pursuant to the Act and this Declaration for the regulation and management of the Property, including such amendments thereof as may be adopted from time to time.

(4) "Commercial Unit" means the Unit or Units restricted to commercial use.

(5) "Common Elements" mean all portions of the Condominium other than the Units and includes, without limitation, the hallway located on the first floor and the park area between the parking lot and the former Chestnut Street chapel, as shown on the Plats.

(6) "Common Element Interest" has the meaning provided in Section 4.3 of this Declaration.

(7) "Common Expenses" mean expenditures made by or financial liabilities of the Association together with any allocation to reserves. Without limiting the generality of the foregoing, the term "Common Expenses" includes expenses incurred by the Association for the maintenance of the first floor hallway.

(8) "Common Expense Liability" has the meaning provided in Section 6.1 of this Declaration.

(9) "Condominium Documents" mean this Declaration, the Plats and Plans, Plans and the Bylaws, as amended from time to time.

(10) "Declarant" means Chestnut Street Lofts LLC, its successors and assigns and all successors to any Special Declarant Rights hereunder.

(11) "Declarant Control Period" means the time period described in Section 7.2 of the Declaration.

(12) "Development Rights" has the meaning specified in Article V of this Declaration and Section 1601-103(11) of the Act.

(13) "Eligible Mortgage Holder" means the holder of record of a recorded first Mortgage on 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 such holder, 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.

(14) "Executive Board" means the Board of Directors of the Association authorized to act pursuant to this Declaration and the Act on behalf of the Association.

(15) "Limited Common Elements" mean those portions of the Common Elements the exclusive use of which is reserved as an appurtenance to one or more, but fewer than all, of the Units as indicated and allocated pursuant to this Declaration.

(16) "Limited Common Expenses" mean the Common Expenses for services benefiting fewer than all the Units, which are assessed pursuant to this Declaration exclusively against the Units benefited in accordance with Section 1603-115(c)(2) of the Act.

(17) "Mortgage" means a recorded mortgage encumbering a Unit in the Condominium held by a Mortgagee and "Mortgagee" means the holder of a recorded Mortgage or deed of trust encumbering a Unit in the Condominium.

(18) "Recorded" means that an instrument has been duly entered of record in the Registry of Deeds for Cumberland County, Maine.

(19) "Residential LCEs" means certain portions of the Common Elements, described in Section 4.1 below, that are reserved for the exclusive use of the Residential Units only and shall be appurtenant to the Residential Units.

(20) "Residential Unit" means one of the 34 Units that is restricted to residential use.

(21) "Special Declarant Rights" has the meaning provided in Article V of this Declaration and Section 1601-103(25) of the Act.

(22) "Unit" means a part of the Property designated for separate ownership or occupancy, the boundaries of which are described in Article III hereof, and consisting of either Residential Units or Commercial Units.

ARTICLE II: IDENTIFICATION AND LOCATION
OF CONDOMINIUM; ASSOCIATION

The name of the condominium is Chestnut Street Lofts Condominium. The name of the Association organized under the Act is Chestnut Street Lofts Condominium Association. The Condominium is located on Chestnut Street and Cumberland Avenue in the City of Portland, County of Cumberland, and State of Maine (which location is more particularly described in Exhibit A hereto) and includes the land and buildings at Chestnut Street and Cumberland Avenue, Portland, Maine 04101.

ARTICLE III: DESCRIPTION OF PROPERTY AND UNITS

Section 3.1 Description of the Property. A legally sufficient description of the Property included in the Condominium is set forth in Exhibit A attached hereto and made a part hereof.

Section 3.2 Maximum Number of Units. Pursuant to this Declaration, Declarant is creating thirty-four (34) Residential Units and one Commercial Unit. Thus, the maximum number of Units that the Declarant reserves the right to create in the Condominium is thirty-five Units, subject to Declarant's right to subdivide Units.

Section 3.3 Description and Boundaries of Units. The Unit numbers, location of Units created by this Declaration within the Building and their approximate dimensions are shown on the Plats and Plans. A list of all Unit numbers and Common Element Interests and Common Expense Liability and votes in the Association appurtenant to each Unit is attached hereto as Exhibit B. The locations of the Units are as shown more fully on the Plats and Plans,

The boundaries of each Unit created by this Declaration will be as follows: (1) Horizontal (Upper and Lower) Boundaries of each Unit shall be the following boundaries extended to an intersection with the vertical (perimetric) boundaries: (a) Upper Boundary: The inclined plane of the lower surface of ceiling joists or other framing members (but not including the ceiling joists or such other framing members); and (b) Lower Boundary: The horizontal upper surface of the concrete floor (but not including the concrete comprising the floor or any framing members supporting the same); and (2) Vertical (perimetric) Boundaries of each Unit shall be the internal surface of the walls (i.e., the inner surface of the sheetrock or other finished wall surface) bounding the Unit extended to intersections with each other and with the horizontal or inclined boundaries. All paneling, tiles, wallpaper, paint, sheetrock, flooring finish and any other materials constituting any part of the finished surfaces of the ceilings, walls or floors are a part of the Unit, and all other portions of the walls, floors or ceilings are a part of the Common Elements. Exterior windows and entry doors of each Unit are Limited Common Elements for that Unit. 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 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. Subject to the foregoing provisions, all spaces, interior partitions and other fixtures and improvements within the boundaries of a Unit are a part of the Unit. Any shutters, awnings, window boxes, doorsteps, stoops, halls, steps, decks, balconies, patios, skylights, and flues designed to serve a single Unit but which are located outside a Unit's boundaries are Limited Common Elements allocated exclusively to that Unit. The Buildings and Units shown on the Plats and Plans are subject to settling or lateral movement of the buildings and minor variations between the Unit boundaries as shown or projected on the Plats and Plans and the physical boundaries as constructed or reconstructed. In such event, each Unit has an easement for encroachments as set forth in Article XVI hereof.

Section 3.4 Relocation of Unit Boundaries Subject to applicable provisions of this Declaration or law and environmental and land-use ordinances and regulations, and upon the prior written consent of the Association, the relocation of boundaries between Units will be permitted at the expense of the Unit Owners of the Unit or Units the boundaries of which are to be so relocated, subject to compliance with the provisions therefor set forth in Section 1602-113 and Section 1602-112 of the Act.

Section 3.5 Maintenance Responsibilities. The Units and all appliances and equipment therein shall be maintained and repaired by each Unit Owner, and the Common Elements shall be maintained and repaired by the Association except that if damage is inflicted upon any Common Elements, the Unit Owner responsible for the damage is liable for the prompt repair thereof, all in accordance with the provisions of Section 1603-107(a) of the Act, except as expressly set forth to the contrary in this Declaration. See Sections 4.8, 4.9 and 4.10 herein.

ARTICLE IV: COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

Section 4.1 Allocation of Limited Common Elements. The location of all real estate that may be allocated as Limited Common Elements, and the location of all Residential LCEs as allocated herein, other than portions of the Property specified as Limited Common Elements in Section 1602-102 (2) and (4) of the Act, is shown on the Plats and Plans. The Limited Common Elements include any shutters, awnings, window boxes, balconies, doorsteps, stoops, porches, all exterior doors and windows and entryways . Residential LCEs are the following: The basement storage areas in the Building, all hallways and stairs above the first floor (the hallway on the first floor is a Common Element), the elevator, all vehicle parking areas, including ingress and egress to the Land, The allocation of Limited Common Elements and Residential LCEs to the Units cannot be altered except with the written consent of the Unit Owners affected by the reallocation of Limited Common Elements, in compliance with the provisions of Section 1602-108(b) of the Act.

Section 4.2 Association Rights to Reserve Common Elements. The Association shall have the power to grant revocable licenses in the Common Elements for use by less than all Unit

Owners for specified periods of time and to establish a reasonable charge for the use and maintenance thereof. The Association shall designate a basement storage space and parking space for each Residential Unit Owner. Such designation by the Association shall not be construed as a sale or disposition of the Common Elements.

Section 4.3 Common Element Interest. The Common Elements are all part of the Property other than the Units. The percentage of undivided interest in the Common Elements appurtenant to each Unit (the "Common Element Interest") is listed and allocated to each Unit in Exhibit B. The Common Element Interest and the Common Expense Liability appurtenant to each Unit, is a percentage determined on the basis of the number of square feet of floor space in the Unit divided by the total amount of floor space of all Units listed on Exhibit B, times 100. The voting rights for each Unit are shown on Exhibit B.

Section 4.4 Common Elements to Remain Undivided. The Common Element Interest of a Unit shall be inseparable from each Unit, and any conveyance, lease, devise or other disposition or mortgage or other encumbrance of any Unit shall extend to and include the Common Element Interest, whether or not expressly referred to in the instrument effecting such transfer. Except as otherwise provided by law or this Declaration, the Common Element Interests and the fee titles to the respective Units conveyed therewith shall not be separately conveyed, transferred, alienated or encumbered, and each of said Common Element Interests shall be deemed to be conveyed, transferred, alienated or encumbered with its respective Unit notwithstanding that the description in the instrument of conveyance, transfer, alienation or encumbrance may refer only to the fee title to the Unit. The Common Elements shall remain undivided and no action for partition or division of any part thereof shall be permitted, unless otherwise provided by law and permitted by this Declaration.

Section 4.5 Amendment of Interest in Common Elements. Except with respect to the subdivision or relocating or boundaries of Units as provided in Section 3.4 or the re-allocation of interests provided in Section 6.1, or as otherwise provided in the Act, the Common Element Interest appurtenant to each Unit shall have a permanent character, shall be inseparable from each Unit and shall not be altered or changed except by the recording of an amendment to this Declaration, duly approved by 100% of the Unit Owners.

Section 4.6 Use of Common Elements. Except as their use may otherwise be limited by this Declaration, the Bylaws or otherwise by the Association or Unit Owners pursuant to its/their powers under the Bylaws to establish rules and regulations, each Unit Owner, tenant and occupant of a Unit, and the family members and guests of such Unit Owner, tenant and occupant, may use the Common Elements in common with all other Unit Owners and tenants or occupants of other Units, and their respective family members and guests, in accordance with the purposes for which they are intended without hindering or encroaching upon the lawful rights of the other Unit Owners, and in common with other persons legally entitled to use the Common Elements, upon the following terms:

(1) The portion of the Property used for vehicular and pedestrian access and for parking shall not be used for the parking of motor vehicles, commercial vehicles, trailers, motor homes, trucks with a gross weight of over 6,000 pounds or boats except with the prior written approval of the Association. No unattended vehicle shall at any time be left in such a manner as to impede the passage of traffic (whether by foot or vehicle) or to impair access to parking areas. Parking and access areas, Residential LCEs and Common Elements shall at all times be kept free of unreasonable accumulations of debris or rubbish of any kind and no junk or derelict vehicle or other vehicle on which current registration plates are not displayed shall be kept upon the Property. Major vehicular repairs are not permitted on the Property. The Association shall have the right to tow any vehicles left in the Common Elements at the expense of the responsible Unit Owner.

(2) No Unit Owner of a Residential Unit (other than the Declarant in connection with its promotional or marketing purposes) may erect any sign on or in his or her Unit or any Limited Common Element which is visible from outside of his or her Unit or from the Common Elements, without in each instance having obtained the prior written permission of the Association; excepting, however, that the Unit Owner of the Commercial Unit(s) may display a single sign in accordance with all applicable state and local laws, ordinances and regulations and with the approval of the Association. This provision is not intended to prevent the Association from maintaining on the Common Elements a register of Unit occupants, or owners, or both.

(3) No Unit Owner shall obstruct any of the Common Elements nor shall any Unit Owner place or cause or permit anything to be placed on or in any of the Common Elements without the approval of the Board. Nothing shall be altered or constructed in or removed from the Common Elements except with the prior written consent of the Association.

(4) The Association, any Unit Owner and the Declarant shall not be considered a bailee of any personal property stored on the Common Elements (including vehicles parked on the Common Elements), whether or not exclusive possession of the particular area is given to a Unit Owner for parking or storage purposes, and shall not be responsible for the security of such personal property or for any loss or damage thereto, except to the extent covered by insurance in excess of any applicable deductible.

Section 4.7 Alteration to Unit or Common Elements by Unit Owner. A Unit Owner may make improvements and alterations to the interior of his Unit but no Unit Owner may make any improvements or alterations or do any work whatsoever which would impair the structural integrity or mechanical systems of the Building, lessen the support of any portion of the Condominium, or jeopardize the soundness or safety of the Property. With the prior written approval of the Association, Unit Owners may erect interior partitions and change the finish on the floor of the Units, subject to the foregoing prohibition against impairment of the structural integrity or mechanical systems of the Building. No Unit Owner shall impair any easement or hereditament therein without the unanimous consent of the Unit Owners affected thereby. No Unit Owner shall alter, paint or otherwise change the appearance of the Common Elements (including the Limited Common Elements) or paint or otherwise change the exterior appearance

of his Unit (including, but not limited to, the exterior surfaces of doors) or any other portion of the Condominium without the prior written approval of the Association.

Section 4.8 Limited Common Elements, Maintenance. Except as herein provided, the Association shall maintain, repair and replace all Limited Common Elements (including Residential LCEs, which are appurtenant to the Residential Units) located outside the boundaries of the Unit and shall assess as a Limited Common Expense to the Unit Owners who benefit from the use of such Limited Common Elements the expenses associated with the maintenance, repair or replacement of such Limited Common Elements, provided that the Association shall also have the right to assess an individual Unit for such expenses if they are incurred due to the negligence or misconduct of the Owner of such Unit or his agents, invitees or guests. The Association shall be responsible for snow removal on entry porches, walkways, and parking spaces. The Unit Owners shall maintain, repair, and replace any Limited Common Elements located within the perimeter boundaries of their respective Units. The Unit Owners shall have housekeeping responsibilities for the porches, balconies and entryways to their respective Units and shall be responsible for keeping their respective assigned parking and storage spaces free of debris and spilled petroleum or other automotive products. The Association may set standards of housekeeping, maintenance, use and appearance applicable to the Limited Common Elements.

Section 4.9 Maintenance of Common Elements. The Association shall maintain, repair and replace all Common Elements, including but not limited to driveways, the open space and walkways, water feeder lines and meters and drainage system if any. The City of Portland owns the sewer system. The Association shall assess as a Common Expense the Common Expenses associated with the maintenance, repair or replacements of such Common Elements, provided that the Association shall also have the right to assess an individual Unit for such Common Expenses if the Common Expense shall be incurred due to the negligence, neglect or misconduct of the Owner of such Unit or his agents, invitees or guests.

Section 4.10 Maintenance of Unit. Each Unit Owner shall keep and maintain his or her Unit and its equipment, appliances and appurtenances in good order, condition and repair and in clean and sanitary condition, whether such maintenance and repair shall be structural or nonstructural, ordinary or extraordinary, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his or her Unit. No Unit Owner shall sweep or throw, or permit to be swept or thrown, from his or her Unit any dirt, debris or other substance. In addition, each Unit Owner shall be responsible for all damage to any other Units or to the Common Elements resulting from his or her failure or negligence to make any of the repairs required by this Article. Each Unit Owner shall perform his or her responsibility in such manner as shall not unreasonably disturb or interfere with the other Unit Owners. Each Unit Owner shall promptly report to the Association or the managing agent any defect or need for repairs for which the Association is responsible.

Section 4.11 Liability of Owner. Each Unit Owner shall be liable, and the Association shall have a lien against his or her Unit, for the expense of maintenance, repair or replacement of any damage to the Common Elements, Limited Common Elements, Residential LCEs or to

another Unit caused by such Unit Owner's act, neglect or carelessness or by that of any member of such Unit Owner's family, or such Unit Owner's guest or tenants, or their pets. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of any Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation against such Unit Owner.

ARTICLE V: SPECIAL DECLARANT RIGHTS

Section 5.1 Development Rights. For a period of five (5) years from the date of this Declaration, Declarant, its successors and assigns reserve the following Development Rights (but shall have no obligation): (1) to create Common Elements, Limited Common Elements and/or Residential LCEs on the Property as shown on the Plats and Plans; (2) to subdivide unsold Units or to convert unsold Units into Common Elements or Limited Common Elements, including, without limitation, the right to subdivide the Commercial Unit into as many as three separate Commercial Units; (3) to create and construct any improvements as shown on the Plats and Plans; (4) to grant easements, all of the above more fully described in Sections 5.3 through 5.9, of this Article; and (5) to add land to the Condominium and construct additional buildings on such land, such land that may be added being described on Exhibit A-1 attached hereto and made a part hereof. . All of these rights may be exercised in compliance with Section 1602-110 of the Act and without consent of any Unit Owner or Mortgagee. The Development Rights reserved herein may be exercised with respect to different areas of real estate at different times and no assurances are made in regard to the boundaries of the portions or regulation of the order in which those areas may be subjected to the exercise of each Development Right, except as stated in Section 5.9 of this Article.

Section 5.2 Appointment of Association Officers and Board Members. Declarant reserves the right to appoint or remove any officer of the Association or any Executive Board members or in the alternative under Section 1603-103 (d), to approve or disapprove acts of the Association (including acceptance of the Budget) or the Executive Board during the period of Declarant Control to the extent, in the manner and for the periods specified in Article VII of this Declaration.

Section 5.3 Condominium Association Access. Declarant reserves in favor of itself, the Association, its officers, agents and employees, any managing agent and every other person authorized by the Executive Board, the irrevocable right and easement to have access to each Unit as provided in Section 1603-107(a) of the Act as may be necessary for the inspection, maintenance, repair or replacement of any of the Common Elements and Limited Common Elements therein or accessible therefrom or the making of any addition or improvements thereto; or to make repairs to any Unit, the Common Elements or the Limited Common Elements if such repairs are reasonably necessary for the public safety or to prevent damage to any other Unit or Units, the Common Elements or the Limited Common Elements; or to abate any violation of law, orders, rules or regulations of the Association or of any governmental authorities having

jurisdiction thereof. In case of an emergency, such right of entry shall be immediate whether or not the Unit Owner is present at the time. The Association shall have the right to grant to third parties permits, licenses and easements over and through the Common Elements for utilities and other purposes reasonably necessary or useful for the proper maintenance and operation of the Condominium. Declarant's rights but not the Association's rights under this paragraph shall terminate on the earlier of (a) conveyance of all Units to Purchasers other than a successor Declarant, or (b) five (5) years from the date of this Declaration.

Section 5.4 Declarant's Easement for Marketing. The Declarant reserves the right with respect to its marketing of Units to use the Common Elements and Limited Common Elements for the ingress and egress of itself, its officers, employees, agents, contractors and subcontractors and for prospective purchasers of Units, including the right of such prospective purchasers to park in parking spaces. The Declarant also reserves the right to use any Units owned or leased by the Declarant as models, management offices, sales offices for this and other projects. The Declarant reserves the right to relocate the same from time to time within the Property; upon relocation, the furnishings thereof may be removed. The Declarant further reserves the right to maintain on the Property such advertising signs and lighting as may comply with applicable governmental regulations, which may be placed in any location on the Property and may be relocated or removed, all at the sole discretion of the Declarant. Further, the Declarant shall have the right to erect temporary offices on Common Element parking spaces for models, sales, management, customer service and similar purposes. This easement shall continue until the earlier of (a) conveyance of all Units to Purchasers other than a Successor Declarant, or (b) five (5) years from the date of this Declaration. Any parking spaces assigned to Unit Owners may not be used for the purposes specified in this Paragraph.

Section 5.5 Declarant's Easements for Construction. The Declarant reserves the easement, right and privilege without let or hindrance with respect to the creation of the Units, Common Elements, Limited Common Elements, and Residential LCEs, the Development Rights specified in Section 5.1 hereinabove and other improvements of the Condominium, to go upon any and all of the Property, except for Units conveyed to Purchasers, for purposes of construction, reconstruction, maintenance, repair, renovation, replacement, improvement or correction of the Units and Common Elements, for completion of the improvements indicated on the Plats and Plans and for the exercise of the Development Rights. Declarant reserves the right to keep construction equipment on the Property as necessary. Furthermore, the Declarant reserves an easement in the Units and 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. These easements shall continue until the earlier of (a) conveyance of all Units to Purchasers other than a Successor Declarant, or (b) five (5) years from the date of this Declaration.

Section 5.6 Declarant's Right to Connect With Utilities. The Declarant further reserves an easement to connect with and make use of utility lines, wires, pipes and conduits located on the Property for construction purposes on the Property, provided that Declarant shall be responsible for the cost of service so used, and to use the Common Elements for ingress and

egress and construction activities and for the storage of construction materials and equipment used in the completion of the Units and Common Elements. This easement shall continue until the earlier of (a) conveyance of all Units to Purchasers other than a Successor Declarant, or (b) five (5) years from the date of this Declaration.

Section 5.7 Declarant's Right to Grant Easements. The Declarant shall have the right, until the earlier of (a) conveyance of all Units to Purchasers other than a Successor Declarant, or (b) five (5) years from the date of this Declaration, to grant and reserve easements and rights-of-way through, under, over and across the Property for vehicular and pedestrian access, road improvement, construction purposes, for the installation, maintenance and inspection of the lines and appurtenances for public or private water, sewer, pumping station, drainage, gas, electricity, telephone and other utilities. The Units and Common Elements shall be, and are hereby, made subject to easements in favor of the Declarant, appropriate utility and service companies and governmental agencies or authorities for such access or utility and service lines and equipment as may be necessary or desirable to serve any portion of the Property or adjacent property. The easements created in this Paragraph shall include, without limitation, rights of Declarant, or the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, telephone wires and equipment, air conditioning, heating systems, ventilation systems, electric wires, cables, conduits and equipment and ducts and vents over, under, through, along and on the Units and Common Elements and to provide public access across the Common Elements.

Section 5.8 Alteration of Common Elements by Declarant. Subject to all applicable ordinances, requirements, and conditions of the City of Portland, the Declarant reserves the right (but shall have no obligation) to modify, alter, remove or improve defective, obsolete or nonfunctional portions of the Common Elements, including without limitation any equipment, fixtures and appurtenances when in the Declarant's judgment it is necessary or desirable to do so, until the earlier of (a) five (5) years from the date of this Declaration, or (b) conveyance of all Units to Purchasers other than a Successor Declarant.

Section 5.9 Transfer of Special Declarant Rights; Surrender. Declarant reserves the right to transfer from time to time to any one or more transferees any or all reserved Special Declarant Rights in accordance with Section 1603-104 of the Act. Notwithstanding any other provisions in this Declaration, this Article may not be amended without the prior written consent of the Declarant. Notwithstanding the foregoing, Declarant may surrender or terminate any rights reserved under this Article at any time by recording an instrument so providing in the Cumberland County Registry of Deeds.

Section 5.10 No Assurances. The Declarant makes no assurances as to the order in which the Units may be developed.

ARTICLE VI: ASSESSMENTS FOR COMMON EXPENSES

Section 6.1 Common Expense Liability. Reference is made to Exhibit B for the allocation of the liability for Common Expenses (the "Common Expense Liability") to each Unit. The Common Expense Liability allocated to each Unit is a percentage of the Common Expenses assessed against all the Units, according to the formula described herein.

Section 6.2 Allocation of Assessments of Common Expense. The total amount of Common Expenses shall be assessed against all the Units in the following proportions: (1) the Common Expenses other than Limited Common Expenses shall be assessed against all the Units as shown on Exhibit B as a percentage based upon the floor space for each Unit divided by the total floor space for all Units; (2) the Limited Common Expenses (including Residential LCEs) shall be assessed solely against each Unit benefited except as otherwise provided in this Declaration; if a Limited Common Expense benefits more than a single Unit, but fewer than all of the Units, that Limited Common Expense shall be divided equally among those Units benefited; (3) assessments to pay a judgment against the Association shall be made as a Common Expense against the Units included in the Condominium at the time such judgment was entered but shall be allocated to Units according to the percentages set forth in Exhibit B as in effect at the time of said judgment; (4) any utilities which are or are made by Declarant to be separately metered shall be supplied by the public utility company serving the area directly to each Unit through a separate meter and each Unit Owner shall be required to pay the bills for utilities consumed or used in his Unit; any utilities, including, but not limited to water distribution, used for common purposes or serving the Units and which are not separately metered shall be paid by the Association as a Common Expense.

The Declarant shall pay all the common expenses for operations until the Association makes a Common Expense assessment based upon a ratified budget. Assessments against all declared Units will begin on the adoption and ratification of the budget. The Executive Board will propose and adopt the Budget. If during the Declarant Control Period, eighty percent (80%) of the voting interest of the Unit Owners do not reject the proposed budget, it will be ratified. After the Declarant Control Period, the budget shall be approved by majority vote of the members of the Executive Board, subject to the notice provisions set forth in the Bylaws.

Section 6.3 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, one-twelfth of the Unit's Limited Common Expenses and Common Expenses which are assessed on an annual basis against the Unit in the proportions required in Section 6.2 of this Article in accordance with the Bylaws and subject to Section 1603-103(c) of the Act. If for any reason the Association shall revise the annual budget of the Association in accordance with the Bylaws and subject to Section 1603-103(c) of the Act 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 of any such

revised annual Common Expenses including Limited Common Expenses assessed against his Unit in the proportions required in Section 6.2.

Section 6.4 Interest; Acceleration. In the event of a default by any Unit owner in paying any sum assessed against his Unit which continues for a period in excess of thirty (30) days, interest at a rate to be established annually by the Association (which shall not exceed the lower of the maximum interest rate allowed by law which may be charged by the Association at such time or eighteen percent per annum), shall be imposed on the principal amount unpaid from the date when due until paid. If the Association shall fail to set such rate, it shall be deemed to have been set at the rate of Eighteen Percent (18%) per annum. The Association shall have the right to establish and impose charges for late payment of assessments. In any case where an assessment against a Unit Owner is payable in installments, upon a default by such Unit Owner in the timely payment of any two consecutive installments, the maturity of the remaining total of the unpaid installments of such assessments may be accelerated at the option of the Association, and the entire balance of the annual assessment may be declared due and payable in full by the service of notice to such effect upon the defaulting Unit Owner by the Association or its representative.

Section 6.5 Lien for Assessments. The total annual assessment levied against each Unit for Common Expenses including Limited Common Expenses, revised Common Expenses including Limited Common Expenses, or any special assessment, and any other sums duly levied against the Unit pursuant to this Declaration, the Bylaws, or the Act and all interest thereon and charges for late payment thereof and legal fees and other costs of collection thereof, shall constitute the personal liability of the Owner of the Unit so assessed and also shall, until fully paid, constitute a lien against the Unit in favor of the Association from the date upon which such assessment, special assessment or other sum such as interest becomes due as provided in Section 1603-116 of the Act. Such lien shall, with respect to annual assessments, be effective on the first day of each fiscal year of the Association as to the full amount of the annual assessment, and, as to special assessments and other sums duly levied, 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 this Declaration, (b) a first Mortgage recorded before or after the date on which the assessment sought to be enforced becomes delinquent, and (c) liens for real estate taxes and sewer liens or assessments against the Units; provided, however, that such lien is not subject to the provisions of 14 M.R.S.A. §4561 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.

Section 6.6 Enforcement. The lien for assessments described in Section 6.5 may be enforced and foreclosed by the Association in like manner as a mortgage on real estate as provided in Section 1603-116(a) of the Act or by any other means presently or hereafter provided by law or in equity. A suit to recover a money judgment for unpaid assessments, interests, penalties, and costs of collection may be maintained against the Unit Owner personally without foreclosing or waiving the lien securing such assessments and a foreclosure may be

maintained notwithstanding the pendency of any suit to recover a money judgment. During the pendency of any such suit, the Unit Owner shall be required to pay a reasonable rental for the Unit for any period prior to the sale pursuant to any judgment or order of any Court having jurisdiction over such sale.

Section 6.7 No Exemption From Expenses by Waiver of Use of Common Elements or Unit. No Unit Owner may exempt himself from Common Expense Liability with respect to the payment of assessments for Common Expenses by waiver of the enjoyment of the right to use any of the Common Elements or by abandonment of his Unit or otherwise. The obligation to pay assessments for Common Expenses is absolute and unconditional and shall not be subject to set-offs or counterclaims.

Section 6.8 Reduction of Expenses. All receipts from payments, fees or charges for the use, rental, operation, or allocation of any and all Common Elements shall be applied first to reduce the Common Expense relating to the use of that Common Element giving rise to such receipt and any excess thereof shall be applied to Common Expenses generally.

Section 6.9 Surplus Funds. If at the end of any fiscal year any amounts accumulated from assessments for Common Expenses and income from the operation of the Common Elements to which such Common Expenses pertain shall exceed the amount required for actual Common Expenses and provision for Common Expenses and any payment of reserves for future Common Expenses, such excess shall be applied to the reserve fund, or if not so applied, shall be credited to each Unit Owner in proportion to their respective Common Expense Liabilities to reduce until exhausted the next monthly installments due from Unit Owners. Surplus funds shall not otherwise be paid or credited to Unit Owners.

Section 6.10 Service Charges. The Association shall have the express power to separately charge a Unit and the owner thereof for services rendered to that Unit or to any Limited Common Elements allocated to that Unit. Such charges shall be a lien on the Unit with the same status as a lien for Common Expense assessments under this Declaration and Bylaws, which lien for service charges may be foreclosed in like manner as a mortgage on real estate. The recordation of this Declaration constitutes record notice of the lien. Service charges shall include without limitation: (1) if a Unit Owner, members of his family, guests or tenants requests the Association to perform repair and maintenance work on his Unit or to any Limited Common Elements allocated to that Unit or damages the Common Elements or fails to perform maintenance and repair work required, the expense thereof as determined by the Association or its designee may be assessed as a Service Charge; (2) fees, if any, which may be established by the Association for use and maintenance of water, sewer, heat and/or other utility services; (3) insurance premiums on permanent improvements to Units installed by Unit Owners and insured by the request of the Unit Owner with the Association's hazard insurance carrier; and (4) fees for private collection of trash, which service is in addition to service already assessed as a common expense.

Section 6.11 Liability. Subject to the limitation set forth below, in a voluntary conveyance subsequent to the sale by the Declarant to the initial Owner, the purchaser of a Unit shall be jointly and severally liable with the seller for all assessed but unpaid common assessments, charges, fees, interest and costs of collection up to the time of the recording of the grant or conveyance, although the purchaser shall not be prevented from exercising any right to recover from the seller the amounts thereof paid by purchaser.

(1) A Unit Owner or purchaser or prospective purchaser under a purchase and sale contract for a Unit may obtain, upon request and the payment of such fee as may be established from time to time by the Association, a statement from the Association setting forth the amount of unpaid common assessments, special assessments, charges, fees, interest and costs of collection against the unit as of the date of the statement and such other items required by the Act under §1604-108(a). Except as otherwise agreed in writing by the purchaser, if the purchaser requests a statement from the Association, the purchaser shall not be liable for (and the Unit conveyed shall not be subject to a lien for) any unpaid amounts due from the seller before the statement is issued other than that which is indicated on the statement, but shall be liable for interest and costs of collection accrued thereafter.

(2) A Unit Owner providing a certificate pursuant to subsection (1) is not liable to the purchaser for any erroneous information provided by the Association and included in the certificate.

(3) In a foreclosure instituted by the first mortgage holder, a lien on the Unit for unpaid assessments will be extinguished but the personal liability for the assessments made prior to foreclosure will remain with the person who owned the Unit when the assessments became due until said assessments are paid in full.

ARTICLE VII: UNIT OWNERS ASSOCIATION; DECLARANT CONTROL

Section 7.1 Owners' Association and Bylaws. Each Unit Owner shall be a member of the Association, a non-profit corporation organized under the laws of the State of Maine known as Chestnut Street Lofts Condominium Association. Membership shall be appurtenant to the Units, and the transfer of title to a Unit shall automatically transfer the membership appurtenant to that Unit to the transferee or transferees. A mortgage, however, shall not transfer membership until foreclosure or sale in lieu of foreclosure. The Bylaws of the Association shall be available to all members of the Association.

Section 7.2 Declarant Control Period. Until the earlier of (1) five (5) years from the first conveyance of a Unit to a person other than the Declarant, or (2) sixty (60) days after conveyance of 75% of the Units to Unit Owners other than a Declarant, subject to earlier termination as set forth below, Declarant shall control the Association as specified in Section 5.2 ("Declarant Control Period"), and during this period Declarant or persons designated by it may appoint, remove and replace members of the Executive Board.

Section 7.3 Working Capital Fund. At the end of the Declarant Control Period, the Working Capital Fund, which shall be equal to the total number of Units times two months Common Expense Charges (as established at the time the first Unit is conveyed), shall become available to meet transitional needs of the Association.

ARTICLE VIII: LIMITATION OF LIABILITY

Section 8.1 Limited Liability of the Executive Board. No member of the Executive Board or officer of the Association, except to the extent of his or her willful misconduct or gross negligence: (1) shall be liable for the failure of any service to be obtained by the Executive Board and paid for by the Association, or for injury or damage to persons or property caused by the elements or by another Unit Owner or person on the Property, or resulting from electricity, gas, water, rain, dust or sand which may leak or flow from the outside or from any part of the Building, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place; (2) shall be liable to the Unit Owners as a result of the performance of the Executive Board members' duties for any mistake of judgment, negligence or otherwise; (3) shall have any 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 them on behalf of the Executive Board or the Association in the performance of the Executive Board members' duties; (4) shall 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 guest in a Unit, or in or on the Common Elements or Limited Common Elements; (5) shall have any 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 them; or (6) shall have any personal liability arising out of the use, misuse or condition of the buildings, or which might in any other way be assessed against or imputed to the Executive Board members as a result of or by virtue of their performance of their duties.

Section 8.2 Indemnification. Each member of the Executive Board, in his or her capacity as an Executive Board member, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him or her 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 Executive Board, or any settlement of any such proceeding, whether or not he or she is an Executive Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Executive Board member and/or officer is adjudged guilty of willful misconduct or gross negligence in the performance of his or her duties; provided that, in the event of a settlement, this indemnification shall apply only if and when the Executive Board (with the affected member abstaining if he or she is then an Executive Board member) or 70% of the voting interests of the Unit Owners (if more than 50% of the Board abstains or if the settlement is beyond the amount covered by insurance) approve(s) such settlement and reimbursement as being in the best interests of the Association; and provided further that indemnification hereunder with respect to

any criminal action or proceeding is permitted only if such Executive Board member and/or officer had no reasonable cause to believe his or her conduct was unlawful. The indemnification by the Association set forth in this Paragraph shall be paid by the Association 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 Executive Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit Owners or otherwise.

Section 8.3 Defense of Claims. Complaints brought against the Association, the Executive Board or the officers, employees or agents thereof in their respective capacities as such, or the Condominium as a whole, shall be directed to the Executive Board of the Association, which shall promptly give written notice thereof to the Unit Owners and the Eligible Mortgage Holders and the Mortgagees of Units identified to the Association, and such complaints shall be defended by the Association. The Unit Owners shall have no right to participate in such defense other than through the Association.

ARTICLE IX: EMINENT DOMAIN

Section 9.1 Entire Unit. If any Unit shall be taken or condemned by any authority having the power of eminent domain, or if part of a Unit is taken or condemned by any authority having the power of eminent domain leaving the Unit Owner with a remnant which may not be practically or lawfully be used for any purpose permitted by this Declaration, the award for such taking or condemnation shall be paid to the Unit Owner as compensation for his Unit and its Allocated Interest in the Common Elements, whether or not any Common Elements are taken or condemned. Upon such taking or condemnation, unless the decree provides otherwise, that Unit's entire Allocated Interests shall be automatically reallocated to the remaining Units according to the formula specified in Exhibit B. The Association shall promptly prepare, execute and record as a Common Expense an amendment to this Declaration reflecting such reallocation. Any remnant of a Unit remaining after part of a Unit is taken or condemned under this Section 9.1 shall thereafter be a Common Element.

Section 9.2 Part of Unit. Except as otherwise provided in Section 9.1, if part of a Unit is taken or condemned by any authority having the power of eminent domain, any award therefor shall be paid to the Owner of such Unit as compensation for the reduction in value of the Unit and its Allocated Interest in the Common Elements, whether or not any Common Elements are taken or condemned. After such part of a Unit is taken or condemned:

- (1) That Unit's Allocated Interests shall be reduced in proportion to the reduction in size of the Unit; and
- (2) The Allocated Interests of all other Units shall be re-allocated according to the formula in Exhibit B. The Association shall promptly prepare, execute and record as a Common Expense an amendment to this Declaration reflecting such reallocation.

Section 9.3 Common Elements. If part of the Common Elements shall be taken or condemned by any authority having the power of 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 portion of the award attributable to the Common Elements taken shall be paid to the Association for the use and benefit of the Unit Owners and their Mortgagees as their interests may appear. Each Unit Owner appoints the Association as attorney-in-fact for this purpose. Subject to the provisions of Section 9.4, the Association shall divide any portion of remaining Common Elements among the Unit Owners and their Mortgagees, in proportion to their respective interests in the Common Elements prior to such taking or condemnation, but the portion of the award attributable to the acquisition of any Limited Common Element shall be equally divided among the Owners of the Units to which such Limited Common Element was allocated at the time of such taking or condemnation. The Association shall promptly prepare, execute and record as a Common Expense an amendment to this Declaration reflecting such reallocation.

Section 9.4 Decree, Prior Liens. The court decree shall be recorded in the Registry of Deeds. Notwithstanding anything to the contrary in this Article, lien holders on any Unit, Common Element or Limited Common Element, shall have a lien on any such awards in order of priority of their respective liens.

ARTICLE X: REPAIR AND RECONSTRUCTION AFTER FIRE OR CASUALTY

Section 10.1 Required Repair and Reconstruction. In the event of damage to or destruction of all or any part of the Property as a result of fire or other casualty, the Association shall promptly arrange for and supervise the prompt repair, replacement and restoration thereof (including any damaged Units, service fixtures, service machinery and other apparatus initially installed therein by the Declarant, but not including any other furniture, furnishings, fixtures, equipment or other personal property supplied or installed by the Unit Owners in the Units), substantially in accordance with this Declaration, Plats and Plans, the prior elevation thereof and the original plans and specifications therefor unless (1) the Condominium is terminated, or (2) repair, replacement or restoration would be illegal under any state or local health, safety, land-use or environmental statute, code or ordinance, or (3) eighty percent (80%) of the voting interests of the Unit Owners (Eligible Mortgage Holder substituting its vote in place of the Unit Owner as allowed under §1602-119(c)) vote not to repair, restore or replace the damaged or destroyed Property, and such decision is approved by every Owner (or the Eligible Mortgage Holder substituting its vote) of a Unit or Limited Common Element, which will not be repaired, replaced or restored. Additionally, approval of at least sixty-seven (67%) percent of all the Eligible Mortgage Holders is required as further described in Section 14.4(5).

Section 10.2 Procedure for Reconstruction and Repair. If repair, replacement or restoration shall be required pursuant to Section 10.1:

(1) Cost Estimates: The Association shall promptly obtain reliable and detailed estimates of the cost of repairing and restoring such portion (including any damaged Units, fixtures, service machinery and other apparatus initially installed by Declarant, but not including any other furniture, furnishings, fixtures or equipment installed by the Unit Owner in the Unit) substantially in accordance with this Declaration, the Plats and Plans, the prior elevation thereof and original building plans and specifications therefor unless other action is approved by the voting interests specified in Section 10.1 above; such costs may also include professional fees and premiums for such bonds as the Association may determine to be necessary;

(2) Assessments: If the net proceeds of insurance, if any, are not sufficient to defray such estimated costs of reconstruction, repair and replacement, 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 repaid may be obtained from the appropriate reserve for replacement funds, and any such costs in excess of insurance proceeds and reserves shall be deemed a Common Expense and a special assessment therefor shall be levied by the Association; and

(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 Section 10.2(2) on account of such casualty, shall be payable to the Association and shall be held in trust for the benefit of Unit Owners and their mortgagees. The trust fund shall be used for construction and be disbursed in the following manner:

(a) if the estimated cost of reconstruction and repair is less than One Hundred Thousand (\$100,000.00) Dollars, then the construction fund shall be disbursed in appropriate progress payments, or upon order of the Association; provided, however, that upon request of fifty percent (50%) of the Eligible Mortgage Holders (based upon one vote for each Mortgage held) such funds shall be disbursed pursuant to Section 10.2(3)(b);

(b) if the estimated cost of reconstruction and repair is One Hundred Thousand (\$100,000.00) Dollars or more, then the construction fund shall be disbursed in payment of such costs upon approval of an architect qualified to practice in the State of Maine (the "Architect") and approved by fifty percent (50%) of the Eligible Mortgage Holders, payment to be made from time to time as the work progresses; the Architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, materialmen, the architect and other persons who have rendered services or furnished materials in connection with the work stating that:

(i) the sums requested by them in payment are justly due and owing and that such sums do not exceed the value of the services and materials furnished;

(ii) there is no other outstanding indebtedness known to such Architect for the services and materials described; and

(iii) the cost as estimated by such Architect for the work remaining to be done subsequent to the date of such certificate does not exceed the amount of the construction fund remaining after payment of the sum so requested;

(c) when the damage is to both Common Elements and Units, the insurance proceeds shall be applied in the order deemed by the Association to be most beneficial to the Condominium as a whole; and

(d) the first monies disbursed in payment of the cost of reconstruction and repair shall be from any insurance proceeds and, if there is a balance in the construction fund after the payment of all of the costs of the reconstruction and repair for which the fund is established, such balance shall be distributed among all Unit Owners, Mortgage holders and lien holders, as their respective insurable interests may appear, in proportion to their respective Common Element Interests or the Common Element Interests to which their respective Mortgages are subject, unless such balance resulted from a fund collected solely from a Unit Owner assessed because of said Unit Owner's negligence or omission.

Section 10.3 Damage or Destruction; No Repair or Replacement. If the entire Condominium is not repaired or replaced: (1) the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged areas of the Common Elements to a condition compatible with the remainder of the Condominium as determined by the Association or Architect; (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 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; and (3) the remainder of the proceeds shall be distributed to all the Unit Owners and Mortgagees, as their insurable interest may appear, in proportion to their respective Common Element Interests or the Common Element Interests which are subject to respective Mortgages. If the Unit Owners and their Mortgagees vote not to rebuild any Unit, that Unit's entire Allocated Interests shall be automatically reallocated upon said vote as if the Unit had been condemned as provided in Article IX of this Declaration and the Association shall prepare, execute and record an amendment to this Declaration reflecting the re-allocations. Notwithstanding any provisions of this Article to the contrary, Section 1602-118 of the Act governs the distribution of insurance proceeds if the Condominium is terminated.

ARTICLE XI: INSURANCE

Section 11.1 Policies. Commencing no later than the time of the first conveyance of a Unit other than as security for an obligation to a person other than the Declarant, the Association shall obtain, or cause to be obtained, and shall maintain, the policies of insurance described in

Sections 11.2, 11.4, and 11.5 to the extent such policies shall be reasonably available from reputable insurance companies. To the extent that said insurance described in said sections is not reasonably available, the Association shall give written notice of that fact to the Unit Owners and Eligible Mortgage Holders by hand-delivery, securing a receipt therefor, or by prepaid United States mail, return receipt requested. To the extent that any of the insurance described in said sections becomes in the future no longer available, the Association shall obtain in substitution therefor such comparable insurance as shall then be available.

Section 11.2 Property Insurance. The Association shall obtain and maintain as a Common Expense a blanket-type or master standard form of "all-risk" fire insurance policy with extended coverage, vandalism, malicious mischief, wind storm, debris removal, cost of demolition and water damage endorsements issued by an insurance company authorized to do business in the State of Maine insuring as a single entity the entire Property (exclusive of land, foundations, excavations, and other similar items customarily excluded from property insurance policies), including the Units and any bathroom and service fixtures, service machinery, and other appliances and apparatus initially installed therein by the Declarant and the replacements thereto installed by the Declarant but not including furniture, wall coverings, furnishings or other personal property supplied or installed by Unit Owners, and including all air-conditioning and heating equipment and other service machinery contained in the Property covering the interests of and naming as named insureds, the Association (for the use and benefit of the individual Unit Owners) and all Unit Owners and their Mortgagees and their Mortgagees' successors and assigns, as their insurable interests may appear. It shall contain a standard Maine Mortgage Clause in favor of each Mortgagee of a Unit with provisions that the proceeds of loss, if any, shall first be payable to each Mortgagee, its successors and assigns, as its insurable interest may appear. It shall be for an amount no less than one hundred percent (100%) of the then current full replacement cost of the Property (exclusive of the land, excavations, foundations and other similar items customarily excluded from such coverage), without deduction for depreciation (such amount to be redetermined annually by the Association with the assistance of the insurance company affording such coverage). Such policy shall contain such "deductible" as the Association shall reasonably deem appropriate, together with the following provisions:

- (1) The following endorsements (or their equivalent):
 - (a) "no control", i.e. to the effect that coverage shall not be prejudiced by any act or neglect of any occupant or Unit Owner or their agents when such act or neglect is not within the control of the insured, or the Unit Owners collectively; nor by any failure of the insured, or the Unit Owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the insured, or the Unit Owners collectively, have no control;
 - (b) "Construction Code Endorsement" or "increased cost of construction";
 - (c) steam boiler coverage endorsement, if applicable; and

(d) "agreed amount" or elimination of co-insurance clause and inflation-guard endorsement, if applicable;

(2) That any "no other insurance" clause expressly exclude individual Unit Owners' policies from its operation so that the physical damage policy purchased by the Association shall be deemed primary coverage and any individual Unit Owners' policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Association hereunder provide for or be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees;

(3) Each Unit Owner is an insured person under the policy with respect to liability arising out of his ownership of an undivided interest in the Common Elements or membership in the Association;

(4) The insurer waives its right to subrogation under the policy against any Unit Owner of the Condominium or members of his household;

(5) No act or omission by any Unit Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and

(6) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

Section 11.3 Losses; Adjustment and Payment. Any loss covered by the insurance policy described in Section 11.2(1) and (2) of this Article shall be adjusted with the Association by its Association, and the insurance proceeds for said loss shall be payable to the Association, and not to any Mortgagee. The Association shall hold any insurance proceeds in trust for Unit Owners, Mortgagees and other lien holders as their interests may appear. Subject to the provisions of Section 11.3 and Section 10.2(3), the proceeds shall be disbursed first for the repair or restoration of the damage to the Property, 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, or the decision has been made not to repair or restore the damage as provided in Section 10.1(3) and Section 14.4(6), or the Condominium is terminated.

Section 11.4 Liability Insurance. The Association shall obtain and maintain, as a Common Expense, comprehensive general public liability insurance (including medical payments insurance) and property damage insurance in such limits as the Board may from time to time determine, insuring each Executive Board Member, any managing agent, each Unit Owner and the Declarant against any liability to the public or to the Unit Owners (and their invitees, agents and employees) covering all occurrences commonly insured against for death,

bodily injury or property damage arising out of, or incident to, the maintenance, ownership or use of the Common Elements and/or relating to any legal liability resulting from suits or actions related to employment contracts to which the Association is a party. Such insurance shall be issued on a comprehensive liability basis and shall contain: (1) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured; and (2) a "severability of interest" endorsement which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts of the Association or of another Unit Owner. The Association shall review such limits once each year, but in no event shall such insurance be less than one million dollars covering claims for bodily injury or property damage arising out of one occurrence.

Section 11.5 Other Insurance. The Association shall obtain and maintain as a Common Expense: (1) insurance to satisfy the indemnification obligations of the Association as provided in Section 8.2 of this Declaration to the extent available and at the option of the Association; (2) worker's compensation insurance if and to the extent necessary to meet the requirements of law; (3) blanket fidelity bond coverage for any management agent and for anyone who handles or is responsible for funds held or administered by the Association whether or not compensation is received for such services, which fidelity bond shall name the Association as an obligee; (4) directors and officers insurance; and (5) such other insurance as the Association may determine or as may be requested from time to time by a majority in voting interest of the Unit Owners. Said fidelity bond shall cover the greater of (a) the maximum funds in the custody of the Association or management agent at any time and in addition shall be at least equal to the sum of three months of assessments on all Units plus the Association's reserve funds or (b) 150% of the estimated annual operating expenses, including reserves of the Condominium. The fidelity bond shall provide for ten days' written notice to the Association before the bond can be cancelled or modified for any reason.

Section 11.6 Memoranda, Cancellation, Additional Required Provisions. All insurers which issue an insurance policy or policies to the Association, upon request, shall issue a copy of the policy to any Unit Owner or Mortgagee. All such insurers issuing the policy may not cancel (including cancellation for non-payment of premium), substantially modify or refuse to renew such policy or policies until twenty (20) days after notice of the proposed cancellation, modification 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. All policies under this Article shall in addition contain the following provisions: (1) The insurer waives any right to claim by way of subrogation against the Declarant, the Association, the Executive Board, the managing agent or the Unit Owners, and their respective agents, employees, guests and, in the case of Unit Owners, the members of their household; and (2) The Declarant, so long as Declarant shall own any Unit, shall be protected by all such policies as a Unit Owner.

Section 11.7 Separate Insurance. Each Unit Owner shall have the right, at his own expense, to obtain insurance for his own Unit and for his own benefit and to obtain insurance coverage upon his personal property and for his personal liability as well as upon any

improvements made by him to his Unit under coverage normally called "improvements and betterments coverage", and for such other risks as are normally insured against; provided, however, that no Unit Owner shall be entitled to exercise his right to acquire or maintain such insurance coverage so as to decrease the amount which the Association, on behalf of all Unit Owners, may realize under any insurance policy maintained by the Board or to cause any insurance coverage maintained by the Board to be brought into contribution with insurance coverage obtained by a Unit Owner. All such policies shall contain waivers of subrogation. At the option of the Association, each Unit Owner shall obtain and maintain general liability insurance in such amounts as required by the Association from time to time and shall provide a certificate of insurance to the Association for each term of coverage at least two (2) weeks prior to the expiration date of the current term of such insurance.

ARTICLE XII: RESTRICTIONS ON USE, OCCUPANCY OR ALIENATION OF UNITS

Section 12.1 Use and Occupancy Restrictions on Units. The Commercial Unit is restricted to commercial use and shall not be used for any residential purpose (with the exception of any such Units during the time period when they are being used by the Declarant as a sample, model or sales office) . Each Unit shall be occupied and used subject to the following restrictions: (1) except for the Commercial Unit, no other Unit shall be used for other than residential purposes (with the exception of any such Units during the time period when they are being used by the Declarant as a sample, model or sales office) of the Unit Owners or such other persons to whom the Unit Owners have leased the Unit in accordance with this Declaration, the Bylaws and any rules and regulations adopted by the Association; nothing in this Declaration shall be construed to prohibit the Declarant from exercising any easements and rights reserved by the Declarant pursuant to this Declaration for any purposes including promotional, marketing or display purposes, from using any appropriate portion of the Common Elements for exercising these reserved rights, settlement of sales of Units and for customer service purposes, or from leasing Units owned by Declarant as provided in this Declaration; (2) nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Property or any part thereof applicable for commercial use without the prior written consent of the Association; no Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Property or any part thereof or which would be in violation of any law, regulation or administrative ruling; no waste will be committed on the Common Elements; (3) no Unit shall be used so as to create a nuisance or an unreasonable interference with the peaceful possession and occupation or proper use of any other Unit or the Common Elements; (4) no owner or occupant of any Unit shall carry on, or permit to be carried on, any practice which unreasonably interferes with the quiet enjoyment and proper use of another Unit or the Common Elements by the Owner or occupant of any other Unit, or which creates or results in a hazard or nuisance on the Property; and (5) the maintenance, keeping, boarding and/or raising of animals, laboratory animals, livestock, poultry or reptiles of any kind, regardless of number, is prohibited within any Unit or upon the Common Elements except that the Association may adopt rules permitting certain household pets. The

Association may adopt rules which would eliminate any specific pet which was adjudged to have become a nuisance.

Notwithstanding any of the foregoing, a Unit owner may use a residential Unit for the purpose of a home office, provided, however, that any such use complies with all applicable state and local laws, ordinances and regulations, and provided that such use is otherwise consistent with the Condominium Documents. The Commercial Unit shall be used for commercial purposes as permissible in accordance with all applicable state and local laws, ordinances and regulations, provided that such use is otherwise consistent with the Condominium Documents.

Section 12.2 Leasing Restrictions. No Unit shall be rented for a period of less than six months. No Unit Owner shall lease a Unit other than on written form of lease requiring the lessee to comply with the Condominium Documents and rules and regulations of the Association. Each Unit Owner shall, promptly following the execution of any lease of a Unit, notify the Association in writing of the name of the tenant and the term of the lease and any options in the lease to renew, extend or purchase. The Bylaws and/or Rules and Regulations may provide for further regulation and rental of Units, except that no other restrictions will be imposed relating to the term of any lease or rental agreement.

Section 12.3 Voluntary Resale of Units. The following provision applies to the sales of Units by all Unit Owners other than the Declarant: No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his or her Unit subsequent to the date of recordation of a bona fide conveyance in fee of such Unit by the Owner to a new Owner. In a voluntary transfer of a Unit, the grantee of the Unit shall be jointly and severally liable with the grantor for all unpaid assessments and special assessments for Common Expenses made by the Association against the latter up to the time of the recordation of grantor's transfer, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any person who shall have entered into an agreement to purchase a Unit from a Unit Owner shall be entitled to a certificate from the Association as provided by Section 1604-108(b) of the Act, and the grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any assessments or unpaid special assessments made by the Association against the grantor for Common Expenses in excess of those disclosed on such certificate. All Unit Owners shall comply with Section 1604-108 of the Act. Except as provided in this Article, there are no other restrictions governing the voluntary transfer of a Unit.

Section 12.4 Rules and Regulations. Each Unit may be used subject to all restrictions contained in the Unit deed, this Declaration, the Bylaws of the Association, and the Rules and Regulations of the Association, as amended from time to time.

ARTICLE XIII: APPLICABILITY; COMPLIANCE AND DEFAULT

Section 13.1 Applicability. This Declaration shall be applicable to the Condominium. All present and future Owners and tenants, their guests, servants, agents and employees and any

other person or persons that shall be permitted to use the Common Elements shall be subject to this Declaration, the Bylaws and to such rules and regulations as may be issued according to the Bylaws by the Association from time to time governing the conduct of its members and the use and occupancy of the Property. Ownership, rental or occupancy of any of the Units in the Condominium shall be conclusively deemed to mean that said Owner, tenant or occupant has accepted and ratified this Declaration, the Bylaws and the rules and regulations of the Association and will comply with them. The acceptance of a deed or conveyance (other than as security) or the entering into of a lease or the entering into of occupancy of any Unit (other than possession by a Mortgagee prior to either the completion of foreclosure or the acceptance of a deed to the Unit subject to the Mortgage held by such Mortgagee) shall signify that the provisions of this Declaration and the Bylaws, the rules and regulations of the Condominium and the decisions of the Association are accepted and ratified by such Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

Section 13.2 Compliance and Default. (1) Each Unit Owner shall be governed by and shall comply strictly with the terms, covenants, conditions and restrictions of this Declaration, Bylaws and the rules and regulations adopted pursuant thereto, and the same as they may be amended from time to time. (2) The Association shall have the power to enforce compliance with such reasonable rules and regulations relative to the operation, use and occupancy of the Units and the Common Elements consistent with the provisions of this Declaration and the Act, including, but not limited to the appointment of such committees and the enactment and enforcement of such enforcement procedures and penalties for violations as the Association shall deem appropriate. The rules and regulations shall be adopted, amended, or rescinded from time to time, by means of appropriate resolutions duly approved by the Executive Board in accordance with the Bylaws. A copy of such rules and regulations and copies of any amendments thereto shall be delivered or mailed to each Owner or occupant of a Unit promptly after the adoption thereof. (3) Failure of the Unit Owner to comply therewith shall entitle the Association or Unit Owners to the remedies provided in this Declaration and the Act, and also to the following relief, none of which remedies shall be exclusive of any other remedies: (a) Suits: Failure to comply with the terms of this Declaration, the Bylaws and the rules and regulations adopted pursuant thereto, as the same may be amended from time to time, shall entitle the Association or any aggrieved Unit Owner to sue for the recovery of damages or for injunctive relief, or both. Such relief shall not be exclusive of other remedies provided by law; (b) Costs and Attorney's Fees: In any proceeding arising because of an alleged failure of a Unit Owner to comply with the terms of the Condominium Documents and rules and regulations adopted pursuant thereto, as the same may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and reasonable attorney's fees; provided, however, that no attorney's fees may be recovered against the Association in any such action unless the court shall first expressly find that the Association acted in bad faith; and (c) No Waiver of Rights: The failure of the Declarant, the Association, or any Unit Owner to enforce any covenant, restriction or other provision of the Act, the Condominium Documents or the rules and regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

Section 13.3 Appeal and Hearing Procedure; Actions by Owners. Unit Owners shall have the right to object, challenge, commence any suit at law or in equity or take any other action under any act, power or authority now in force or hereafter to be enacted against the Association, but not until the Unit Owner has followed such procedures established by the Association by rule or regulation consistent with the provisions of this Paragraph. The Executive Board, or a committee as may be appointed by the Executive Board, shall hear appeals from Unit Owners or lessees of alleged violations of the Condominium Documents and rules and regulations of the Association. Unit Owners shall not have the right to appeal assessments for or collections of assessments for Common Expenses. The Executive Board or such committee shall hold a hearing on any such appeal within thirty (30) days after the receipt by the Executive Board of a formal notice of appeal from a Unit Owner or resident. A decision shall be issued in writing by the Executive Board within ten (10) days after the conclusion of the hearing. The Executive Board shall have the right to establish various rules and procedures governing the operation and administration of the appeal and hearing process and the enforcement of the Condominium Documents and rules and regulations. Unless the internal remedies provided by this Section and such rules and regulations as may be promulgated by the Executive Board shall be expressly waived by the Association or the Association fails or refuses to act, no action at law or in equity shall be commenced by any Unit Owner or resident until such internal remedy is pursued to exhaustion. Any action by a Unit Owner against any other Unit Owner or resident arising out of any term, covenant or condition contained in the Condominium Documents or any rule or regulation made pursuant thereto shall be subject to the same procedures.

ARTICLE XIV: MORTGAGES OF UNITS; RIGHTS OF MORTGAGEES

Section 14.1 Right to Mortgage. Each Unit Owner shall have the right to mortgage or encumber his own respective Unit together with the Allocated Interests appurtenant to such Unit. Except as otherwise permitted by Section 1603-112 of the Act and subject to this Declaration, no Unit Owner shall have the right or authority to mortgage or otherwise encumber in any manner whatsoever the Common Elements or any part thereof except his own Unit and his own respective Allocated Interests appurtenant to his Unit. A Unit Owner who mortgages his Unit shall notify the Association in writing of the name and address of his Mortgagee(s) and shall file a conformed copy of the note and Mortgage with the Association.

Section 14.2 Mortgage Foreclosure. Foreclosure by a Mortgagee of a Unit shall proceed by civil action according to 14 M.R.S.A. §6321, et seq., as amended, or pursuant to the remedies provided in the mortgage or through deed (or assignment) in lieu of foreclosure. The Association shall be named party in the proceedings if a lien exists for assessments that were or may become payable to the Association before the foreclosure sale. A first mortgage recorded before or after the date on which an assessment became delinquent, has priority over any lien which the Association may have. The foreclosure sale will extinguish as to the mortgagee the lien for assessments that were payable before the foreclosure sale but the proceeds from the sale

will be disbursed according to the provisions of the judgment regarding priority of liens, including any assessments owed to the Association.

Section 14.3 Notices to Eligible Mortgage Holder. The Association shall send written notice by prepaid United States mail to each affected Eligible Mortgage Holder at the address identified pursuant to Section 17.3 of this Declaration of the following proposed actions either within a reasonable period prior to the taking of any of such proposed actions or at the time that notice thereof is given to Unit Owners unless another time is specified herein: (1) any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit on which there is a first Mortgage held by such Eligible Mortgage Holder; (2) notice of any default or delinquency in the payment of assessments for Common Expenses or any other charges owed by an Owner of a Unit subject to a Mortgage held of record by such an Eligible Mortgage Holder, or any other default in the performance or payment by such an Owner of a Unit of any obligation under this Declaration, the Bylaws or any rules and regulations of the Association, which delinquency or other default continues for a period of sixty (60) days, to the Eligible Mortgage Holder of the Mortgage to which such Owner's Unit is subject; (3) any lapse, cancellation or material modification of any insurance policy or fidelity bond required to be maintained under the Declaration or Bylaws by the Association; (4) the proposed use of any proceeds of Property Insurance required to be obtained and maintained by the Association pursuant to Section 1603-113, subsection (a) of the Act, for purposes other than repair or restoration of the damaged property; (5) the adoption of any proposed budget under Section 1603-103, subsection (c) of the Act, the date of the meeting of Unit Owners scheduled to consider ratification of such proposed budget, and a summary of the proposed budget; (6) any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders as specified in Section 14.6; (7) the termination of the Condominium pursuant to Section 1602-118 of the set and this Declaration; (8) a change in the Allocated Interests appurtenant to any Unit, a change in the boundaries of a Unit, or the subdivision of a Unit; (9) the merger or consolidation of the Condominium with another condominium; or (10) the conveyance or subjection to a security interest of any portion of the Common Elements. Any action taken by the Declarant which has been reserved as a Declarant's right under this Declaration does not require notification of the Eligible Mortgage Holders. Upon written request of any Eligible Mortgage Holder, the Association will provide an audited financial statement of the Association for the preceding fiscal year at the Eligible Mortgage Holder's expense.

Section 14.4 Mortgagee Approval Rights:

(1) The prior written approval of at least eighty (80%) percent of the voting interest of the Unit Owners and sixty-seven (67%) percent of the Eligible Mortgage Holders shall be required to terminate or abandon the Condominium.

(2) The prior written approval of at least sixty-seven (67%) percent of the voting interest of the Unit Owners and at least fifty-one (51%) percent of the Eligible Mortgage Holders shall be required to alter or change the Allocated Interests except with respect to the exercise of

Development Rights reserved by the Declarant in this Declaration, or as otherwise provided in the Act.

(3) Any abandonment, partition, subdivision, encumbrance, sale or transfer of any of the Common Elements (except for granting easements for utilities or other public purposes consistent with the intended use of the Common Elements and the exercise of rights reserved by the Declarant under Article V) by act or omission shall require the prior written approval of at least eighty (80%) percent in voting interest of the Unit Owners and sixty-seven (67%) percent of the Eligible Mortgage Holders.

(4) The prior written approval of at least sixty-seven (67%) percent of the Eligible Mortgage Holders shall be required to use property insurance and eminent domain proceeds for losses to any Condominium Property (whether to Units or to Common Elements) for other than the repair, replacement restoration of the Property substantially in accordance with this Declaration, the Bylaws, Plat and Plans, and the original elevation thereof, and the original building plans and specifications.

Section 14.5 Voting by Eligible Mortgage Holders.

(1) In the event of any of the following proposed actions: (i) the termination of the Condominium pursuant to Section 1602-118 of the Act; (ii) change in the Allocated Interest of a Unit, a change in the boundaries of a Unit or a subdivision of a Unit; (iii) the merger or consolidation of the Condominium with another Condominium; (iv) the conveyance or subjection to a security interest of any portion of the Common Elements; or (v) the proposed use of any proceeds of hazard insurance required to be maintained by the Association under section 1603-113, subsection (a), for purposes other than the repair or restoration of the damaged property, an Eligible Mortgage Holder shall have the right but not the obligation in place of the Unit Owner to cast the votes allocated to that Unit or give or withhold any consent required of the Unit Owner for such action. This right shall be exercised by the Eligible Mortgage Holder delivering written notice to the Association with a copy to the Unit Owner, prior to or at the time of the taking of the proposed action, which notice shall be sent by prepaid United States mail, return receipt requested, or by delivery in hand, all according to 33 M.R.S.A. § 1602-119(c). Failure of the Eligible Mortgage Holder to so exercise such right shall constitute a waiver thereof.

(2) An Eligible Mortgage Holder who receives a written request to approve or consent to any actions or additions and amendments to any documents relating to the Condominium who does not deliver to the requesting party a negative response within thirty (30) days after the giving of notice shall be deemed to have approved such request in writing.

Section 14.6 Other Rights of Eligible Mortgage Holders. In the event or any default by a Unit Owner in payment of assessments or performance of obligations pursuant to the Condominium Documents as more fully described in Section 14.3(2) of this Article, the Eligible

Mortgage Holder of the Mortgage on such Owner's Unit shall have the right but not the obligation to cure such default. In addition to, but not by way of limitation of, all rights granted to Eligible Mortgage Holders pursuant to the Act and to this Declaration to cast the votes allocated to a Unit in lieu of the Unit Owner or which require a certain percent approval by Eligible Mortgage Holders, any Eligible Mortgage Holder, or its representative, shall have the right to attend meetings of the Association and Executive Board for the purposes of discussing the matters described in Sections 14.3(4), (5), (7), (8), (9) and (10). 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. Each Eligible Mortgage Holder shall be entitled to examine the financial records and books of account of the Association upon reasonable prior written notice to the Association and shall be entitled at the expense of the Eligible Mortgage Holder to an audited financial statement.

ARTICLE XV: AMENDMENT

Except in cases of amendments to this Declaration as described in the Act in Sections 1601-107, Eminent Domain; 1602-108, Allocation of Limited Common Elements; 1602-112, Reallocation of Boundaries Between Adjoining Units; 1602-113, Subdivision of Units; or 1602-118, Termination of Condominium, and except in cases of amendments to the Declaration that may be executed by the Declarant under Section 1602-109(f) Plats and Plans or under Section 1602-110, Exercise of Development Rights, of the Act, and subject to the other provisions of this Declaration and of the Act, this Declaration and the Plats and Plans may be amended as follows:

Section 15.1 Before Any Conveyance. Prior to the conveyance of any Unit by the Declarant to a Unit Owner other than as security for an obligation, the Declarant shall have the right to amend this Declaration in any manner that the Declarant may deem appropriate.

Section 15.2 After First Conveyance. After the first conveyance of a Unit by a Declarant, excepting amendments to the Declaration, Plat and Plans made by the Declaration accordance with rights preserved under Article V, the terms of the following subparagraphs shall apply to the amendment of this Declaration:

(1) Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting of the Executive Board in which a proposed amendment is considered, and shall be served upon all Unit Owners in the manner provided in Section 17.1 for service of notices and upon Eligible Mortgage Holders in the manner identified in Section 17.3.

(2) Resolution. An amendment to this Declaration may be proposed by either the Executive Board or by Unit Owners holding in the aggregate no less than twenty (20%) percent of the votes in the Association. No resolution of the Executive Board adopting a proposed amendment shall be effective unless it has been adopted at a meeting of the Association duly

called and held in accordance with the Bylaws by the affirmative vote of at least sixty-seven (67%) percent in voting interest of the Unit Owners and then executed and recorded as provided in Section 15.2 (5).

(3) Agreement. In the alternative, an amendment may be made by an agreement signed by the record Owners (or the Eligible Mortgage Holders) of the Units to which at least sixty-seven (67%) percent of the votes in the Association are allocated in the manner required for the execution of a deed and acknowledged by at least one of them, and such amendment shall be effective when recorded.

(4) Certain Amendments. Except as otherwise permitted by the Act or provided in this Declaration, no amendment may increase the number of Units or change the boundaries of any Unit, the Allocated Interests allocated to a Unit, or the uses to which any Unit is restricted without the unanimous consent of the Unit Owners. No amendment of this Declaration shall make any change which would in any way affect any of the rights, privileges, powers and options of the Declarant, its successors or assigns, unless the Declarant, or its successors or assigns shall join in the execution of such amendment.

(5) Execution and Recording. A copy of each amendment shall be attached to or included with a certificate, certifying that the amendment was duly adopted, which certificate shall be executed and acknowledged by such officer or officers of the Association and/or member or members of the Executive Board designated for that purpose in the Bylaws. The amendment shall be effective when such certificate and copy of the amendment are recorded.

(6) Notice and Challenge. No action to challenge the validity of an amendment to this Declaration adopted by the Association pursuant to this Article may be brought more than one year after such amendment is recorded. After each amendment to this Declaration adopted pursuant to this Article has been recorded, notice thereof shall be sent to all Unit Owners and to all Eligible Mortgage Holders at the address last furnished to the Association, but failure to send such notices shall not affect the validity of such amendment. The Association shall make copies of the Declaration and all amendments thereto available for inspection at reasonable times upon reasonable request for such inspection.

ARTICLE XVI: EASEMENTS AND LICENSES

Section 16.1 Recorded Easements and Licenses. The recording data for previously existing recorded easements and licenses appurtenant to or included in the Condominium or by virtue of any reservation contained in this Declaration, are stated and set forth in Exhibit A hereto.

Section 16.2 Utilities, Pipes and Conduits. Each Unit Owner shall have an easement in common with all other Unit Owners in the same Building to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements serving his Unit and located in any of

the other Units in the same Building. Each Unit shall be subject to an easement in favor of all other Unit Owners to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units in the same Building and located in such Unit.

Section 16.3 Structural Support. Each Unit shall have an easement to the extent necessary for structural and subjacent support over every other Unit in the same Building and over the Common Elements, and each Unit and the Common Elements shall be subject to an easement for structural and lateral support in favor of every other Unit in the same Building.

Section 16.4 Ingress, Egress and Regress. Each Unit Owner shall have an easement, subject to any rules and regulations established by the Association, in common with all other Unit Owners to use the entrances, exits, corridors and other Common Elements as a means of ingress, egress and regress to and from the Property and the adjoining public streets. The Association shall not and cannot establish any rules and regulations depriving any Unit Owner of reasonable ingress, egress and regress to and from his Unit, the Property and Common Elements, and the adjoining public streets.

Section 16.5 Encroachments. If any portion of the Common Elements or Limited Common Elements hereafter encroaches upon any Unit, or if any Unit hereafter encroaches upon any other Unit or upon any portion of the Common Elements or Limited Common Elements, as a result of settling or shifting of the Building in which they are located or if the Building or Units are not constructed precisely in accordance with the dimension shown on the Plats and Plans or otherwise except as a result of the purposeful or negligent act or omission of the Owner of the encroaching Unit, or of the Association in the case of encroachments by the Common Elements or Limited Common Elements, a valid easement appurtenant to the encroaching Units, Common Elements or Limited Common Elements for the encroachment and for the maintenance of the same shall exist for so long as the encroachment shall exist. In the event that the Building shall be partially destroyed as a result of fire or other casualty or as a result of taking by the power of, or in the nature of, eminent domain or by an action or deed in lieu of condemnation, and then is rebuilt, encroachments of a portion or portions of the Common Elements or Limited Common Elements upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Elements or Limited Common Elements, due to such rebuilding, shall be permitted, and valid easements appurtenant to the encroaching Units, Common Elements or Limited Common Elements for such encroachments and the maintenance thereof shall exist so long as such Building as so rebuilt shall stand.

Section 16.6 Common Elements Easement in Favor of Unit Owners. The Common Elements (including, but not limited to, the Limited Common Elements) shall be and are hereby made subject to the following easements in favor of the Units benefited: (1) for the installation, repair, maintenance, use, removal and/or replacement of lighting fixtures, electrical receptacles, panel boards and other electrical installations which are Common Elements adjacent to such Unit; provided that the installation, repair, maintenance, use, removal or replacement of any such item does not unreasonably interfere with the common use of any part of the Common Elements, adversely affect either the thermal or acoustical character of the Building or impair or

structurally weaken the Building; (2) for driving and removing nails, screws, bolts and other attachment devices into the Unit side surface of the stone, block, brick or other masonry walls bounding the Unit and the Unit side surface of the studs which support the dry wall or plaster perimeter walls bounding the Unit, the bottom surface of floor joists above the Unit to the extent such nails, screws, bolts and other attachment devices may encroach into a part of a Common Elements adjacent to such Unit; provided that any such action will not unreasonably interfere with the common use of any part of the Common Elements, adversely affect either the thermal or acoustical character of the building or impair or structurally weaken the Building; and (3) for the maintenance of the encroachment of any lighting devices, outlets, exhaust fans, ventilation ducts, registers, grilles and similar fixtures which serve only one Unit but which encroach into any part of any Common Elements or Limited Common Elements on the date this Declaration is recorded or was thereafter installed by Declarant during the Declarant Control Period or within two (2) years after the termination thereof.

Section 16.7 Association's Rights. The Association shall have rights reserved to it by the Declarant in Section 5.3. It shall have the reasonable right of entry upon any Unit to make emergency repairs and to do other work reasonably necessary for the proper maintenance or operation of the Condominium. The Association shall have the right to grant permits, licenses and easements over the Common Elements for utilities, ways and other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium. The Association has a right of access to each Unit for the purpose of making inspections or for the purpose of correcting any condition originating in a Unit or elsewhere and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, other Common Elements or Units, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner, and provided further that judicial proceedings shall be instituted by the Association before any items of construction can be altered or demolished. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

Section 16.8 Special Declarant Rights. Declarant, its successors and assigns have the rights and easements specified in Article V of this Declaration entitled Special Declarant Rights.

ARTICLE XVII: NOTICES TO UNIT OWNERS BY ASSOCIATION

Section 17.1 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, if requested, and shall be deemed to have been duly given if delivered personally or sent by United States mail, postage prepaid, or if such notification is of a default or lien, sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the Unit Owner at the address which the Unit Owner shall designate in writing and file with the Secretary of the Association, or if no such address is so designated, the address of the Unit of such Unit Owner who is the record owner thereof.

Section 17.2 To the Association. All notices, demands, statements or other communications affecting the Condominium shall be in writing and shall be deemed to have been duly given to the Association if delivered personally 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.

Section 17.3 Eligible Mortgage Holder. All notices, demands, statements or other communications affecting the Condominium given by the Association to any Eligible Mortgage Holder shall be in writing and shall be deemed to have been duly given by the Association if delivered personally or sent by United States mail, postage prepaid, addressed to the Eligible Mortgage Holder at the address identified pursuant to this Declaration.

ARTICLE XVIII: TAXATION

Section 18.1 Separate Taxation. If there is any Unit Owner other than the Declarant, each Unit and its Allocated Interests shall be deemed to be a separate tax parcel and shall be separately taxed and assessed by the City of Portland. Except to any extent required by law, neither the building, the Property nor any of the Common Elements shall be deemed to be or assessed individually as a separate tax parcel.

Section 18.2 Units Not Yet Separately Assessed. In the event that for any year real estate taxes are assessed by the City of Portland and are not separately taxed and assessed to each separate Unit Owner but are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective Common Element Liability.

ARTICLE XIX: TERMINATION OF CONDOMINIUM

The Condominium shall not be terminated except as provided in, and subject to, Section 1602-118 of the Act, and only by agreement of Unit Owners of Units to which at least eighty (80%) percent of the Votes of the Association are allocated, but an Eligible Mortgage Holder shall have the right but not the obligation in place of the Unit Owner to cast the vote allocated to that Unit subject to its mortgage by delivering written notice to the Association with a copy to the Unit Owner prior to or at the time of taking the proposed action as allowed under the Act. Additionally, approval of Eligible Mortgage Holders is required as previously described in Sections 14.4 and 14.5.

ARTICLE XX: MISCELLANEOUS

Section 20.1 Interpretation; Conflict. In the event of any conflict or discrepancy between this Declaration, the Bylaws and the Plats and Plans, this Declaration shall govern. If

any provision of this Declaration, the Bylaws or the rules and regulations, or any section, sentence, clause, phrase, or word therein, or the application thereof in any circumstances be judicially held in conflict with any applicable laws, including, but not limited to, the Condominium Act, then the laws shall be deemed controlling; but the validity of the remainder of this Declaration, the Bylaws and rules and regulations, and the application of any such provision, section, clause, phrase, or word in other circumstances shall not be affected thereby and all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provisions hereof. The use of the singular number in this Declaration shall be deemed to include the plural, and the use of any one gender shall be deemed applicable to all genders. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches which may occur. Any dispute or disagreement between Unit Owners with respect to interpretation or application of this Declaration or the Bylaws or rules and regulations shall be determined by the Executive Board, which determination shall be final and binding on all parties.

Section 20.2 Remedies Cumulative. All rights, remedies and privileges granted to the Association 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.

Section 20.3 Arbitration In any dispute between one or more Unit Owners and the Declarant regarding the Common Elements, the Association shall act for the Unit Owners, and any agreement with respect thereto by the Board shall be conclusive and binding upon the Unit Owners. Any dispute or disagreement between Unit Owners other than Declarant with respect to the interpretation or application of this Declaration or the Articles of Incorporation, the Bylaws or rules and regulations of the Association shall be determined by the Executive Board, which determination shall be final and binding on all parties subject to a disputant's right to appeal the decision by seeking arbitration following the procedures set forth hereinbelow.

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

other parties and with the American Arbitration Association. The demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations or other principles of law and equity.

IN WITNESS WHEREOF, CHESTNUT STREET LLC, the Declarant, has caused this Declaration to be executed by _____, its _____ thereunto duly authorized, as of the date first above written.

WITNESS:

CHESTNUT STREET LOFTS LLC,
Declarant

By: _____

Name:

Its:

STATE OF MAINE
CUMBERLAND, SS.

_____, 2005

Personally appeared the above-named _____, _____ of CHESTNUT STREET LOFTS LLC, as aforesaid, 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.

Before me,

Notary Public/Attorney-at-law

EXHIBIT A

PROPERTY DESCRIPTION

O:\MAS\05180 Berman\Chestnut Street\Condominium Docs\Declaration of Condominium 8_15_05.doc

EXHIBIT B

ALLOCATED INTERESTS

Unit No.	Percentage Interest	Vote in the Association
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
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21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
Commercial Unit		
TOTALS:	100%	35

BYLAWS
OF
CHESTNUT STREET LOFTS CONDOMINIUM ASSOCIATION

ARTICLE I

Name and Location

The name of the corporation is Chestnut Street Lofts Condominium Association (“Association” or “Corporation”). Its location is 23-31 Chestnut Street, Portland, Maine.

ARTICLE II

Definitions

Section 2.01. “Declaration” means the Chestnut Street Lofts Condominium Declaration recorded in the Cumberland County Registry of Deeds on _____, 2005, as amended from time to time, including the plats and plans therein referred to, which as amended from time to time are referred to as “Plats” and “Plans” respectively, the condominium established by the Declaration being referred to as the “Condominium”.

Section 2.02. “Member” or “Unit Owner” shall mean and refer to the owner, whether one or more persons or entities, of the fee simple title to any Unit of the Condominium, but not one who owns solely for security for an obligation.

Section 2.03. “Condominium Act” means the Maine Condominium Act, Chapter 31 of Title 33 M.R.S.A. § 1601-101 *et seq.*, as amended, and “Nonprofit Corporation Act” means the Maine Nonprofit Corporation Act, Title 13-B M.R.S.A. § 101 *et seq.*, as amended. Terms not herein defined will have the meanings established by the Declaration.

ARTICLE III

Powers of Association

Subject to the provisions of the Declaration, the Association may:

- (1) Adopt and amend Bylaws and rules and regulations;

- (2) Acting through its Executive Board, adopt and amend budgets for revenues, expenditures and reserves and collect assessments for Common Expenses from Unit Owners;
- (3) Hire and terminate managing agents and other employees, agents and independent contractors;
- (4) Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or one or more Unit Owners on matters affecting the Condominium;
- (5) Make contracts and incur liabilities;
- (6) Regulate the use, maintenance, repair, replacement and modification of Common Elements;
- (7) Cause additional improvements to be made as part of the Common Elements;
- (8) Acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property, provided that Common Elements may be conveyed or subjected to a security interest only pursuant to the Condominium Act.
- (9) Grant easements, leases, licenses and concessions through or over the Common Elements;
- (10) Impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements, other than Limited Common Elements, and services provided to Unit Owners;
- (11) Impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, Bylaws and rules and regulations of the Association; enforce Association liens.
- (12) Impose reasonable charges for the preparation and recordation of amendments to the Declaration, resale certificates required by the Condominium Act or statements of unpaid assessments;
- (13) Provide for the indemnification of its officers and directors, also known as Executive Board members and maintain directors' and officers' liability insurance;
- (14) Exercise any other powers conferred by the Declaration or Bylaws;

(15) Exercise all other powers that may be exercised in this State by legal entities of the same type as the Association; and

(16) Exercise any other powers necessary and proper for the governance and operation of the Association.

ARTICLE IV

Meetings of Members

Section 4.01. Place and Time. All meetings of the members shall be held at such place in or outside the State of Maine and at such time as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof. The first meeting of the members shall be held no later than the earlier of either the time for adoption of the first annual budget or within sixty (60) days after 33 1/3% of the Units are conveyed to Unit Owners other than the Declarant.

Section 4.02. Annual Meetings. There shall be an annual meeting of the members on the second Tuesday of April of each year or at such other reasonable time or date as may be designated by the Executive Board.

Section 4.03. Special Meetings. Special meetings of the members may be called by the board of directors, designated as the "Executive Board," in the Declaration and in Section 5.01 hereof or by the President or by members having at least 1/3 the votes of members.

Section 4.04. Budget Adoption Meetings. As provided in §1603-103 of the Condominium Act, the date for a meeting of the members to consider ratification of a budget proposed by the Executive Board shall be not less than fourteen (14) nor more than thirty (30) days after mailing of the summary of the proposed budget to the members.

Section 4.05. Notice of Meetings. The President or Secretary, or the persons calling the meeting not less than ten (10) nor more than fifty (50) days in advance of any meeting, shall cause notice to be hand delivered or sent prepaid by United States mail to the mailing address of each Unit or to any other mailing address designated in writing by the Unit Owner. The notice of any meeting must 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 or Bylaws, any budget changes and any proposal to remove a director or officer, and if it is of a special meeting, the purpose or purposes for which it is called. When appropriate under the Bylaws or Declaration the Board shall also send reasonable prior written notice by prepaid United States mail to "Eligible Mortgage Holders" as defined in §1602-119 of the Condominium Act.

Section 4.06. Quorum, Adjournment. A quorum is deemed present throughout any meeting of the members of the Corporation when persons entitled to cast one third of the votes of the Association are present in person or by proxy at the beginning of the meeting. If, however, a

quorum is not present, a majority of the votes present may adjourn a meeting from time to time. At an adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally noticed. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each member.

Section 4.07. Voting, Proxies. As provided in the Condominium Act:

(a) If only one of the multiple owners of a Unit is present at a meeting of the corporation, he is entitled to cast the vote allocated to that Unit. If more than one of the multiple owners are present, the vote allocated to that Unit may be cast in accordance with the agreement of a majority in interest of the multiple owners including fractional voting. There is majority agreement if any one of the multiple owners casts the vote allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.

(b) A vote allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit Owner. If a Unit is owned by more than one person, each owner of the Unit may vote as described in Section 4.07(a) above or register protest to the casting of votes by the other owners of the Unit through a duly executed proxy. A Unit Owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the members. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates twelve (12) months after its date, unless it specifies a shorter term.

Section 4.08. Parliamentary Procedure. At all meetings, Roberts' Rules of Order, as then amended, shall be followed, except in the event of conflict with these Bylaws or the Declaration.

Section 4.09. Informal Action of Unit Owners. Any action required or permitted to be taken at a meeting of the members may be taken without a meeting if written consents, setting forth the action so taken, shall be signed by all of the members entitled to vote on such action and are filed with the officer of the Corporation responsible for the keeping of records as part of the Corporate records.

ARTICLE V

Directors

Section 5.01. Executive Board, Number, Qualifications, Powers and Duties. The business and affairs of the Association shall be managed by the Executive Board consisting of not less than three persons and not more than seven persons, which shall act on behalf of the Association and constitute the "Executive Board" under the Condominium Act as referenced in the Declaration. During the Declarant Control Period, there shall be three Executive Board

members. All members of the Board except for those appointed by the Declarant or persons designated by it, shall be Unit Owners. The Board shall have the power and duty to manage the activities of the Association, including exercising or causing to be exercised the powers of the Association enumerated in Article III hereof, except the Board may not amend the Bylaws after the termination of the Declarant Control Period, as defined in the Declaration.

Section 5.02. Election of Directors. The members of the Board shall be elected at the annual meeting of the Association by majority vote of those Unit Owners present at the meeting except during the Declarant Control Period.

Section 5.03. Term. The initial Executive Board shall be elected so that one third of the Board members serve for a term of one year, another third serve for two years and the final third serve for three years. Thereafter, the term of office of a Board Member shall be three years. Each Board Member shall hold office until his successor shall have been elected and qualified, or until his earlier resignation, removal from office, death or incapacity.

Section 5.04. Vacancies. Vacancies in the Board, other than positions of the Board appointed by Declarant, may be filled by appointment by the Board Members in office, even if less than a quorum. Declarant shall fill vacancies in positions it appoints.

Section 5.05. Removal of Executive Board Members. During the Declarant Control Period, removal of Declarant appointees shall be by Declarant. Otherwise at a special meeting of Association members called expressly for that purpose, the entire Executive Board or any individual Board Member may be removed, with or without cause, by the affirmative vote of Association members holding 2/3 of the voting interest of the Association.

Section 5.06. Managing Agent or Manager. The Executive Board may employ for the Condominium a managing agent or a manager at a compensation established by the Executive Board. No management contract shall be for a period of greater than three (3) years. A contract with the management agent must provide for termination by either party without cause and without payment of a termination fee on ninety (90) days written notice. The manager shall perform such duties and services as the Executive Board shall authorize, including without limitation maintenance and repair of Common Elements and obtaining of insurance. The Executive Board may delegate to the managing agent or manager the powers to:

- (a) hire and terminate employees, agents and independent contractors;
- (b) collect assessments from Unit Owners;
- (c) make contracts and incur liabilities, within budget except for emergencies; and
- (d) provide upkeep, maintenance, repair and replacement of Limited Common Elements.

Section 5.07. Annual Meeting. The first meeting of each newly elected Executive Board shall be held immediately following the adjournment of the annual meeting of the Association members at the same place as the annual meeting of Association members and no notice of such meeting shall be necessary to the newly elected Board Members in order legally to constitute the meeting, provided a quorum shall be present. In the event such meeting is not held at such time and place, the meeting shall be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Executive Board, or as shall be specified in a written waiver, signed by all of the Board Members.

Section 5.08. Regular Meetings. Regular meetings of the Executive Board may be held in November of each year or at such other reasonable time as may be designated by the Board. Notice of regular meetings of the Executive Board shall be given to each member of the Executive Board in person or by mail, telephone or telegraph, at least three (3) business days prior to the day named for such meeting.

Section 5.9. Special Meetings. Special meetings of the Executive Board may be called for such time and place including by phone, as determined by the President or any member of the Executive Board on three (3) hour notice to each member of the Executive Board, given in person or by mail, telephone, facsimile or electronic mail.

Section 5.10. Waiver of Notice. Any member of the Executive Board may at any time waive notice of any meeting of the Executive Board in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Executive Board at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Executive Board are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 5.11. Quorum of Executive Board. At all meetings of the Executive Board, a majority of the members thereof shall constitute a quorum for the transaction of business. If at any meeting of the Executive Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned 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.

Section 5.12. Resolutions of the Board; Action by Unanimous Written Consent. Unless otherwise provided in these Bylaws, the Declaration, the Condominium Act or Nonprofit Corporation Act, the votes of a majority of the members of the Executive Board present at a meeting at which a quorum is present or at which a quorum was present at the beginning of the meeting shall constitute the decision of the Executive Board and shall thus constitute action of the Association. Any action required to be taken at a meeting of the Executive Board or any other action which may be taken at a meeting of the Executive Board, may be taken without a meeting,

if a consent in writing setting forth the action so taken shall be signed by all of the members of the Executive Board.

Section 5.13. Fidelity Bonds. The Executive Board may obtain fidelity bonds for all officers and employees of the Association handling or responsible for Association funds. The premiums on such bonds shall constitute a Common Expense.

Section 5.14. Compensation. No member of the Executive Board shall receive any compensation from the Association for acting as such except for approved expenses.

Section 5.15. Liability of the Executive Board. The members of the Executive Board shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith.

Section 5.16. Parliamentary Procedure. At all Board or committee meetings, Roberts' Rules of Order, as then amended, shall be followed, except in the event of conflict with these Bylaws or the Declaration.

ARTICLE VI

Officers

Section 6.01. Designation. The officers of the Association shall be a President, Secretary and Treasurer, all of whom shall be elected by the Executive Board. The Executive Board may appoint a Vice President, Assistant Treasurer, Assistant Secretary and such other officers as in its judgment may be necessary. The President and any Vice President, but no other officers, need be members of the Executive Board. The Executive Board shall also maintain a registered office and a registered agent for the corporation as required by law.

Section 6.02. Election of Officers. The initial officers of the Association shall be elected by the Executive Board at any time. Officers shall thereafter be elected annually by the Executive Board at the first meeting of each new Executive Board. Officers shall hold office at the pleasure of the Executive Board.

Section 6.03. Removal of Officers and Vacancies. Upon the affirmative vote of a majority of the members of the Executive Board, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Executive Board or at any special meeting of the Executive Board called for that purpose. Vacancies may be filled by the Board.

Section 6.04. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Unit Owners and of the Executive Board. He shall have all of the general powers and duties which are incident to the office of president of a

corporation organized under the Nonprofit Corporation Act, 13B M.R.S.A. §101 et seq as amended, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association, and such powers of the Executive Board as the Board shall delegate to him.

Section 6.05. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Executive Board shall appoint some other member of the Executive Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Executive Board or by the President.

Section 6.06. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Executive Board; he shall have charge of such books and papers as the Executive Board may direct; and he shall, in general, perform all the duties incident to the office of the secretary of a corporation organized under the Nonprofit Corporation Act.

Section 6.07. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of accounts showing all receipts and disbursements and for the preparation of all required financial data. He shall be responsible for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Executive Board, and he shall, in general, perform all the duties incident to the office of treasurer of a corporation organized under the Nonprofit Corporation Act.

Section 6.08. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by the President or by such other person or persons as may be designated by the Executive Board.

Section 6.09. Compensation of Officers. No officer, except the Treasurer, shall receive any compensation from the Association for acting as such.

ARTICLE VII

Operation of the Condominium

Section 7.01. Budget Determination of Common Expenses. The Executive Board shall from time to time, and at least annually, prepare a proposed budget for revenues, expenditures and reserves for the Condominium, determine the amount payable by the Unit Owners to meet the Common Expenses of the Condominium, and allocate and assess such Common Expenses, which includes Limited Common Expense, among the Unit Owners

according to their interests as established by the Declaration, as amended from time to time. The Common Expenses shall include, among other things, (a) the costs of repairs, maintenance, replacement and modification of the Common Elements, including the Limited Common Elements, (b) the costs of additional improvements, if any, to the Common Elements, and (c) the cost of all premiums on all policies of insurance required to be or which have been obtained by the Executive Board. The Common Expenses shall also include such amounts as the Executive Board may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for general operating reserve for the Condominium equal to not less than two months Common Expenses for all declared Units, for an adequate reserve fund for replacement, and to make up any deficit in the Common Expenses for any prior year. The Executive Board shall advise all Unit Owners, promptly, in writing, of the amount of Common Expenses payable by each of them, respectively, as determined by the Executive Board, as aforesaid, and shall furnish copies of each budget on which such Common Expenses, including Limited Common Expenses, are based to all Unit Owners.

Within thirty (30) days after preparation of any proposed budget for the Condominium, the Board shall provide a summary of the budget to all the Unit Owners, and shall set a date for a meeting of the Executive Board to consider ratification of the proposed budget not less than fourteen (14) nor more than thirty (30) days after mailing of the summary. The Board shall also send reasonable prior written notice by prepaid United States mail to "eligible mortgage holders" as defined in §1602-119 of the Condominium Act of the budget and the date of the ratification meeting with a summary of the budget. At the meeting, the Executive Board shall receive and consider comments from Unit Owners and Eligible Mortgage Holders with respect to the proposed budget. A vote of [a majority? Higher threshold?] of the Executive Board shall be necessary to adopt the proposed budget

Section 7.02. Payment of Common Expenses. All Unit Owners shall be obligated to pay the Common Expenses under the budget or an amended budget, assessed by the Executive Board at such time or times as the Executive Board shall determine.

No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to the recording of a sale, transfer or other conveyance by him of such Unit. A purchaser of a Unit shall be liable for the payment of Common Expenses assessed against such Unit prior to the acquisition by him of such Unit, unless such expense is not shown on a certificate issued for the benefit of the purchaser by the Association under §1604-108 of Maine Condominium Act and requested by or given to the purchaser.

Section 7.03. Collection of Assessments. The Executive Board shall make all assessments for Common Expenses against the Unit Owners from time to time, and at least annually shall take prompt action to collect any assessment due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof.

Section 7.04. Default in Payment of Common Expenses. In the event of default by any Unit Owner in paying to the Executive Board the Common Expenses as determined by the Executive Board, such Unit Owner shall be obligated to pay interest at 18% per annum or such rate established by the Executive Board from time to time not exceeding 18% per annum on such Common Expenses from the due date thereof, together with all expenses, including attorney's fees, incurred by the Executive Board in any attempt to collect and in any proceeding brought to collect such unpaid Common Expenses. The Executive Board shall have the right and duty to attempt to recover such Common Expenses, together with interest thereon, and the expenses of the collection attempt and proceeding, including attorney's fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by the provisions of the Condominium Act.

Section 7.05. Foreclosure of Liens for Unpaid Common Expenses. In any action brought by the Executive Board to foreclose a lien on a Unit because of unpaid Common Expenses, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall (subject to the prior right of any mortgagee on any one or more Units) be entitled to the appointment of a receiver to collect the same. Foreclosure extinguishes the lien on the Unit but unless the debt for the unpaid Common Expenses is satisfied from the proceeds of the foreclosure sale, personal obligation for the unpaid Common Expenses will remain with the person who owned the Unit when the expenses became due and payable. The Executive Board, acting on behalf of all Unit Owners shall have the right to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant thereto, and convey or otherwise deal with the same. A suit to recover a money judgment for unpaid Common Expenses shall be maintainable without foreclosing or waiving the lien securing the same.

Section 7.06. Statement of Common Expenses. The Executive Board shall promptly provide any Unit Owner upon written request a recordable statement setting forth the amount of unpaid assessments currently levied against the Unit and other such information as required under §1604-108 of the Condominium Act when the Unit Owner shall be supplying a certificate to a purchaser. The statement shall be furnished within 10 business days after receipt of the request and is binding on the Association, the Board and every Unit Owner.

Section 7.07. Abatement and Enjoinment of Violations by Unit Owners. The violation of any rule or regulation adopted by the Executive Board or the Unit Owners, or the breach of any bylaw contained herein, or the breach of any provision of the Declaration shall give the Executive Board the right, in addition to any other rights set forth in these Bylaws:

- (a) To enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof or thereof, and the Executive Board shall not thereby be deemed guilty in any manner of trespass;

(b) To enjoin, abate or remedy by any appropriate legal proceedings, either at law or in equity, the continuance of any such breach at the cost, including attorney's fees, of such Unit Owner;

(c) If these Bylaws contain provisions, or the Executive Board has adopted and published rules and regulations governing the use of the Common Elements and the personal conduct of any person thereon violates those provisions or rules and regulations, to suspend such use by any such person for violation of such provisions or rules and regulations for a period not to exceed thirty (30) days for any single violation except that access to the Unit may not be denied.

(d) To levy summary charges against a Unit Owner for such violation, in addition to any damages, provided that no summary charges may be levied for more than \$50.00 for any one violation; but each day a violation continues after notice, it shall be considered a separate violation. Collection of charges for damages or summary charges may be enforced against the Unit Owner or Owners involved as if the charge were a Common Expense owed by the particular Unit Owner or Owners.

Section 7.08. Maintenance and Repairs of Units. All maintenance, repairs and replacements of any Unit, ordinary or extraordinary, shall be made by the owner of such Unit. Each Unit Owner shall be responsible for all damages to any and all other Units and/or to the Common Elements that his failure so to do may cause.

Section 7.09. Rules and Regulations. Rules and regulations concerning the use of the Common Elements may be promulgated and amended by the Executive Board and/or the Unit Owners. The Unit Owners may rescind by majority vote any rule or regulation adopted by the Executive Board.

ARTICLE VIII

Records

Section 8.01. Records. The Executive Board or the managing agent shall keep detailed records of the actions of the Executive Board and the managing agent, minutes of the meetings of the Executive Board, minutes of the meetings of the Unit Owners and financial records and books of account for the Association, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Expenses against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid, records of the history of actions and expenditures affecting the Common Elements and all other records required under the Condominium Act. Such records shall be available for examination by the Unit Owners and eligible mortgagees at convenient hours of weekdays.

Section 8.02. Annual Report. An annual report of the receipts and expenditures of the Association shall be rendered by the Executive Board to all Unit Owners.

ARTICLE IX

Miscellaneous

Section 9.01. Fiscal Year. The fiscal year of the Association shall be determined by the Executive Board.

Section 9.02. Notices. Unless other provision is made by law, these bylaws or in the Declaration, all notices required under these Bylaws shall be delivered by hand, or sent prepaid United States mail (a) to the Executive Board, care of the managing agent, or if there is no managing agent, to the office of the Executive Board or to such other address as the Executive Board may hereafter designate from time to time by notice in writing to Unit Owners; (b) to a Unit Owner, to the mailing address of the Unit or to any other mailing address designated in writing by the Unit Owner. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

Section 9.03. Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

Section 9.04. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws, or the intent of any provision thereof.

Section 9.05. Gender. The use of masculine gender in these Bylaws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 9.06. Waiver. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 9.07. Conflict. These Bylaws are intended to comply with the requirements of the Condominium Act, the Nonprofit Corporation Act and the Declaration. However, in the event of any conflict between these Bylaws and the provisions of either of such Acts or the Declaration, the provisions of such Act or of the Declaration, as the case may be, shall control.

ARTICLE X

Amendments to Bylaws

Section 10.01. Amendments by Unit Owners and Executive Board. Except during the Declarant Control Period these Bylaws may be amended, altered or repealed by the Unit Owners having at least sixty-seven (67%) percent of the voting rights of Unit Owners. During the Declarant Control Period, as defined in the Declaration, any change in the Bylaws must be approved by the Declarant. During the Declarant Control Period, a vote by the majority of the Executive Board may amend the Bylaws, however any such amendment may be altered or repealed by 80% of the voting interests of the Unit Owners.

Section 10.02. Approval by Mortgagee. In addition to the procedure in Section 10.1 hereof, any amendments to these Bylaws required as a result of any actions described in Section 14.4 of the Declaration shall require written approval of fifty-one percent (51%) of the Eligible Mortgage Holders. An Eligible Mortgage Holder who receives a written request to approve additions or amendments to the Condominium Documents who does not deliver to the requesting party a negative response within fifteen (15) days after the giving of notice shall be deemed to have approved such request in writing.

ARTICLE XI

Amendments to Declaration

Amendments to the Declaration and the Plats and Plans which are required by the Condominium Act to be recorded by the Association shall be prepared, executed, recorded and certified by the president and/or secretary of the corporation.



**BERMAN
ASSOCIATES**
PROPERTY
DEVELOPMENT

May 11, 2007

Ms. Barbara Barhydt
City Planner
Portland City Hall
389 Congress Street
Portland, Maine 04101

RE: Letter of Credit- Chestnut Street Lofts

Dear Barbara, This letter will serve as my request to have my Letter of Credit reduced, as provided for in Chapter 14 -501, since I have completed all underground work.

Please authorize Greg Cassells of First Horizon Construction Lending at 670 Newfield Street, Middletown, Ct. 06457 to reduce said letter of credit by the appropriate amount.

Thank you for your attention to this request. I am attaching a letter from my contractor, Allied Cook, attesting that this work has been completed.


Peace, Richard Berman
Chestnut Street Lofts LLC

2005-0096

PG

\$210,756.⁰⁰

17 CHESTNUT STREET
PORTLAND
MAINE
04101
(207) 772-3225
Fax: (207) 253-5183
E-mail: rberm@midmaine.com

ALLIED/COOK

CONSTRUCTION

Planners • Managers • Design/Builders
Building Excellence Since 1958

May 11, 2007

Mr. Richard Berman
Chestnut Street Lofts, LLC
20 Chestnut St.
Portland, ME 04101

RE: Site Improvements Letter of Credit

Dear Richard:

Please be advised offsite utility work and all services to the building are complete. The remaining scope of work is as follows:

1. Sidewalk on Chestnut Street and Cumberland Ave.
2. Landscaping
3. Landscaping
4. Brick walks in the courtyard.
5. Concrete curbing onsite.
6. Site lighting
7. Finish coat of paving
8. Fencing
9. Misc. site items

The construction value for the above work is estimated at \$82,923.00

Please advise should you need additional information

Sincerely,



Paul Laliberte
V.P. Project Management

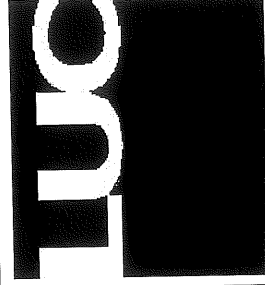
LAND USE CONSULTANTS, INC.
COST ESTIMATING WORKSHEET

Chestnut Street/Onsite Private Improvements

NOTES:

Job #:4376
Date: 2/2/06
Rev:

Preliminary Cost Estimate-Not for Construction. Purpose of estimate is to determine approximate cost of limited improvements within private property. Estimate is limited to cost of parking lot pavement and stormwater treatment system. This estimate is not intended for construction of public facilities or estimate does not include the cost of construction of public facilities or improvements located on city property.



Land Use Consultants, Inc.

engineers
planners
landscape
architects

966 RIVERSIDE STREET
PORTLAND, MAINE 04103

Voice (207) 878 - 3313
Fax (207) 878 - 0201
landuse@landuseinc.net

ITEM	UNIT	QUAN-TITY	UNIT COST	ITEM COST	SUB-TOTALS	PERF. BOND ITEM	LAST UP-DATE	COMMENTS
DEMOLITION								
Demolition costs for existing site not included								
EARTHWORK								
EXCAVATION								
Excavation costs for existing site not included								
Prepare & Roll Subgrade	SY	1,000	\$1.25	\$1,250			Jan-06	Heavy-duty, woven geotextile fabric.
Gravel Subbase - spread & compacted	CY	1,250	\$14.00	\$17,500			Jan-06	6-in. minus, screened. ~10 mi. haul.
Gravel Base - spread & compacted	CY	350.00	\$18.00	\$6,300			Jan-06	2-in. minus, crushed. ~10 mi. haul. Compacted
Fine-grade for Paving	SY	1000	\$2.00	\$2,000			Jan-06	W/Motor Grader - large area.
					\$27,050			
SUB-TOTAL								
PAVEMENTS, SIDEWALKS & CURBING								
PAVEMENT & WALKS								

ITEM	UNIT	QUAN-TITY	UNIT COST	ITEM COST	SUB-TOTALS	PERF. BOND ITEM	LAST UP-DATE	COMMENTS
Bituminous Paving								
-Base Course - 2 in.	SY	1000	\$5.50	\$5,500			Jan-06	New paving (not recycled).
-Surface Course - 1-1/2 in.	SY	1000	\$5.00	\$5,000			Jan-06	
CURBING								
Concrete Curbing - Pre-Cast								
-Straight, Vertical	LF	200	\$16.50	\$3,300			Jan-06	6 x 18 in.
-Circular, Vertical	LF	10	\$20.50	\$205			Jan-06	
-Corners, 2 ft. Radius	Ea.	1	\$80.00	\$80			Jan-06	
SUB-TOTAL					\$3,585			
UTILITIES & DRAINAGE								
Storm Drainage System-6 ft. deep								
-First Defense Treatment Manhole	Ea.	1	\$8,000.00	\$8,000		5c	Jan-06	
SUB-TOTAL					\$8,000			
PROJECT TOTAL					\$38,635			

+163,871
#202,506
TIL

MODE = MEMORY TRANSMISSION START=MAY-18 13:04 END=MAY-18 13:06

FILE NO.=213

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-CITY OF PORTLAND -

***** -PLANNING DEPT. - ***** 2077568258- *****

City of Portland
 Department of Planning and Development
 Planning Division
 389 Congress Street, 4th Floor
 Portland ME 04101
 (207)874-8721 or (207)874-8719
 Fax: (207)756-8258



FAX

To: Paul LaLiberte

Company: Allied

Fax #: 885-5135

Date: 5/18/07

From: Phil DiPierro

You should receive 3 page(s) including this cover sheet.

Comments:

Paul,
 Following is the other part
 of the cost estimate.
 Please contact me with any questions.
 Thanks
 Phil

City of Portland
Department of Planning and Development
Planning Division
389 Congress Street, 4th Floor
Portland ME 04101
(207)874-8721 or (207)874-8719
Fax: (207)756-8258



FAX

To: Paul LaLiberte

Company: Allied

Fax #: 885-5135

Date: 5/18/07

From: Phil DiPierro

You should receive 3 page(s) including this cover sheet.

Comments:

Paul,
Following is the other part
of the cost estimate.
Please contact me with any questions.

Thanks
Phil

LUMINAIRE

Holophane Lighting model ESU175MH12A4-R-RAL6012

Cast Aluminum housing with stainless steel hardware. Dropped refractor shall be thermal resistant borosilicate glass. Internal reflector and prismatic diffuser shall provide an IES Type III distribution pattern according to the manufacturer's photometric test # 47384.

Luminaire shall include an integral ballast with modular wiring connectors and multi-voltage taps (factory wired for 120VAC). Provide an internal receptacle type photocell control. Luminaire finish shall be Tiger Drylac 49/72830 RAL #7016 SM GL Tribo polyester powder coat paint.

LAMP

Holophane Lighting model S-M175/U 64471
Vertical mounted, 175 watt mogul base clear metal halide lamp.

BRACKET ARM

Holophane Lighting model OUC
6063-T6 aluminum crossarm with a post-top fitting for a 3- $\frac{1}{2}$ " by 8" tenon. Bracket arm finish shall be Tiger Drylac 49/72830 RAL #7016 SM GL Tribo polyester powder coat paint.

SLIP FITTER

Holophane Lighting model BHLF200-SCA/AS
(Boston Harbor Series)

2- $\frac{3}{8}$ " O.D. with swivel cast fitter. Finish shall be polyester powder coat paint

Tiger Drylac 49/72830 RAL #7016 SM GL Tribo

LIGHTING POLE

Tapered steel pole shaft rated for a 90 mph wind load with a 1.3 gust factor.

Pole shall be pre-galvanized with a finish coat of polyester powder coat paint Tiger Drylac 49/72830 RAL #7016 SM GL Tribo. Provide four hot-dipped galvanized steel L-type anchor bolts.

DECORATIVE POLE BASE

Holophane model Cambridge Series clamshell cast aluminum base. Hardware shall be stainless steel.

APPLICATION

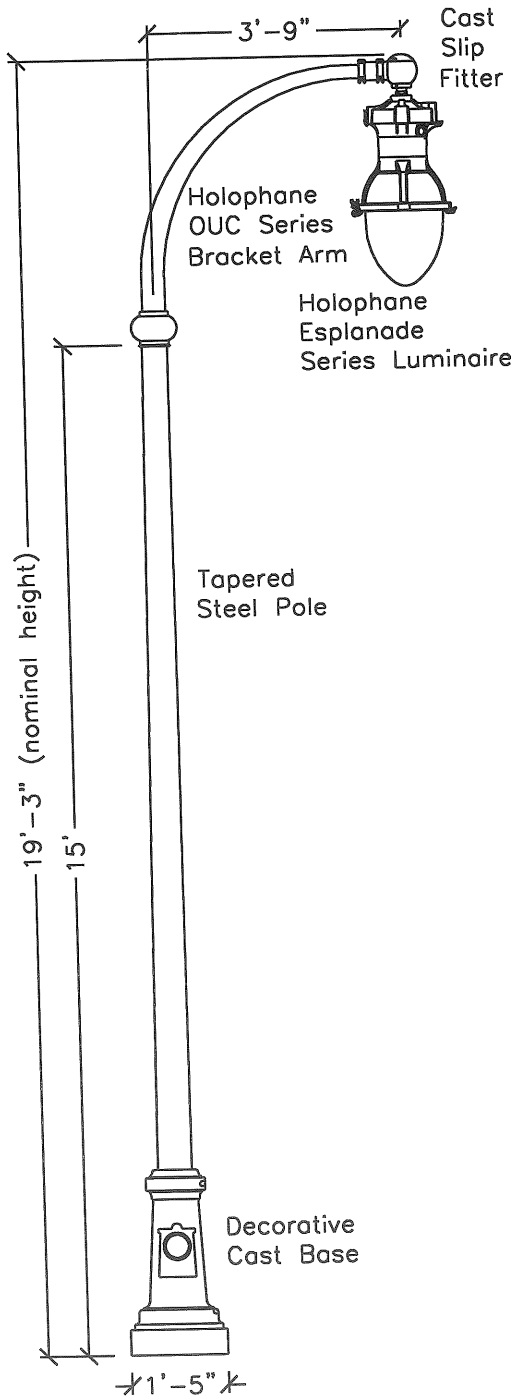
Street/sidewalk lighting for two-way streets with parking on one side, or one-way streets.

Suggested layout guidelines:

80-100 feet on center (one side only)

or

150-200 feet on center (staggered pattern both sides).



City of Portland, Maine

Street & Sidewalk Lighting
BAYSIDE DISTRICT

Medium Scale Lighting Pole



07/28/05

Planning and Development Department
SUBDIVISION/SITE DEVELOPMENT

COST ESTIMATE OF IMPROVEMENTS TO BE COVERED BY PERFORMANCE GUARANTEE

Date: 2/2/2006

Name of Project: Chestnut Street Lofts

Address/Location: 29 Chestnut Street, Portland, Maine

Developer: Chestnut Street Lofts, Inc.

Form of Performance Guarantee: Cost of Public Improvements

Type of Development: Subdivision yes Site Plan (Major/Minor) major

TO BE FILLED OUT BY THE APPLICANT: (See cost estimating worksheet, attached)

Item	PUBLIC			PRIVATE		
	Quantity	Unit Cost	Subtotal	Quantity	Unit Cost	Subtotal
1. STREET/SIDEWALK						
Road/Parking Areas			0			
Curbing			18,175			
Sidewalks			43,860			
Esplanades			0			
Monuments			90			
Street Lighting			27,975			
Street Opening Repairs			4,000			
Other			0			
2. EARTH WORK						
Cut			5,647			
Fill			0			
3. SANITARY SEWER						
Manholes			6,400			
Piping			0			
Connections			350			
Main Line Piping			6,370			
House Sewer Service Piping			0			
Pump Stations			0			
Other			0			
4. WATER MAINS						
			2,650			
5. STORM DRAINAGE						
Manholes			8,250			
Catchbasins			0			
Piping			5,520			
Detention Basin			0			
Stormwater Quality Units			0			
Other			0			

Handwritten note: \$17,475 40%

6.	SITE LIGHTING	_____	_____	0	_____	_____	_____
7.	EROSION CONTROL	_____	_____	900 ✓	_____	_____	_____
	Silt Fence	_____	_____	0	_____	_____	_____
	Check Dams	_____	_____	0	_____	_____	_____
	Pipe Inlet/Outlet Protection	_____	_____	0	_____	_____	_____
	Level Lip Spreader	_____	_____	0	_____	_____	_____
	Slope Stabilization	_____	_____	0	_____	_____	_____
	Geotextile	_____	_____	0	_____	_____	_____
	Hay Bale Barriers	_____	_____	0	_____	_____	_____
	Catch Basin Inlet Protection	_____	_____	400 ✓	_____	_____	_____
8.	RECREATION AND OPEN SPACE AMENITIES	_____	_____	0	_____	_____	_____
9.	LANDSCAPING (Attach breakdown of plant materials, quantities, and unit costs)	_____	_____	3,598	_____	_____	_____
10.	MISCELLANEOUS	_____	_____	24,687 ✓	_____	_____	_____
	TOTAL:	_____	_____	163,872	_____	_____	_____
	GRAND TOTAL:	_____	_____	163,872	_____	_____	_____

\$ 105,764

INSPECTION FEE (to be filled out by the City)

	<u>PUBLIC</u>	<u>PRIVATE</u>	<u>TOTAL</u>
A: 2.0% of totals:	_____	_____	_____
or			
B: Alternative Assessment:	_____	_____	_____
Assessed by:	_____	_____	_____
	(name)	(name)	

LAND USE CONSULTANTS, INC.
COST ESTIMATING WORKSHEET

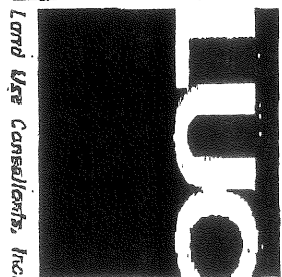
Chestnut Street/Onsite Private Improvements

Job #4376

Date 1/2/06

Rev:

NOTES:
Preliminary Cost Estimate-Not for Construction. Purpose of estimate is to determine approximate cost of limited improvements within private property. Estimate is limited to cost of parking lot pavement and stormwater treatment system. This estimate is not intended for construction purposes. This estimate does not include the cost of construction of public facilities or improvements located on city property.



Land Use Consultants, Inc.
966 RIVERSIDE STREET
PORTLAND, MAINE 04103
Voice (207) 878 - 3313
Fax (207) 878 - 0201
luc@lucinc.net

ITEM	UNIT	QUAN-TITY	UNIT COST	ITEM COST	SUB-TOTALS	PERF. BOND ITEM	LAST UP-DATE	COMMENTS
DEMOLITION								
Demolition costs for existing site not included								
FRAMEWORK								
EXCAVATION								
Excavation costs for existing site not included								
Prepare & Roll Subgrade	SY	1,000	\$1.25	\$1,250	✓		Jan-06	Heavy-duty, woven geotextile fabric.
Gravel Subbase - spread & compacted	CY	1,250	\$14.00	\$17,500	✓		Jan-06	6-in. minus, screened, ~10 mi. haul.
Gravel Base - spread & compacted	CY	350.00	\$18.00	\$6,300	✓		Jan-06	2-in. minus, crushed, ~10 mi. haul. Compacted
Final grade for Paving	SY	1000	\$2.00	\$2,000	✓		Jan-06	W/3/4" Gravel - large area.
SUB-TOTAL					\$77,050			
PAVEMENTS, SIDEWALKS & CURBING								
PAVEMENT & WALKS								

ITEM	UNIT	QUAN- TITY	UNIT COST	ITEM COST	SUB- TOTALS	PERF. BOND ITEM	LAST UP- DATE	COMMENTS
Biluminous Paving								
-Base Course - 2 in.	SY	1000	\$5.50	\$5,500	✓		Jan-06	New paving (not recycled).
-Surface Course - 1-1/2 in.	SY	1000	\$5.00	\$5,000			Jan-06	
CURBING								
Concrete Curbing - Pre-Cast								
-Straight, Vertical	LF	200	\$16.50	\$3,300			Jan-06	6 x 18 in.
-Circular, Vertical	LF	10	\$20.50	\$205			Jan-06	
-Cresters, 2 ft. Radius	EA.	1	\$80.00	\$80			Jan-06	
					\$3,585			
UTILITIES & DRAINAGE								
Storm Drainage System- 6 ft. deep								
-First Defense Treatment Manhole	EA.	1	\$8,000.00	\$8,000	✓	Se	Jan-06	
					\$8,000			
SUB-TOTAL								
					\$38,635			
PROJECT TOTAL								

\$40,550

$\frac{163,871}{202,506}$
 TILE

24,800 over BONE

TO: Duane Kline, Finance Department
FROM: Alexander Jaegerman, Planning Division Director
DATE: May 23, 2007
SUBJECT: Request for Reduction of Performance Guarantees
Chestnut Street Lofts – 29 Chestnut Street & 266 Cumberland Avenue
(ID# 2005-0096) (Lead CBL#027 C001001)
(Richard Berman)

Please reduce the letter of credit #S063205 for the Chestnut Street Lofts at 29 Chestnut Street and 266 Cumberland Avenue.

Original Amount	\$210,756.00
<u>This Reduction</u>	\$ 130,564.00
Remaining Balance	\$ 80,192.00

This is the first reduction for the project.

Approved: _____
Alexander Jaegerman
Planning Division Director

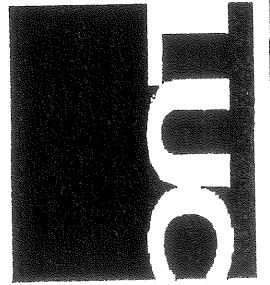
cc: Barbara Barhydt, Development Review Services Manager
Philip DiPierro, Development Review Coordinator
File: Urban Insight

4376-EST

LAND USE CONSULTANTS, INC.
 COST ESTIMATING WORKSHEET
 Chestnut Street/Public Improvements

NOTES:

Preliminary Cost Estimate-Not for Construction. Purpose of estimate is to determine approximate cost of improvements within public rights of way to be covered by Performance Guarantee. This estimate is not intended for construction purposes. This estimate does not include the cost of construction of private facilities or improvements located on private property.



Land Use Consultants, Inc.

MANAGEMENT
 CONSULTANTS
 666 RIVERSIDE STREET
 PORTLAND, MAINE 04103

VOICE (207) 876-3313
 FAX (207) 876-0201
 LANDUSE@landuseinc.net

ITEM	UNIT	QUAN- TITY	UNIT COST	ITEM COST	SUB- TOTALS	PERF. BOND ITEM	LAST UP- DATE	COMMENTS
DEMOLITION								
PAVEMENT/WALKS								
Concrete Walks	SF	1,450	\$5.50	\$7,975	✓	10	Jan-06	Remove only, no disposal.
Saw Cutting, Concrete Pavement-4 in.	LF	25	\$5.50	\$138	✓	10	Jan-06	
Bituminous Pavement-3 in.	SY	225	\$5.90	\$1,328	✓	10	Jan-06	
Saw Cutting, Bituminous Pavement-3 in.	LF	800	\$2.00	\$1,600	✓	10	Jan-06	
Sidewalk, Brick, remove & store	SY	350	\$8.10	\$2,835	✓	10	Jan-06	Remove & Store Onsite
Granite Curb-Remove and Save	LF	400	\$4.65	\$1,860	✓	10	Jan-06	Remove & Store Onsite
LITTI LITES								
Fire Hydrant-remove & reset	Ea.	1	\$1,250.00	\$1,250	✓	10	Jan-06	
Utility Poles-by others	Ea.		\$0	\$0		10	Jan-06	
Remove and Terminate existing services	LS	1	\$2,500.00	\$2,500	✓	10	Jan-06	
MISC.								
Signs-remove & reset	Ea.	4	\$150.00	\$600	✓	10	Jan-06	
Dump Charges-Debris	Ton	40	\$65.00	\$2,600	✓	10	Jan-06	Non-hazardous materials
SUB-TOTAL					\$22,685		10	
EARTHWORK								

ITEM	UNIT	QUAN- TTY	UNIT COST	ITEM COST	SUB- TOTALS	PERF. BOND ITEM	LAST UP- DATE	COMMENTS
EXCAVATION								
Trench Excavation-4-10 ft deep	CY	415	\$3.70	\$1,536	✓	2g	Jan-06	w/1 CY Backhoe (No sheeting or dewatering included).
Excavation-Open cut	CY	130	\$3.70	\$481	✓	2g	Jan-06	w/1 CY Backhoe (No sheeting or dewatering included).
Pipe Bedding:								
Trench Backfill & Compact - Excav. mat	CY	250	\$6.00	\$1,500	✓	2a	Jan-06	6-in. Lifts, 4 Passes, w/18" Vibratory Plate.
MISC.								
Geotextile Reinf. for Subgrade	SY		\$2.00	\$0		2a	Jan-06	Heavy-duty, woven geotextile fabric.
Prepare & Roll Subgrade	SY		\$1.25	\$0		2a	Jan-06	Heavy-duty, woven geotextile fabric.
Gravel Subbase - spread & compacted	CY	120	\$14.00	\$1,680		2a	Jan-06	6-in. minus, screened, -10 mi. haul.
Gravel Base - spread & compacted	CY	20.00	\$18.00	\$360		2a	Jan-06	2-in. minus, crushed, ~10 mi. haul. Compacted
Fine-grade for Paving	SY	45	\$2.00	\$90		2a	Jan-06	W/Motor Grader - large area.
EROSION CONTROLS								
Silt Sacks	Each	2	\$200.00	\$400	✓	7h	Jan-06	
Silt Fence	LF	300	\$3.00	\$900	✓	7a	Jan-06	Geotextile w/wood stakes, dug in 6"
Maintenance & Removal of Erosion Controls	AC	1	\$300.00	\$300	✓	10	Jan-06	Per acre of site disturbance
					\$7,247			
PAVEMENTS, SIDEWALKS & CURBING								
PAVEMENT & WALKS								
Trench Patching - 2 in.	SF	1600	\$2.50	\$4,000	✓	1g	Jan-06	
Sidewalks, walkways								
Brick sidewalk	SF	3400	\$12.90	\$43,860	17,415	1c	Jan-06	Incl. 4" egg. Base, 2" bit. 1" sand setting bed
CURBING								
Granite Curbing								
Straight, Vertical	LF	530	\$30.50	\$16,165	✓	1b	Jan-06	Split face - 6 x 18 in.
Circular, Vertical, large radius	LF	25	\$42.00	\$1,050	✓	1b	Jan-06	10-60 ft radius.
Tip-down Section	Ea.	4	\$165.00	\$660	✓	1b	Jan-06	6-ft long, straight
-C.B. Inlet Section	Ea.	1	\$300.00	\$300	✓	1b	Jan-06	

4376-EST

ITEM	UNIT	QUAN- TITY	UNIT COST	ITEM COST	SUB- TOTALS	PERF. BOND ITEM	LAST UP- DATE	COMMENTS
					\$66,035			
UTILITIES & DRAINAGE								
WATER SYSTEMS								
Water Piping & fittings								
-6 in. D.I. Water Main, push-on-6 ft deep	LF	50	\$33.00	\$1,650	✓	4	Jan-06	Incl. sand bedding/backfill & compact w/excav. material.
-Thrust Blocks, Precast Concrete	Ea.	2	\$150.00	\$300	✓	4	Jan-06	Blocking at Bends, Tees, Ends, Hydrants, etc.
Valves and Taps								
-Wet Tap at Main	Ea.	2	\$1,000.00	\$2,000	✓	4	Jan-06	Drill tap and insert gate valve
-6 in. Gate Valve & Sleeve	Ea.	2.00	\$1,850.00	\$3,700	✓	4	Jan-06	8" main
Fuel Oil & L.P. Gas Dist. & Storage								
-1-1/4 in. U.G. Plastic Gas Line	LF	20	\$3.60	\$72	✓	10	Jan-06	No Excavation & Backfill
-Gas Curb Stop, 1-1/4 in.	Ea.	1	\$100.00	\$100	✓	10	Jan-06	?
Subdrainage								
-8" PVC Drainage Pipe	LF	40	\$31.00	\$1,240	✓	5c	Jan-06	Includes stone bedding, backfill & compaction.
Storm Drainage System-6 ft. deep								
-12 in. PVC storm drain, push-on-6 ft. deep	LF	152	\$21.50	\$3,268	✓	5c	Jan-06	Incl. sand bedding/backfill & compact w/excav. material.
-12" RCP Pipe, Reinforced, Class 3								
-Add 15% for Rubber gaskets	LF	40	\$22.00	\$880	✓	5c	Jan-06	Pipe only, No Gaskets
Misc.	LS	0.15	\$880.00	\$132	✓	5c	Jan-06	Up to 36" dia, 1.5 feet for larger
-DMH's & C.B.'s - 4' Pre-Cast-8' Depth								
-Each additional 1 foot Depth, add:	Ea.	2	\$3,200.00	\$6,400	✓	5a	Jan-06	In Place, Includes Ex. BF, Frame & Cover, C.B. incl sump, DMH incl. single channel brick invert
-Core Existing Structure, 12" Pipe	VLF	4	\$375.00	\$1,500	✓	5a	Jan-06	Precast Concrete structure, In Place
Sanitary Sewer System	Ea.	1	\$350.00	\$350	✓	5a	Jan-06	Core Ex. Structure, Install Flexible Boot/Seal
(See Storm Drainage for pipes, reaching, structures, etc.)								

ITEM	UNIT	QUAN- TITY	UNIT COST	ITEM COST	SUB- TOTALS	PERF. BOND ITEM	LAST UP- DATE	COMMENTS
-8" PVC S.S. Pipe SDR-35 - 6 ft. deep	LF	200	\$31.00	\$6,200	✓	3d	Jan-06	Includes stone bedding, backfill & compaction.
-For ea. Addtl. Foot Depth, add:	LF	200	\$0.85	\$170	✓	3d	Jan-06	
-Sewer M.H.'s - 4' Pre-Cast, -6 ft. deep	Ea.	2	\$3,200.00	\$6,400	✓	3a	Jan-06	In Place, Includes Ex. BF, Frame & Cover, C.B. incl. sump; DMH incl. single channel brick invert.
-Core Existing Structure, 12" Pipe	Ea.	1	\$350.00	\$350	✓	3c	Jan-06	Core Ex. Structure, Install Flexible Boot/Seal
-Schd. 40 PVC Conduit								
-4" Dia.	LF	180	\$8.50	\$1,530	✓	10	Jan-06	Installed in trench (add to above).
-Residential Street Light	Ea.	5	\$4,500.00	\$22,500		1f	Jan-06	
-U.G. Elec. in 1-1/2" Conduit	LF	350	\$8.50	\$2,975	✓	1f	Jan-06	Complete Inst. - 2' deep, w/sand bedding, PVC conduit & wire.
-Concrete Light Pole Base Only (P.C.)	Ea.	5	\$500.00	\$2,500	✓	1f	Jan-06	W/anchor bolts & conduit, installed. C.I.P. Base, - \$350.
-Overhead Utility Services			See Note					Provided by utility - Cost varies.
					\$64,217			
SUB-TOTAL								
SUB-TOTAL					\$90			
SITE IMPROVEMENTS								
-Permanent Survey Monuments	Ea.	1	\$90.00	\$90		1e	Jan-06	
SUB-TOTAL					\$90			
LANDSCAPING								
Topsoil								
-New Topsoil, delivered to site	CY	15	\$14.00	\$210		9	Jan-06	Screened loam, loaded, hauled, & dumped only, <10 mi. haul.
-Spread Conditioned Loam:								
-6 in. Deep	MSF	0.5	\$75.00	\$38		9	Jan-06	
Rake Screened Loam	MSF	0.5	\$40.00	\$20		9	Jan-06	
-Bark Mulch, delivered to site	CY	10	\$25.00	\$250		9	Jan-06	Screened loam, loaded, hauled, & dumped only, <10 mi. haul.
Trees, Plants & Ground Cover								
-Deciduous - 2-1/2" cal	Ea.	8	\$350.00	\$2,800		9	Jan-06	
Landscape Maintenance								



All Things Financial.

FIRST TENNESSEE BANK
NATIONAL ASSOCIATION
INTERNATIONAL OPERATIONS
165 MADISON AVENUE, 9TH FLOOR
MEMPHIS, TN 38103

TEL: (901) 523-4431
FAX: (901) 523-4438
SWIFT: FTBMUS44
TELEX: 6828099
ANSWERBACK: FIRSTINTL MFS

AMENDMENT TO STANDBY LETTER OF CREDIT

OUR REFERENCE NUMBER: S063205

AMENDMENT NUMBER: 01

DATE OF AMENDMENT: JUNE 08, 2007

BENEFICIARY NAME :
CITY OF PORTLAND
ATTN: LEE D. URBAN
DIRECTOR OF PLANNING AND DEVELOPMENT
389 CONGRESS STREET
PORTLAND, ME 04101

APPLICANT:
CHESTNUT STREET LOFTS, LLC
ATTN RICHARD BERMAN
1 INDIA STREET
PORTLAND, ME 04101

WE HEREBY AMEND OUR LETTER OF CREDIT AS FOLLOWS:

THE AMOUNT OF THE CREDIT IS DECREASED BY 130,564.00 US DOLLARS.
THE NEW BALANCE AFTER DECREASE IS NOW 80,192.00 US DOLLARS.

THE ORIGINAL CREDIT AND ALL AMENDMENTS HAVE TO BE PRESENTED WITH
ANY DRAW UNDER THIS LETTER OF CREDIT.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

FIRST TENNESSEE BANK NATIONAL ASSOCIATION


AUTHORIZED SIGNATURE


AUTHORIZED SIGNATURE

From: Todd Merkle
To: ALEX JAEGERMAN; Philip DiPierro
Date: 6/13/2007 1:21:36 PM
Subject: Chesnut St. Lofts

I spoke to the super for Allied today and he has already fixed the coal chutes in the sidewalk at the church and will get to the other valve box by the end of the week. He said Rand stoneworks will be back Monday to work on the planter and to finish the sidewalk. Currently there are two entrances into the building. Unless Rand really goofs up on the planter I dont have any issues. As far as a temp. I would put on it to finish the planter and I am good.

Todd

From: Lannie Dobson
To: C of O
Date: 5/31/2007 1:52:29 PM
Subject: Certificate of Occupancy/Final Scheduled. Property Addr: 21 CHESTNUT ST Parcel ID: 027 C010001

Date: 6/15/2007 Time: 6:00:00 AM

Note: Paul 207-415-6352 Property Addr: 21 CHESTNUT ST Parcel ID: 027 C010001

Application Type: Prmt
Application ID: 60492

Contact:
Phone1: Phone2:

Owner Name: CHESTNUT STREET LOFTS LLC
Owner Addr: 17 CHESTNUT ST
PORTLAND , ME 04101

ALLIED/COOK

CONSTRUCTION

Planners • Managers • Design/Builders
Building Excellence Since 1958

May 29, 2007

Mr. Timothy Markley
City of Portland Code Enforcement
389 Congress St
Portland, ME 04101

Mr. Phillip DiPerra
City of Portland Planning Department
389 Congress St
Portland, ME 04101

Mr. Michael Bobinsky
City of Portland Department of Public Works
55 Portland St.
Portland, ME 04101

Captain Greg Cass
City of Portland Fire Department
380 Congress St.
Portland, ME 04101

RE: Chestnut St Lofts, 21 Chestnut St., Permit No. 060492

Gentlemen;

We are hereby requesting a temporary certificate of occupancy inspection on Friday, June 15, 2007. The building interior will be complete with all life safety in place. Exterior lighting will be installed. Courtyard paving, on-site improvements and public improvements on Chestnut Street will be complete. We anticipate the following work to be completed after June 15, 2007:

1. Siding – Miscellaneous trim and detail work
2. Landscaping (on-site) – Planter along Cumberland Ave.
3. Public improvements – Esplanade and sidewalk in front of the planter on Cumberland Ave.

We are requesting this temporary certificate of occupancy inspection to allow the developer, Mr. Richard Berman, to schedule closings while we complete the last bit of remaining work. Damage caused by the severe spring storms prevented us from completing exterior work and significantly delayed project completion.

We appreciate your help in making this a successful project for all.

Sincerely,



Paul Laliberte, PE
VP Project Management
Cell Phone 207-415-6352

Master Box for Alarm not in yet.
Sprinkler
Sidewalk - unrecambered

Cc: Mr. Richard Berman, Chestnut St. Lofts, LLC
Mr. Tom Perry, Allied/Cook Construction

OFFICE: P.O. BOX 1396 • PORTLAND, ME 04104
207-772-2888 • FAX 207-885-5135

From: Barbara Barhydt
To: Jaegerman , Alex
Date: 6/1/2007 9:28:10 AM
Subject: Re: Lighting: Chestnut Street Lofts

Phil spoke with Lucie yesterday and update you on this. We do need to understand what CMP is requiring, so we can clarify this in the review process.

Thanks.

Barbara

>>> Alex Jaegerman 05/31 8:52 PM >>>
Jim and Lucie:

I could use your input in solving this. We might have missed (or messed up) the mark on these lights, in that they probably could or should have been leased from CMP rather than purchased by the developer. Maybe there is a way to rectify this to get that result. We can do metered service if the city owns the lights. But it is preferable to do a lease arrangement with CMP. Can you help me to sort this out?

Alex.

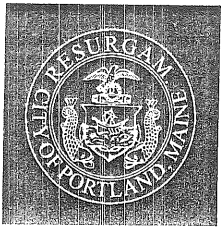
>>> Barbara Barhydt 5/31/2007 4:03:38 PM >>>
Hello Alex:

Alan Nichols called and said that CMP wants individual meters and separate accounts for the lights in the public right of way. The Bayside lights were purchased for this project and installed. They are anxious to get this resolved so they can get the certificate of occupancy. Can you assist in resolving this? I am adding Jim and Lucie to this as maybe they can help also.

Thank you.

Barbara

CC: Carmody, James; Cote, Lucie; DiPierro , Philip



Strengthening a Remarkable City, Building a Community for Life www.portlandmaine.gov

Finance Department
Duane G. Kline, Director

June 1, 2007

First Tennessee Bank National Association
Attn: International Operations
165 Madison Avenue, 9th Floor
Memphis, TN 38103

Re: Performance Guarantee – Chestnut Street Lofts
Letter of Credit No. S063205 dated May 17, 2006

This is to inform you that I am authorizing the reduction in the above-named letter of credit by the amount of \$130,564.00, which leaves a balance of \$80,192.00 remaining.

If you require any further information, please let me know.

Sincerely,

Duane G. Kline
Finance Director

DGK:mma

cc: Barbara Barhydt, Development Review Services Manager
Philip DiPierro, Development Review Coordinator



PORTLAND MAINE

Strengthening a Remarkable City. Building a Community for Life www.portlandmaine.gov

Planning and Development Department
Lee D. Urban, Director

Planning Division
Alexander Jaegerman, Director

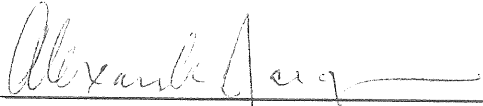
TO: Duane Kline, Finance Department
FROM: Alexander Jaegerman, Planning Division Director
DATE: May 23, 2007
SUBJECT: Request for Reduction of Performance Guarantees
Chestnut Street Lofts – 29 Chestnut Street & 266 Cumberland Avenue
(ID# 2005-0096) (Lead CBL#027 C001001)
(Richard Berman)

Please reduce the letter of credit #S063205 for the Chestnut Street Lofts at 29 Chestnut Street and 266 Cumberland Avenue.

Original Amount	\$210,756.00
<u>This Reduction</u>	\$ 130,564.00
Remaining Balance	\$ 80,192.00

This is the first reduction for the project.

Approved:



Alexander Jaegerman
Planning Division Director

cc: Barbara Barhydt, Development Review Services Manager
Philip DiPierro, Development Review Coordinator
File: Urban Insight



PORTLAND MAINE

Strengthening a Remarkable City, Building a Community for Life www.portlandmaine.gov

Planning and Development Department
Lee D. Urban, Director

Planning Division
Alexander Jaegerman, Director

May 31, 2007

Richard Berman
Chestnut Street LLC
17 Chestnut Street
Portland Maine, 03101

T. Scott Teas
TFH Architects
100 Commercial Street
Portland, Maine 04101

RE: Amendments to Chestnut Street Lofts
CBL: 21 - C - lots 1, 10 and 11

Dear Richard and Scott :

On May 31, 2007, the Portland Planning Authority approved the amendments to the Chestnut Street Lofts site plan as shown on the approved plans¹. The approved revisions include changes to the court yard, granite topped benches within two arches along Chestnut Street, a solid wall along Chestnut Street, and a lower retainer wall along the rear property line. The submitted plan includes elimination of the planters along Chestnut Street, but the applicant has withdrawn this request and has installed the planters according to the original approved plan. Copies of the approved plans are attached with a note that the planters are to be installed.

The approval is based on the submitted site plan. If you need to make any modifications to the approved site plan, you must submit a revised site plan for staff review and approval.

Please note the following provisions and requirements for all site plan approvals:

1. Where submission drawings are available in electronic form, the applicant shall submit any available electronic Autocad files (*.dwg), release 14 or greater, with seven (7) sets of the final plans.
2. The Development Review Coordinator must be notified five (5) working days prior to date required for final site inspection. The Development Review Coordinator can be reached at the Planning Division at 874-8632. Please make allowances for completion of site plan requirements determined to be incomplete or defective during the inspection. This is essential as all site plan requirements must be completed and approved by the Development Review Coordinator prior to

¹ Chestnut Street Lofts, TFH Architects, drawings SKR-1 revision (5-9-07), SKR-2 revision (5-9-07), SKR-3 revision (5-9-07), and SKR-4 revision (5-9-07),

issuance of a Certificate of Occupancy. Please schedule any property closing with these requirements in mind.

If there are any questions, please contact Barbara Barhydt at 874-8699.

Sincerely,


Alexander Jaegerman
Planning Division Director

Attachments:

Approved Plans

cc: Lee D. Urban, Planning and Development Department Director
Alexander Jaegerman, Planning Division Director
Barbara Barhydt, Development Review Services Manager
Philip DiPierro, Development Review Coordinator
Marge Schmuckal, Zoning Administrator
Jeanie Bourke, Inspections Division
Michael Bobinsky, Public Works Director
Kathi Earley, Public Works
Bill Clark, Public works
Jim Carmody, Transportation Manager
Michael Farmer, Public Works
Jessica Hanscom, Public Works
Jeff Tarling, City Arborist
Captain Greg Cass, Fire Prevention
Assessor's Office
Approval Letter File

CHESNUT STREET LOFTS

URBAN REVITALIZATION PROJECT
BY CHESTNUT STREET LLC.
PORTLAND, MAINE



TFH ARCHITECTS
100 COMMERCIAL STREET
PORTLAND MAINE 04101
TELEPHONE 207 775 6141
ARCHITECTURE PLANNING

CONSULTANTS:

DATE: 05.09.07

PROJECT No. 0422

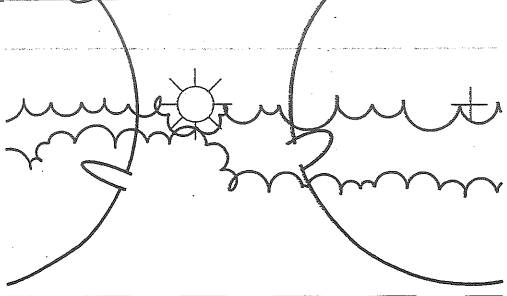
DRAWN BY: SA

CHECKED BY: TST

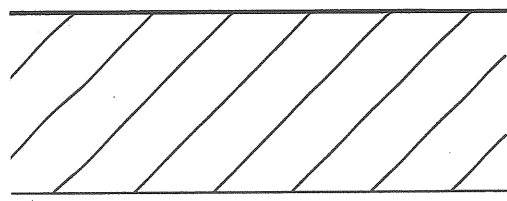
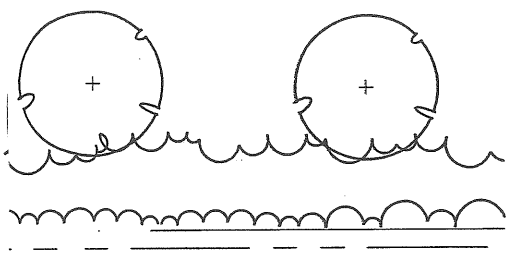
SCALE: 1/4"=1'-0"

SHEET TITLE:
COURT YARD AT
CHESTNUT STREET

SK-R-1
REVISION



Bituminous
parking area



"STAGE

RUNNING BOND

SAILOR COURSING

CITY OF PORTLAND
APPROVED SITE PLAN
Subject to Dept. Conditions

Date of Approval: 5/31/07

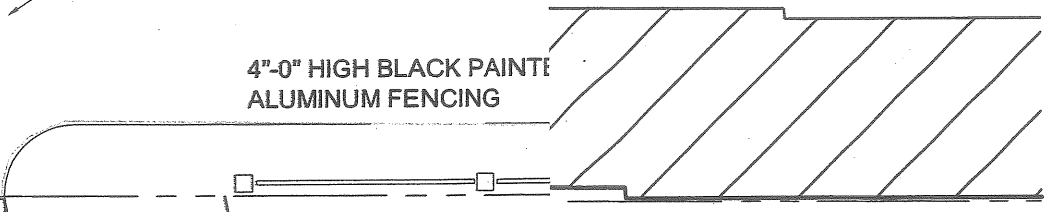
Bochlydt

PARCEL

"CHAPEL

BITUMINOUS SURFACES
FOR PARKING AND ENTRY

4'-0" HIGH BLACK PAINTED
ALUMINUM FENCING



SS

CHESTNUT STREET LOFTS

URBAN REVITALIZATION PROJECT
BY CHESTNUT STREET LLC.
PORTLAND, MAINE

TFH ARCHITECTS
100 COMMERCIAL STREET
PORTLAND MAINE 04101
TELEPHONE 207 775 6141
ARCHITECTURE PLANNING

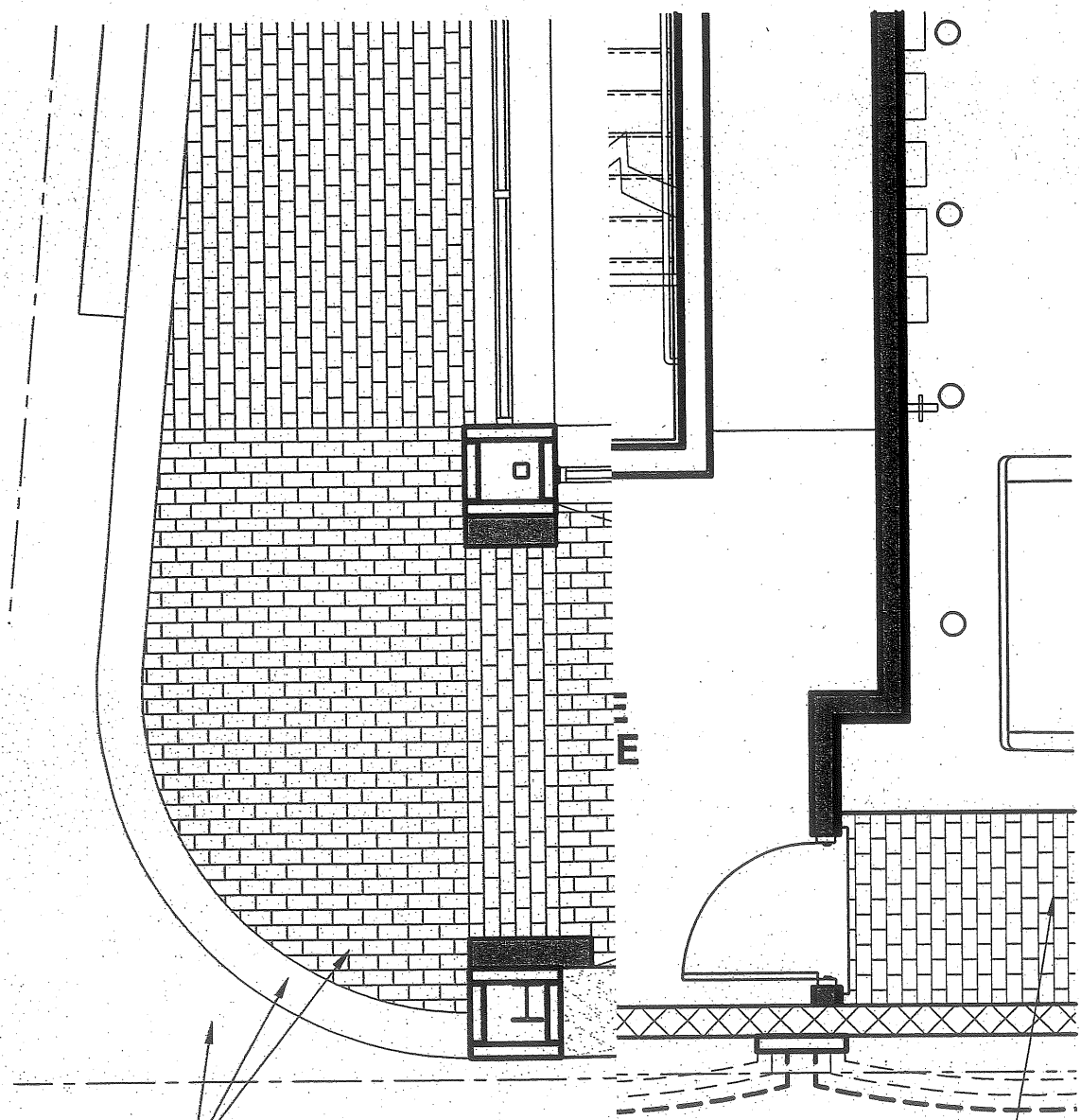
CONSULTANTS:

DATE: 05.09.07
PROJECT No. 0422
DRAWN BY: SA
CHECKED BY: TST
SCALE: 1/4"=1'-0"

SHEET TITLE:
COLONNADES AT
CHESTNUT STREET
ELEVATION

SK-R-2

REVISION



FLUSH

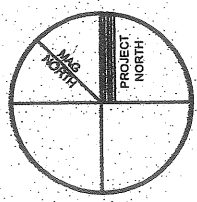
3" THICK GRANITE CA

SLOPED GALVANIZE
STEEL PLAT

ELIMINATE CURVED
GRANITE PLANTER

SOLID MASONRY
INFILL WALL

existing
BRICK SIDEWALK



plan
S. Barmydt

CHESTNUT STREET LOFTS

URBAN REVITALIZATION PROJECT
BY CHESTNUT STREET LLC.
PORTLAND, MAINE



TFM ARCHITECTS
100 COMMERCIAL STREET
PORTLAND MAINE 04101
TELEPHONE 207 775 6141
ARCHITECTURE PLANNING

CONSULTANTS:

DATE:	05.09.07
PROJECT No.	0422
DRAWN BY:	SA
CHECKED BY:	TST
SCALE:	1/4"=1'-0"

SHEET TITLE:
COLONNADES AT
CHESTNUT STREET
ELEVATION

SK-R-3

REVISION



CHESTNUT STREET LOFTS

3"
GF CURVED
2" PLANTER

SONRY
ALL

NOTE: HORIZONTAL J
BE RAKED 3/8" DEEP A

CITY OF PORTLAND
APPROVED SITE PLAN
Subject to Dept. Conditions
Date of Approval: *B. Schmidt*
5/31/07

CHESTNUT STREET LOFTS

URBAN REVITALIZATION PROJECT
BY CHESTNUT STREET LLC.
PORTLAND, MAINE



TFH ARCHITECTS
100 COMMERCIAL STREET
PORTLAND MAINE 04101
TELEPHONE 207 775 6141
ARCHITECTURE PLANNING

CONSULTANTS:

DATE: 05.09.07

PROJECT No. 0422

DRAWN BY: SA

CHECKED BY: TST

SCALE: 1/4"=1'-0"

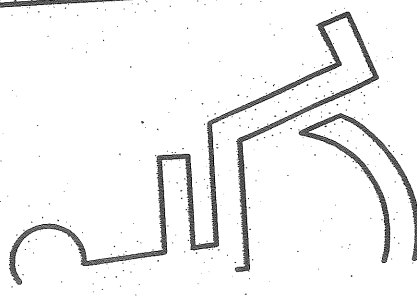
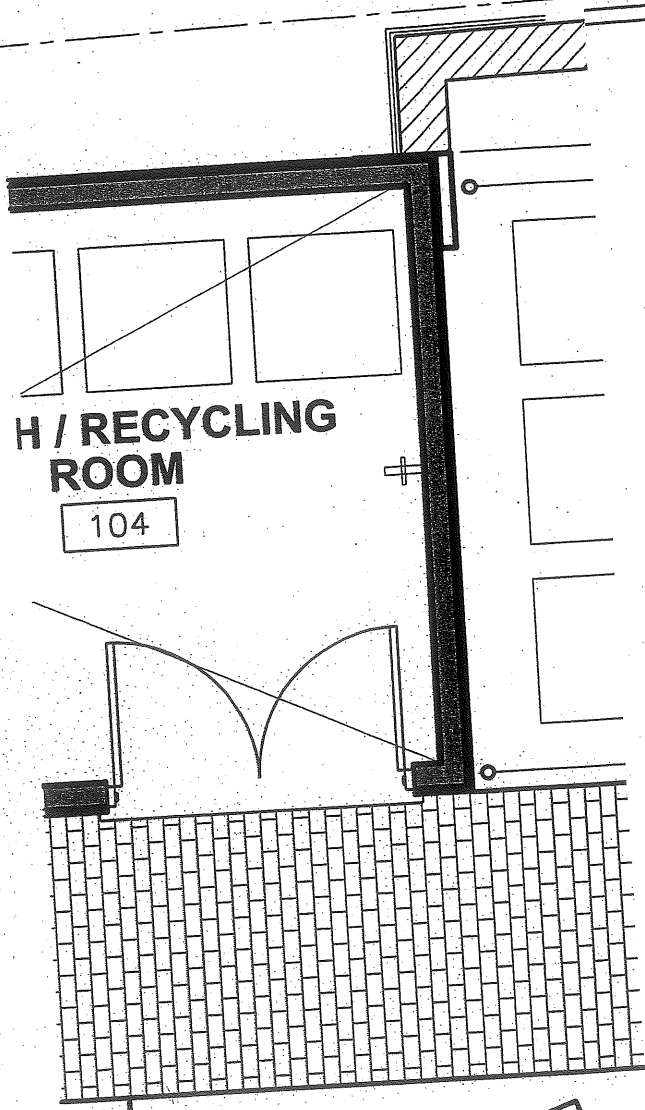
SHEET TITLE:
RETAINING WALL

SK-R-4

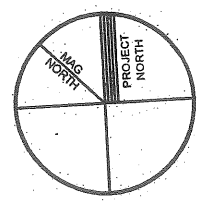
REVISION

H / RECYCLING ROOM

104



LAND
E PLAN
Conditions
Bashydt
2/3/07



TO: Inspections Department
FROM: Philip DiPierro, Development Review Coordinator
DATE: June 28, 2007
RE: C. of O. for Chestnut Street Lofts – 29 Chestnut Street & 266
Cumberland Avenue
(ID# 2005-0096) (Lead CBL#027 C001001)

After visiting the site, I have the following comments:

Site work complete

At this time, I recommend issuing a permanent Certificate of Occupancy.

Cc: Barbara Barhydt, Development Review Services Manager
Jeanie Bourke, Inspection Services Manager
File: Urban Insight



June 28, 2007

Memorandum

Re: Reservations of parking spaces for Chestnut Street Loft Condominium Association.

As managing agent for Portland Press Herald and their Chestnut Street Garage property, we have reserved six (6) parking spaces for the commercial units at Chestnut Street Loft. We have also reserved two (2) spaces for use by the Church on Chestnut Street. The Cost per space is \$65 per month.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Martin", is written over a horizontal line.

Jeff Martin
Manager

CITY OF PORTLAND, MAINE
PLANNING BOARD

Kevin Beal, Chair
Michael Patterson, Vice Chair
John Anton
Lee Lowry III
dokara
id Silk
vanian

*Waiting for [unclear],
Dmg. fee, Recorded
Mylan;*

Evan Richert and Richard Berman
Chestnut Street Lofts LLC
1 India Street
Portland Maine

RE: Chestnut Street Lofts
CBL: Chart 27, Block C, Lots 1, 10 and 11

Dear Evan and Richard:

I. Subdivision Plan Approval

On January 24, 2006, the Portland Planning Board voted unanimously (Lee Lowry III and Silk recused) on the following motions regarding the Chestnut Street Lofts Subdivision:

1. That the subdivision plan for Chestnut Street Lofts was in conformance with the Subdivision Review Ordinance of the City Land Use Code with the following condition(s):

- done* i. The final recording plat meeting the requirements of Portland's Subdivision Ordinance and listing conditions imposed by the Planning Board will be submitted for the Planning Board's Signature.
- record w/ plat done + bring in copies need to do* ii. All proposed easements shall be finalized before the release of the recording plat and recorded with the plat.
- done* iii. All required licenses for the foundation footings and planters shall be obtained prior to the issuance of a building permit.
- done* iv. The conditions contained in the review by Jim Seymour, Development Review Coordinator, Sebago Technics, Inc. dated January 20, 2006¹ shall be met prior to issuance of a building permit.
- later* v. The applicant will conduct a post occupancy traffic signal warrant study of the intersection of Chestnut Street and Cumberland Avenue, which shall be coordinated with the Department of Public Works.
- OK pending done* vi. If the applicant proceeds with the roof-top deck, then the final roof-top deck elevations shall be submitted to the City for review prior to the issuance of a building permit.

The approval is based on the submitted plan and the findings related to site plan review standards as contained in Planning Board # 54-05 and #6-06, which are attached.

¹ Included as Section III of this letter.

Richard Berman
772-3225

II. Site Plan Waivers and Approval

The Portland Planning Board also voted unanimously (5-0 Anton absent, and Silk recused) to grant the following site plan waivers:

- i. Site Lighting Standards, as they apply to the proposed, Granville lighting fixtures, which shall nonetheless be compatible with the existing architectural context of the historic Chestnut Street church and will not produce unacceptable levels of glare and/or light trespass;
- ii. Technical Standards, as they apply to setbacks, in that the proposed, increased setback from the build-to-line (from five feet to eleven feet for roughly 73 feet along Cumberland Avenue and twelve feet on Chestnut Street) does meet the Site Plan Standards of Section 14-256 (a) (16) and by reference, the zoning standards of 14-220 (c);
- iii. Technical Standards, as they apply to parking, in that, upon the recommendation of the City's Traffic Engineer and the extended duration times expected for the residential uses, and therefore the Planning Board does waive the City's Technical Standards for parking lots to allow the proposed parking aisle of 22 feet and twelve compact parking spaces of 8.5 by 19 feet.

The Portland Planning Board voted unanimously (5-0 Anton absent, and Silk recused) to approve the site plan for the above referenced application. The approval was granted for the project with the following condition(s):

- done* i. The applicant shall coordinate with the City regarding the relocation of the CMP pole and the timing of any disruption to the City's communication system.
- not done* ii. The applicant will continue to explore options to consolidate the overhead utilities onto one pole on Chestnut Street.
- done* iii. The applicant shall submit evidence that two off-site parking spaces are available for the Chestnut Street Church prior to the reuse of this structure or as part of a change of use review. The applicant shall submit evidence that six parking spaces have been secured to comply with the City's zoning ordinance for the first floor commercial uses prior to the issuance of a certificate of occupancy, subject to staff review and approval.
- not done* iv. The driveway apron shall be brick unless the City's Sidewalk Policy is revised prior to installation.
- done* v. The conditions contained in the review by Jim Seymour, Development Review Coordinator, Sebago Technics, Inc. dated January 20, 2006² shall be met prior to issuance of a building permit.
- done* vi. The construction mobilization plan shall be revised to maintain egress from Merrill Auditorium during demolition and construction prior to the issuance of a building permit.

The approval is based on the submitted site plan and the findings related to site plan and subdivision review standards as contained in Planning Report #54-05 and 6-06, which are attached.

² Included as Section III of this letter.

Jeff Mottin
Foreside Mgt
775-2325
K-208
Parking

III. Review by Development Review Engineer

1. Layout Plan

- A. A portion of the building footings will be extremely close to the right of way for Cumberland Ave and Chestnut St. The applicant shall verify exact locations and obtain necessary easements or licenses from the City.

2. Stormwater/Drainage Analysis

- A. The applicant has shown an appropriately sized stormwater treatment system. (First Defense Unit by Hydro-International, as approved by the DEP for 60 % TSS removal). The condominium documents disclose the appropriate party responsible to perform routine inspections, which meets the City's requirements.
- B. The stormwater layout plan will connect into Cumberland Ave. rather than Chestnut Street. The applicant can install new drainage and sewer pipes in Cumberland Avenue to connect into the separated infrastructure in Stone Street. The unique situation that arises is that Stone Streets sewer and storm drains reconnect into one combined sewer at the lower end of Stone St at Oxford Street. Previous conditions recommended that an offsite improvement could have been requested dependent upon test pits determining if it were worthwhile to have the Stone Street storm drain extended/separated along the lower portion at Oxford Street to connect into the drain at Myrtle and Oxford where it could be eventually separated all the way to Somerset Street. This plan based on recent findings appears to **be not feasible**; therefore previous requests for those improvements or contributions up to \$11,500 are not required per Public Works/City Engineer. The plan as shown, with pipes added in Cumberland Ave to Stone Street, will be all that is required for offsite stormwater infrastructure upgrades or improvements.

3. Utility Plans

- A. We recommended that, prior to construction, a letter of approval and agreed construction schedule be forwarded from the developer and involved utility companies. There have been concerns that there are critical communication vaults buried underground in Cumberland Avenue and that there are critical emergency E-911 communications along with fiber optic connections running overhead which would be relocated as a result of this project. The applicant has been attempting to contact the individual companies and identify the location, size, and sensitivity of each of these lines. Our recommendation is that construction schedule shall be reviewed by Public Works prior to construction. And connection if connection locations require substantial redesign as a result of conflicts with all of these unknown utilities then the applicant may be required to return to the Board or Staff for approval.
- B. The location of the overhead lines does still seem poorly planned for long-term solutions. The layout will leave the main overhead utilities crossing Chestnut St with two poles adjacent to each other. With the extent of expense that the developer is investing to serve just their use, consideration should be made to consider rebuilding the communication and power links, which serve off Chestnut St. as part of an upgrade to the entire street to clean up the need for crossing lines, overhead lines, and poles. This is a suggestion since there is this huge effort to relocate the first power pole in the major corridor assistance and partnership should be considered between all the utility

companies and the City to efficiently resolve the layout issue on this section of Chestnut Street.

4. Access and Walks

- ok
- A. The plans shall show the location of the construction lay down or mobilization area and a pedestrian safety zone during construction to assure students and pedestrians have adequate means to cross Chestnut Street and leave Cumberland Avenue sidewalks open during construction. Final review of this shall be conducted between the City Engineer and Traffic Engineer.

IV. Standard City Conditions

Please note the following provisions and requirements for all site plan approvals:

1. Where submission drawings are available in electronic form, the applicant shall submit any available electronic Autocad files (*.dwg), release 14 or greater, with seven (7) sets of the final plans.
2. A performance guarantee covering the site improvements as well as an inspection fee payment of 2.0% of the guarantee amount and 7 final sets of plans must be submitted to and approved by the Planning Division and Public Works prior to the release of the building permit. If you need to make any modifications to the approved site plan, you must submit a revised site plan for staff review and approval.
3. The site plan approval will be deemed to have expired unless work in the development has commenced within one (1) year of the approval or within a time period agreed upon in writing by the City and the applicant. Requests to extend approvals must be received before the expiration date.
4. A defect guarantee, consisting of 10% of the performance guarantee, must be posted before the performance guarantee will be released.
5. Prior to construction, a pre-construction meeting shall be held at the project site with the contractor, development review coordinator, Public Work's representative and owner to review the construction schedule and critical aspects of the site work. At that time, the site/building contractor shall provide three (3) copies of a detailed construction schedule to the attending City representatives. It shall be the contractor's responsibility to arrange a mutually agreeable time for the pre-construction meeting.
6. If work will occur within the public right-of-way such as utilities, curb, sidewalk and driveway construction, a street opening permit(s) is required for your site. Please contact Carol Merritt at 874-8300, ext. 8828. (Only excavators licensed by the City of Portland are eligible.)

The Development Review Coordinator must be notified five (5) working days prior to date required for final site inspection. The Development Review Coordinator can be reached at the Planning Division at 874-8632. Please make allowances for completion of site plan requirements determined to be incomplete or defective during the inspection. This is essential as all site plan requirements must be completed and

approved by the Development Review Coordinator prior to issuance of a Certificate of Occupancy.
Please schedule any property closing with these requirements in mind.

If there are any questions, please contact Barbara Barhydt at 874-8699.

Sincerely,



Kevin Beal, Chair
Portland Planning Board

cc: Lee D. Urban, Planning and Development Department Director
Alexander Jaegerman, Planning Division Director
Sarah Hopkins, Development Review Services Manager
Barbara Barhydt, Senior Planner
Jay Reynolds, Development Review Coordinator
Marge Schmuckal, Zoning Administrator
Inspections Division
Michael Bobinsky, Public Works Director
Traffic Division
Eric Labelle, City Engineer
Jeff Tarling, City Arborist
Penny Littell, Associate Corporation Counsel
Greg Cass, Fire Prevention
Assessor's Office
Approval Letter File
Scott Teas, T.F.H. Architects, 100 Commercial Street, Portland, ME



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Planning and Urban Development
Penny St. Louis Littell, Director

Planning Division
Alexander Jaegerman, Director

TO: Ellen Sanborn, Finance Department

FROM: Alexander Jaegerman, Planning Division Director

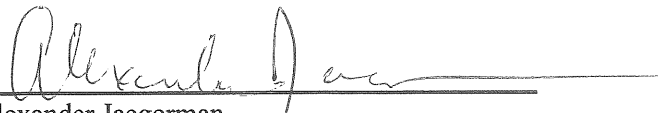
DATE: January 30, 2009

SUBJECT: Request for Release of Performance Guarantee Letter of Credit
Chestnut Street Lofts, 266 Cumberland Avenue
(ID# 2005-0096 Lead CBL 027 C 010001)

Please release the letter of credit #S063205 for the Chestnut Street Lofts project at 266 Cumberland Avenue. This Letter of Credit is being replaced with a City Held Internal Defect Guarantee.

Remaining Balance \$21,075.60

Approved:



Alexander Jaegerman
Planning Division Director

cc: Barbara Barhydt, Development Review Services Manager
Philip DiPiero, Development Review Coordinator
File: Urban Insight



Portland, Maine
Strengthening a Remarkable City, Building a Community for Life www.portlandmaine.gov

Finance Department
Duane G. Kline, Director

July 2, 2007

First Tennessee Bank National Association
Attn: International Operations
165 Madison Avenue, 9th Floor
Memphis, TN 38103

Re: Performance Guarantee – Chestnut Street Lofts
Letter of Credit No. S063205 dated May 17, 2006

This is to inform you that I am authorizing the reduction in the above-named letter of credit by the amount of \$59,116.40, which leaves a balance of \$21,075.60 remaining.

If you require any further information, please let me know.

Sincerely,

Duane G. Kline
Finance Director

DGK:mma

cc: Barbara Barhydt, Development Review Services Manager
Philip DiPierro, Development Review Coordinator

From: Donna Martin
To: C of O; csh
Date: 6/26/2007 10:21:36 AM
Subject: Certificate of Occupancy/Final Scheduled. Property Addr: 21 CHESTNUT ST Parcel ID: 027 C010001

Date: 6/28/2007 Time:

Note: Per Chris. Property Addr: 21 CHESTNUT ST Parcel ID: 027 C010001

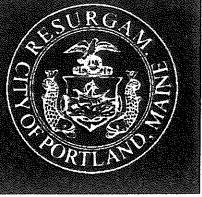
Application Type: Prmt
Application ID: 60492

Contact:
Phone1: Phone2:

Owner Name: CHESTNUT STREET LOFTS LLC
Owner Addr: 17 CHESTNUT ST
PORTLAND , ME 04101

Donna Martin
Building Inspections
City of Portland
389 Congress St. Rm 315
Portland, ME. 04101

P 207-874-8703
F 207-874-8716



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Planning and Development Department
Lee D. Urban, Director

Planning Division
Alexander Jaegerman, Director

TO: Duane Kline, Finance Department

FROM: Alexander Jaegerman, Planning Division Director

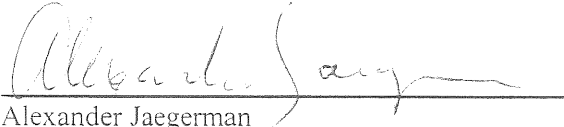
DATE: June 28, 2007

SUBJECT: Request for Reduction of Performance Guarantee to Defect Guarantee
Chestnut Street Lofts – 29 Chestnut Street & 266 Cumberland Avenue
(ID# 2005-0096) (Lead CBL#027 C001001)
(Richard Berman)

Please reduce the letter of credit, #S063205 for the Chestnut Street Lofts at 29 Chestnut Street and 266 Cumberland Avenue, to the Defect Guarantee.

Original Amount	\$210,756.00
First Reduction	\$130,564.00
<u>This Reduction</u>	<u>\$59,116.40</u>
Remaining Balance	\$ 21,075.60

This is the second reduction for the project.

Approved: 
Alexander Jaegerman
Planning Division Director

cc: Barbara Barhydt, Development Review Services Manager
Philip DiPierro, Development Review Coordinator
File: Urban Insight

ALLIED/COOK

CONSTRUCTION

Planners • Managers • Design/Builders
Building Excellence Since 1958

May 29, 2007

Mr. Timothy Markley
City of Portland Code Enforcement
389 Congress St
Portland, ME 04101

Mr. Phillip DiPerra
City of Portland Planning Department
389 Congress St
Portland, ME 04101

Mr. Michael Bobinsky
City of Portland Department of Public Works
55 Portland St.
Portland, ME 04101

Captain Greg Cass
City of Portland Fire Department
380 Congress St.
Portland, ME 04101

RE: Chestnut St Lofts, 21 Chestnut St., Permit No. 060492

Gentlemen;

We are hereby requesting a temporary certificate of occupancy inspection on Friday, June 15, 2007. The building interior will be complete with all life safety in place. Exterior lighting will be installed. Courtyard paving, on-site improvements and public improvements on Chestnut Street will be complete. We anticipate the following work to be completed after June 15, 2007:

1. Siding – Miscellaneous trim and detail work
2. Landscaping (on-site) – Planter along Cumberland Ave.
3. Public improvements – Esplanade and sidewalk in front of the planter on Cumberland Ave.

We are requesting this temporary certificate of occupancy inspection to allow the developer, Mr. Richard Berman, to schedule closings while we complete the last bit of remaining work. Damage caused by the severe spring storms prevented us from completing exterior work and significantly delayed project completion.

We appreciate your help in making this a successful project for all.

Sincerely,



Paul Laliberte, PE
VP Project Management
Cell Phone 207-415-6352

Cc: Mr. Richard Berman, Chestnut St. Lofts, LLC
Mr. Tom Perry, Allied/Cook Construction



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Finance Department
Ellen Sanborn, Director

May 20, 2009

Chestnut Street Lofts, LLC
17 Chestnut Street
Portland, ME 04101

Re: Performance Guarantee – Chestnut Lofts, 21 Chestnut Street
Escrow Account #710-0000-22-40-16

Enclosed please find a check for \$21,075.60, which the Planning Department has authorized me to release. This leaves a zero balance in the above-referenced account.

If you require any further information, please let me know.

Sincerely,

Ellen Sanborn
Finance Director

ES:mma
Enclosure

cc: Barbara Barhydt, Development Review Services Manager
Philip DiPierro, Development Review Coordinator

*pd. ck. # 297563
Picked up Richard Burt*



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Planning and Urban Development
Penny St. Louis Littell, Director

Planning Division
Alexander Jaegerman, Director

TO: Ellen Sanborn, Finance Department
FROM: Alexander Jaegerman, Planning Division Director
DATE: May 14, 2009
SUBJECT: Request for Release of Defect Guarantee
Chestnut Street Lofts, 266 Cumberland Avenue
(ID# 2005-0096 Lead CBL# 027 C 010001)

Please release the City held Defect Guarantee, account #710-0000-229-40-16 dated January 30, 2009 for the site improvements at the Chestnut Street Lofts Project, on Cumberland Avenue.

Remaining Balance \$ 21,075.60

Approved:



Alexander Jaegerman
Planning Division Director

cc: Philip DiPierro, Development Review Coordinator

From: Barbara Barhydt
To: DiPierro , Philip
Date: 1/8/2009 4:39:19 PM
Subject: Chestnut Street Lofts

Hi Phil:

Richard Berman called and left a message that he would like to have his pg released. I have not talked with him. Could you follow up with him. His number is 772-3225.

Thanks.

Barbara

2005-0096

1/9/09 LLM

PG Amount \$ 21,075.60

Expires 6/28/08



PORTLAND MAINE

Strengthening a Remarkable City, Building a Community for Life® www.portlandmaine.gov

Finance Department
Ellen Sanborn, Director

February 6, 2009

First Tennessee Bank
National Association
International Operations
165 Madison Avenue, 9th Floor
Memphis, TN 38103

Re: Chestnut Street Lofts, LLC
Letter of Credit No. S063205 dated May 17, 2006

This is to inform you that I am authorizing the release of the above-named letter of credit by \$21,075.60, which now leaves a zero balance. Please find enclosed the original letter of credit for your files.

If you require any further information, please let me know.

Sincerely,

Ellen Sanborn
Finance Director

ES:mma

cc: Barbara Barhydt, Development Review Services Manager
Philip DiPierro, Development Review Coordinator



CHESTNUT STREET LOFTS, LLC
1 INDIA STREET ♦ PORTLAND, ME 04101 ♦ 207-772-3225

August 23, 2005

Barbara Barhydt, Senior Planner
Department of Planning and Urban Development
City Hall
389 Congress Street
Portland, ME 04101

RE: Final Subdivision and Site Plan Application, Chestnut Street Lofts

Dear Barbara:

Enclosed are nine copies of our final subdivision and site plan application for Chestnut Street Lofts, to be heard by the Planning Board on September 13.

Overview of Project

The Chestnut Street Lofts, a condominium, will be located at the intersection of Chestnut Street and Cumberland Avenue next to the Merrill Auditorium. It will be located on one of three reconfigured lots, with the other two lots containing the Chestnut Street United Methodist Church (which will be preserved for re-use) and the 3-story section of the church's chapel building (the 2-story, rear portion will be removed).

- Total Parcel:** 30,180 square feet (0.69 acres)¹, reconfiguring four parcels into three
- Street Address:** 29 Chestnut Street (residences); commercial address to be assigned
- Condo Lot:** 19,780 square feet
- Total Area:** 50,240 square feet of building area plus basement
- Units:** up to 34 loft-style and town house units
- Commercial:** up to 2,800 sq. ft. of commercial space, divisible in up to 3 units
- Zoning:** Downtown Business B-3
- Building Height:** 8 stories – 85 feet
- Parking:** 37 spaces on-site, 7 spaces at an off-site location

¹ This area is slightly less than the 30,268 previously reported, because we understand that the City will exercise its option to acquire an easement between the church and city hall, reducing the area included in Parcel A (the church lot).

Requested Waivers

We request three waivers, as allowed under Portland's zoning ordinance:

1. Increase the setback beyond the street build-to line to 11 feet on Cumberland Avenue and 12 feet on Chestnut Street, creating an 11-foot by 12-foot "cut out" at the corner to accommodate colonnade entries into the building. Consistent with the standards of Section 14-256 (a) (16) governing a waiver, this "cut out" gives form and emphasis to the colonnade entry and preserves a wider and earlier pedestrian/motorist view of the Portland High School from the north along Cumberland Ave.

2. Because the proposed building is more than 50,000 square feet, the Planning Board establishes the parking requirement "based upon a parking analysis submitted by the applicant..." (Sec. 14-526, subsec. a-2-b) We propose 37 spaces on site. Of these, 35 will be for the residential units and two will be made available by easement to the adjacent church and chapel. These latter two preserve the two spaces presently dedicated for church use. The 35 residential spaces are less than the 2-1/6 spaces per residential unit required by ordinance. However, as detailed in our June 28 workshop letter and supported by census data and the opinion of traffic engineer John Murphy, this number is both adequate and appropriate for the urban-type multifamily housing proposed.

3. In addition to the 37 on-site parking spaces, seven spaces will be secured at an off-site lot or garage for the commercial space. (Note: this is one space less for the commercial use than originally proposed at workshop, because the commercial area has been reduced to approximately 2,800 sq. ft. to accommodate a larger Cumberland Avenue entrance.) Because a lot or garage is located more than 100 feet from the site (Sec. 14-334), we request that the Planning Board exercise its authority to allow the use of a lot or garage "located a reasonable distance" from the site. Several choices of lots or garages are available nearby, but the spaces will not be needed until the structure is built and ready for occupancy. We ask that securing the spaces be a condition of occupancy.

Neighborhood Meeting

The required neighborhood meeting for this development is scheduled for Thursday evening, August 25, at the Chestnut Street United Methodist Church. Documentation of the meeting (attendees, minutes, etc.) will be submitted shortly thereafter. The Bayside Neighborhood Association hosted two previous meetings during the conception and planning of the project. Part of the impetus for a market-rate residential development with a share of the units aimed at a "middle market" came from the first of those meetings in November 2004. Attention to off-street parking (assuring at least one space per residential unit) and ideas as to amenities in the building, including bicycle and basement storage/work space, which have since been incorporated, were raised at the second of the meetings in April 2005.

Historic Preservation

The back portion of the chapel/community building will be removed as part of this project. The demolition will require two exterior modifications to the adjoining church: (1) restoration of the side entrance to the church, which is presently attached to the chapel/community building by a vestibule, and (2) relocation of the church's elevator from the side of the church to the rear of the church. The Historic Preservation Committee conducted a workshop and site visit on August 3 to review these modifications. It is anticipated that the review will be finalized at the Committee's October meeting. We request that this final approval be made a condition of subdivision and site plan approval.

The re-use of the church and chapel is not yet known and is not included in this application.

Traffic and Circulation

The Maine Department of Transportation has recently categorized the intersection of Chestnut Street and Cumberland Avenue as a high accident location, because 8 accidents had occurred over a 3-year period. Per the request of the City, we attach a diagram of these accidents and an accompanying memorandum prepared by traffic engineer John Murphy. Four of the accidents were 90-degree collisions in the intersection, but Mr. Murphy was unable to discern a common cause, such as a site obstruction, from the official records of the accidents. The other four accidents did not reveal a pattern.

Sidewalks will be reconstructed of brick the length of the frontages of the property on Cumberland Avenue and Chestnut Street, including in front of the chapel and church. A landscaped esplanade approximately six feet wide will be inset both as an amenity and to set off the entrances that connect the building to Cumberland Avenue. (If policy on sidewalk materials in this part of downtown and Bayside changes, the project's materials may change accordingly.)

Utilities

Following multiple discussions with City staff and the Portland Water District, we have concluded that the best option is to connect to water, sewer, storm water drainage, and natural gas lines in Cumberland Avenue and/or Stone Street, rather than in Chestnut Street. This avoids the crowding of lines presently in Chestnut Street and the uncertainties that appear to exist around the separation of sewer/storm drain lines on Chestnut Street below our site. It also avoids the question of construction in Chestnut Street that may conflict with high school activities. Sewer and storm water drainage lines already are separated in Stone Street less than 90 feet from the site via Cumberland Ave. Storm water from the site will be treated by a First Defense stormwater treatment device, which is sanctioned by the Maine DEP.

Electric and telecommunications service will be from an existing Chestnut Street pole, running underground to an on-site transformer. To provide proper clearance from the new building, other existing poles along Cumberland Avenue will be replaced and/or relocated as shown on the utility plan.

Required letters from utilities confirming capacity to serve the building are attached. A draft drainage agreement, by which the owner commits to the City to maintain the on-site drainage system, also is attached.

Design

Our design team has continued to meet with City staff and to modify elements of the building design, and it is our position that the plan satisfies the intent of the *Downtown Urban Design Guidelines*. Elevations of all sides of the building have been designed with careful consideration, in the selection of materials, fenestration, and details, for the adjacent buildings, which range from a metal-sided building, to modest flats across Cumberland Avenue, to historic masonry buildings. The massing of the building, including breaks between the 2-story base and the middle 4 stories, and between the middle and the 2-story "cap" of the building, draws upon the buildings either side of it. Its masonry and glass base and contemporary metal siding on upper parts, scaled to brick size, fit well with the surroundings. The building greatly improves upon without denigrating Merrill Auditorium's utilitarian Cumberland Ave. frontage, while preserving the prominence of the larger and more dominant High School, maintaining views to City Hall's bell tower, and opening up views to the historic Methodist Church along Chestnut Street. At the same time, the design is faithful to the concept of an urban "loft building" that includes units within range of first-time homebuyers on the peninsula at the edge of Bayside. The plan has been modified to increase the orientation and prominence of building entrances with respect to Cumberland Avenue, by:

- Extending the colonnade around the corner with an expanded opening and elevated entrance to the commercial space from Cumberland Avenue, increasing the store front connections to the street;
- Extending the brick sidewalk material throughout the colonnade walkway, connecting it to the public pedestrian environment;
- Establishing a landscaped esplanade that runs along Cumberland Avenue from the expanded westerly entrance and a potential northerly entrance (should the space be divided into multiple units), thus setting off and giving prominence to these entrances while improving the pedestrian experience;
- Providing for a curved, banded sign (providing name and address of the residential portion of the building) that will connect the Cumberland Avenue colonnade with the Chestnut Street colonnade and help to further define the corner;
- Providing recessed lighting in the colonnade; and
- Massing window walls above the main colonnaded entrance to "point" to it.

Coordination with Portland High School

On August 4, representatives of the developer and City met with the Portland High School principals and vice principals to discuss construction scheduling and mobilization. The school administration prefers to retain the bus drop-off and pick-up area on Chestnut Street. The primary "crunch" time is for 15 to 20 minutes in the afternoon when school lets out. We will arrange in cooperation with the high school for enhanced traffic management during this time (for example, to discourage cars from entering this segment of Chestnut Street while buses are active there). A construction mobilization plan is being prepared for the high school's review and submission to the Planning Board prior to the public hearing.

Lighting and Landscape Plans

A lighting plan with photometrics is presented on Drawing C-5A. The landscape plan, including planting list and fence detail, is presented on Drawing C-5.

Easements and Licenses

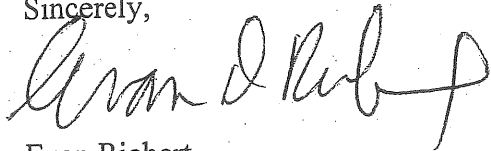
Drafts of easements pertaining to and shown on the plan are attached. These include easements between and among the three parcels to allow maintenance of the church and chapel structures; an easement from the church property to the condominium to allow a small intrusion of a parking lot turning area; and an easement from the condominium to both the church and chapel parcels for use of the adjoining garden and for two parking spaces.

A license, copy attached, is requested to allow foundation footings for the building to enter within the Cumberland Avenue and Chestnut Street rights-of-way.

Condominium Documents

Drafts of the condominium's Declaration and By-laws are attached.

Sincerely,



Evan Richert
Chestnut Street Lofts, LLC

cc Richard Berman
 Scott Teas, TFH Architects
 David Kamila, Land Use Consultants
 George Liming, Allied-Cook

**ATTACHMENTS TO FINAL APPLICATION
FOR SUBDIVISION AND SITE PLAN REVIEW
CHESTNUT STREET LOFTS**

Purchase and sale agreement

Bank letter

Traffic and parking information from traffic engineer John Murphy, PE

- a. Trip generation and parking demand, June 6, 2005
- b. Parking on Chestnut Street, July 20, 2005
- c. Accident diagrams, August 9, 2005

Storm water drainage analysis by Patrick Clark, PE, Land Use Consultants, July 18, 2005

Proposed Drainage Maintenance Agreement, Chestnut Street Lofts LLC and City

Utility capacity letters

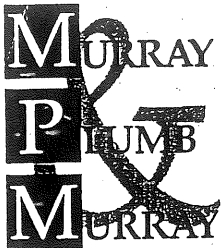
Proposed License Agreement for encroachment of footings into city rights-of-way

Proposed easements

- a. Cross-easement between church and chapel parcels for building maintenance
- b. Easement from Chestnut St. Lofts to chapel parcel for building maintenance
- c. Easement from church parcel to Chestnut St. Lofts for vehicle turning
- d. Easement from Chestnut St. Lofts to church and chapel properties for one parking space each and for use of open space

Condominium documents

- a. Declaration of Condominium
- b. Bylaws



December 22, 2004

Attorneys At Law

Adam N. Gonzalez, Esq.
Law Offices of Robert E. Danielson
Two Canal Plaza, Suite 401
P.O. Box 545
Portland, ME 04112-0545

*Re: Chestnut Street United Methodist Church
to Berman Associates*

Peter S. Plumb
John C. Lightbody
Thomas C. Newman
John C. Bannon
Susan D. Thomas
Drew A. Anderson
Richard L. O'Meara
Christopher B. Branson
Michael D. Traister
Amy M. Sneirson
Barbara L. Goodwin
Timothy H. Boulette
John B. Shumadine
Sarah A. McDaniel
Thomas L. Douglas*

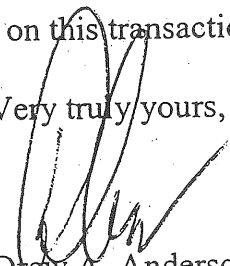
Dear Adam:

This will confirm that Berman Associates is in receipt of a fully executed copy of the Contract between Chestnut Street United Methodist Church and Berman Associates, and that the Contract Date shall be December 21, 2004. You are authorized to insert that date in any copy of the Contract that you have in your files.

This will also confirm that accordingly, the ninety (90) day due diligence period (as set forth in paragraph 5) shall commence as of December 21, 2004.

I look forward to working with you on this transaction.

Very truly yours,


Drew A. Anderson
Email: danderson@mpmlaw.com

DAA/kgw

cc: Mr. Richard Berman
S:\b\brmn01\Gonzalez.doc

Of Counsel:
Barbara T. Schneider
Rebekah J. Smith

E. Stephen Murray
(1941-2001)

75 Pearl Street
Post Office Box 9785
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04104-5085

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REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS AGREEMENT, dated this ____ day of December, 2004 (the "Contract Date"), is by and between CHESTNUT STREET UNITED METHODIST CHURCH, with an address of 17 Chestnut Street, Portland, Maine 04101, or assigns (collectively, "Seller") and BERMAN ASSOCIATES, with an address of One India Street, Portland, Maine 04101, or assigns ("Purchaser").

1. Purchase and Sale of Property.

Subject to the terms and conditions set forth herein, Seller hereby agrees to sell and convey to Purchaser and Purchaser hereby agrees to purchase from Seller and pay for the property owned by Seller in the City of Portland, Maine bounded by Chestnut Street and Cumberland Avenue (collectively, the "Premises"), including those certain lots or parcels of real property known as 17 Chestnut Street, 21 Chestnut Street and 266 Cumberland Avenue, Portland, Maine, and identified on the City of Portland tax records as Map 27, Block C, Lots 1, 10 and 11, as such parcels are outlined on the plan attached as Exhibit A, together with all fixtures and improvements situated thereon owned by Seller, except those items shown on attached Exhibit B, which fixtures and improvements shall be removed within forty-five (45) days after the Closing Date (as hereinafter defined).

2. Purchase Price.

(a) The purchase price for the Premises shall be [REDACTED] and shall be payable as follows:

(1) Ten Thousand Dollars (\$10,000) upon the receipt by Purchaser of a copy of this Agreement signed by Seller, which amount shall be paid to and held in escrow by Purchaser's attorney, Murray, Plumb & Murray ("Escrow Agent"), as earnest money deposit hereunder and shall be applied as part payment of the purchase price (the "Deposit"); and

(2) The balance of the Purchase Price, subject to adjustment as provided herein, shall be paid by Purchaser to Seller by certified check at the Closing.

All earnest money will be held in trust by Escrow Agent in a non-interest bearing account subject to the terms of this Agreement and duly accounted for at the time for performance of this Agreement. Except for Escrow Agent's acts of bad faith, Escrow Agent shall have no liability of any kind whatsoever for the performance of any duties imposed upon Escrow Agent under this Agreement.

3. Prorations, Adjustments and Costs.

Seller and Purchaser shall prorate as of the date of Closing (the "Closing Date") charges for heat, oil, sewer, water or any other utility services provided to the Premises, and any rents and charges payable under any lease affecting the Premises.

4. Conveyance: Title.

(a) Seller shall convey the Premises to Purchaser by good and sufficient Quitclaim With Covenant Deed (the "Deed"). Title to the Premises shall be good and marketable and shall be free and clear of all liens, tenancies, leaseholders and encumbrances except (i) zoning restrictions and land use matters; (ii) current taxes and assessments, if any; and (iii) any "Defects of Title" as (defined below) accepted or waived by Purchaser pursuant to Section 4(b).

(b) On or before the Closing Date, Purchaser shall notify Seller of any defects in title that would make Seller unable to give title to the Premises as herein stipulated (any of which is called herein a "Defect of Title"). Seller shall have a period of not more than 30 days after receipt of notice of such defect within which to remedy or cure any such Defect of Title, and the Closing shall be extended to the date that is five (5) business days after the expiration of such 30-day period. If such Defects of Title are not corrected or remedied within such 30-day period, then Purchaser shall elect, by written notice to Seller on or before the Closing Date, as the same may be extended, either (i) to accept title to the Premises subject to the uncured Defects of Title without reduction of the Purchase Price and without any right to damages and without any other liability on the part of Seller, or (ii) to terminate this Agreement, whereupon the Deposit shall be returned to Purchaser and all obligations of the parties hereunder shall cease and neither party shall have any claim against the other by reason of this Agreement, except with respect to any provision hereof that expressly survives the termination of this Agreement.

5. Due Diligence Period, Materials Delivered by Seller, Inspections and Right to Terminate.

(a) Purchaser may, at its option and at its sole risk and expense, retain a person or persons to examine the Premises and prepare structural, architectural, engineering, market feasibility, environmental or other professional studies or physical reports of the Premises. Purchaser and others whom Purchaser may designate shall have the right, at all reasonable times, to enter upon the Premises to examine and make, or cause to be made, the referenced studies or reports. Purchaser shall at its own expense restore the Premises to its present condition, and agrees to hold Seller harmless and indemnify Seller from any loss or liability resulting from the entrance by Purchaser or its agents upon the Premises for the purposes set forth herein.

(b) At any time on or prior to the date that is ninety (90) days after the Contract Date, Purchaser shall have the right to terminate this Agreement if Purchaser determines, in its sole discretion, that it is not satisfied with any of the studies, inspections or reports set forth in subsection (a) above, by giving written notice to Seller on or before the end of such 90-day period. If Purchaser timely gives notice of such dissatisfaction, then the Deposit shall be returned to Purchaser and all obligations of the parties hereunder shall cease and neither party

shall have any claim against the other by reason of this Agreement, except with respect to any provision hereof that expressly survives the termination of this Agreement. If Purchaser fails to give such written notice on or before the end of such 90-day period, Purchaser shall be deemed to have waived its right to terminate this Agreement pursuant to this Section, and the Deposit shall become non-refundable, other than default by Seller under this Agreement or Seller's failure to convey title as required in Paragraph 4.

6. Development Contingency.

Purchaser's obligations under this Agreement are contingent upon Purchaser obtaining all permits and approvals required in connection with Purchaser's intended development and improvement of the Premises (the "Permits and Approvals"). Purchaser shall use its best efforts to obtain the Permits and Approvals, and Purchaser intends to submit a site plan application to the City of Portland Planning Department as soon as possible after execution of this Agreement. If Purchaser's development plans include plans for demolition and removal of the church, Seller shall use good faith efforts in assisting Purchaser in obtaining demolition permits as required. If Purchaser has not obtained the Permits and Approvals on or before the date that is six (6) months from the Contract Date (the "Permit and Approval Contingency Period"), then Purchaser shall have the right to terminate this Agreement by written notice to the Seller prior to the expiration of said six (6) month period, and the Deposit shall be promptly delivered to the Seller (subject to Purchaser's right to have the Deposit returned to Purchaser during the ninety (90) day period described in paragraph 5) and the parties shall be relieved of any further liability or obligation hereunder, except with respect to any provision hereof that expressly survives the termination of this Agreement. Purchaser shall have the right to extend the Permit and Approval Contingency Period for an additional three (3) months by providing Seller with written notice thereof, to be given prior to the expiration of the initial Permit and Approval Contingency Period, and upon deposit, within said six (6) month time period, of an additional Ten Thousand (\$10,000) Dollars to the Escrow Agent as additional earnest money deposit under this Agreement, which Deposit shall be non-refundable, other than default by Seller under this Agreement or Seller's failure to convey title as required in paragraph 4.

7. Closing.

Once the Permits and Approvals have been obtained, the Closing shall take place on the date that is forty-five (45) days after the date upon which all appeal periods have expired with respect to the Permits and Approvals, which in no event shall be later than November 22, 2005, at 10 a.m. at the offices of Purchaser's attorney or at such other place as shall be mutually agreed to by both Purchaser and Seller. Notwithstanding the foregoing, if an appeal is taken with respect to the issuance of any of the Permits and Approvals, then the Closing Date shall be extended for an additional period not to exceed six (6) months.

8. Risk of Loss.

The risk of loss to the Premises prior to the Closing Date shall be on Seller.

9. **Brokers.**

The parties acknowledge that neither party has employed or engaged any broker or agent in connection with this transaction. The parties agree to indemnify and hold each other harmless from and against any claims made by brokers resulting from the actions of the other party.

10. **Default.**

(a) If Purchaser fails to perform its obligations as set forth in this Agreement, then Seller shall as its sole remedy be entitled to retain the Deposit as liquidated damages as a result of such failure to perform, and this Agreement shall be deemed terminated. Purchaser and Seller acknowledge that Seller's damages because of Purchaser's failure to perform are difficult to ascertain and agree that the amount of the Deposit represents a reasonable estimate of the amount of Seller's damages as a result thereof.

(b) In the event of a default by Seller, Purchaser's sole remedy shall be to either (i) terminate this Agreement and be entitled to the return of the earnest money deposit or (ii) seek specific performance.

11. **Notices.**

All notices, demands or other communications made pursuant to this Agreement shall be in writing and shall be either hand delivered or sent by certified or registered mail, return receipt requested. Such notice shall be deemed effective upon the earlier of (a) actual receipt or (b) two days following its deposit in the United States mail, postage prepaid, and addressed to the parties at the addresses set forth in the preamble to this Agreement.

12. **Seller's Authority.**

Seller represents, covenants and warrants that Seller is the current owner of the Premises and has the legal right, power and authority to enter into this Agreement and to perform all of its obligations hereunder. If Seller requires further consents or approvals to enter into this Agreement and to transfer the Premises to Purchaser as contemplated herein, then Seller agrees to provide evidence that such additional approvals and consents have been obtained within thirty (30) days of the Contract Date.

13. **Miscellaneous.**

(a) Seller and Purchaser shall each pay their portion of the Maine State Transfer Tax.

(b) Seller hereby certifies that Seller is a resident of the State of Maine. Seller hereby acknowledges Purchaser's requirement to withhold 2½% of the purchase price pursuant to 36 M.R.S.A. §5250-A if Seller is not a resident of the State of Maine, unless Seller presents to Purchaser at closing a Certificate of Exemption or Certificate of Reduction from the State of Maine Bureau of Taxation.

(c) INTENTIONALLY OMITTED.

(d) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, personal representatives, successors in interest and permitted assigns.

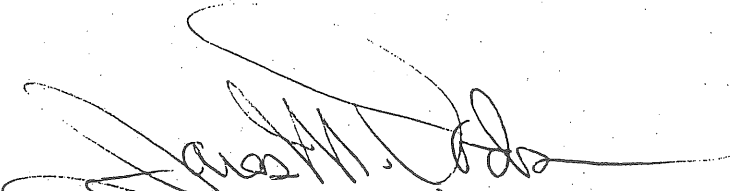
(e) It is understood and agreed that all understandings, agreements, warranties or representations, either oral or in writing, including without limitation any letters of intent or prior agreements, heretofore between the parties hereto are merged in and superseded by this Agreement, which document alone fully and completely expresses the parties' agreement with respect to the transactions covered hereby. This Agreement may not be modified in any manner except by a subsequent instrument in writing signed by Seller and Purchaser.

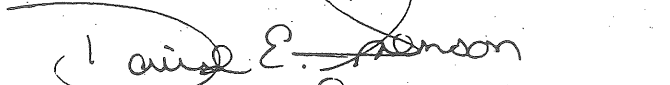
(f) This Agreement may be simultaneously executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall constitute but one and the same instrument.

(g) If the date for performance of any obligation hereunder, or the giving of any notice hereunder, falls on a Saturday, Sunday or a legal holiday in the State of Maine, the period for such performance, or the giving of any notice hereunder, shall be extended to the next business day.

(h) This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Maine.


IN WITNESS WHEREOF, the parties have executed this Agreement as a sealed instrument as of the date set forth below their respective signatures, to be effective as of the Contract Date.


James M. Dodson
Pastor


David E. Svenson
District Superintendent
Dec. 14, 2004

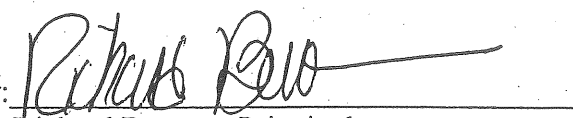
SELLER:

CHESTNUT STREET UNITED
METHODIST CHURCH

By: 
Its: Chair of Trustees

PURCHASER:

BERMAN ASSOCIATES

By: 
Richard Berman, Principal



Maine

One Portland Square
P.O. Box 9540
Portland, ME 04112-9540
T: 207 761-8500
Toll Free: 800 761-3666

June 27, 2005

Planning Department
City of Portland
389 Congress Street
Portland, ME 04101

RE: Richard Berman and Evan Richert – Chestnut Street Lofts Condos

Dear Planning Department:

Richard Berman and Evan Richert have requested the Bank consider the financing of a new project, called Chestnut Street Lofts Condos, in Portland, ME. A brief review of the project indicates the project to be economically feasible and, based on our experience with Mr. Berman in the past, I believe a financing package can be arranged. However, this letter is merely a statement of interest and does not represent a commitment to lend.

Should you have any questions, please feel free to call me at 761-8604.

Sincerely,

A handwritten signature in cursive script that reads 'Richard A. Blake'.

Richard A. Blake
Senior Vice President

JOHN L. MURPHY, P.E.

Civil Engineer
Traffic Engineer

221 BROWN ROAD
WEST BALDWIN, MAINE 04091
207-625-8222

June 6, 2005

Eben Richert
21 Karynel Drive
South Portland, Maine 04106

Re: Chestnut Street Lofts project.

Dear Eben:

I have reviewed the proposed project plans and existing conditions. Based upon the Institute of Transportation Engineers' (ITE) publication "Trip Generation", the following is an estimate of peak hour trip generation:

1. Residential Condominium/Townhouse (Use 230) – 38 units

AM Peak hour	7 AM – 9 AM	17 trips/hour
PM Peak hour	4 PM – 6 PM	20 trips/hour

2. General Office Building (Use 710) – 3250 square feet

AM Peak hour	7 AM – 9 AM	5 trips/hour
PM Peak hour	4 PM – 6 PM	5 trips/hour

Thus these two uses are estimated to result in 22 AM peak hour trips and 25 PM peak hour trips. (I assumed office space as it is a type of use in this area.)

The ITE "Trip Generation" data does not fit such small projects. The definitions of the use Residential Condominium/Townhouse (230) refers to much larger projects. There are also uses that define the projects as low rise or high rise and luxury units. The high rise is over 3 stories but the number of units in the studies used as a data base are mostly over 543 units.

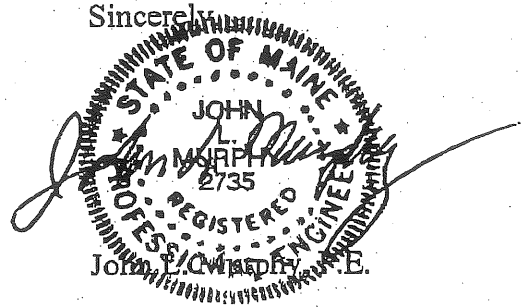
I also reviewed data in the ITE publication "Parking Generation", 3rd edition. The use definitions again did not fit your proposed use. The closest land use in the publication was Low/Mid-Rise Apartment (Use 221) for weekday in an urban location. The average size of the study sites was 165 units. The average peak period parking demand was 1.00 per dwelling unit. The range was 0.66 – 1.43 vehicles per dwelling unit with an 85 per-

centile use of 1.17 vehicles per dwelling unit. The average peak period parking demand on Saturday was 1.02 vehicles/dwelling unit with an 85 percentile demand of 1.17 vehicles/dwelling unit. The Saturday range in demand was 0.80 to 1.43 vehicles per dwelling unit.

Conclusions

1. This project will not result in sufficient trip generation to require a traffic study.
2. The best available estimates of parking demand are based upon non-ownership urban apartment projects and are near 1.0 space per unit.
3. The estimated parking demand/unit is much less than the City Ordinance requirement.
4. The remaining church and chapel area is not considered in this letter as the proposed uses are not presently defined.

Sincerely,



A circular professional seal for the State of Maine. The outer ring contains the text "STATE OF MAINE" at the top and "REGISTERED PROFESSIONAL ENGINEER" at the bottom. Inside the ring, the name "JOHN MURPHY" is printed, with the number "2735" below it. A handwritten signature, "John Murphy", is written across the seal. Below the seal, the name "John Murphy, E." is printed.

JOHN L. MURPHY, P.E.

Civil Engineer
Traffic Engineer

221 BROWN ROAD
WEST BALDWIN, MAINE 04091
207-625-8222

July 20, 2005

Eben Richert
21 Karynel Drive
South Portland, Maine 04106

Re: Tom Errico 6/20/05 memo re. parking on Chestnut Street.

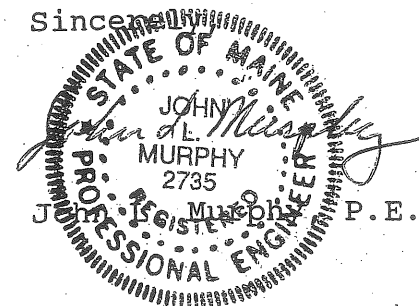
Dear Eben:

Parking on Chestnut Street was at one time limited primarily to the east side except for some loading by City Hall. (This statement is based upon my memory.) Apparently there was a need for spaces and bus storage for school buses prior to loading students opposite the Chestnut Street Lofts parking lot driveway.

I do not see that anything will change when the project has been completed. This will still be a parking lot with driveway in the same location. The school buses will park across the street. If snow banks cause a problem, the City will remove them as the City has done before. This type of snow related problem occurs in many other areas of Portland and other Maine towns. It is something that people deal with and the towns or cities address by removing snow.

My conclusion is that nothing will change and things will work out without any safety or capacity problem.

Sincerely,



JOHN L. MURPHY, P.E.

Civil Engineer
Traffic Engineer

221 BROWN ROAD
WEST BALDWIN, MAINE 04091
207-625-8222

Eben Richert
21 Karynel Dr.
South Portland, Me.04106

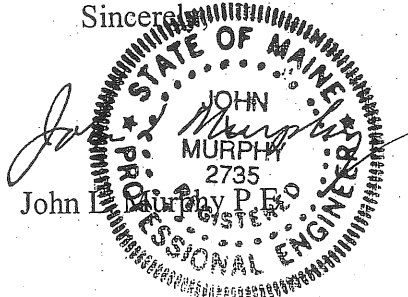
August 9, 2005

Re: Accident Diagram 2002 through 2004 at Cumberland Ave/Chestnut St. , Portland

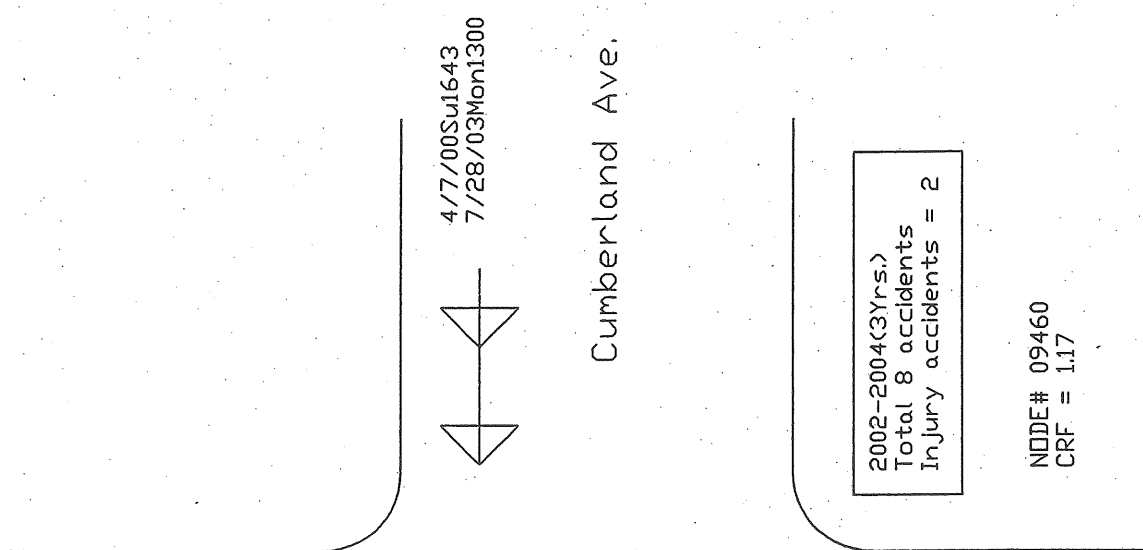
Dear Eben,

Attached is the diagram requested by Tom Errico, City Traffic Engineer. There were only 8 accidents over the 3 year period. There were 4 right angle type involving southbound Chestnut St. vehicles and westbound Cumberland Ave. through traffic. There may have been a sight obstruction but this was not mentioned by either the officer that filled out the report or the drivers involved. Thus, since there were only a few accidents I hesitate to jump to any conclusion as to causes that are not part of even one report.

Sincerely,

A circular professional engineer seal for the State of Maine. The seal contains the text "STATE OF MAINE" at the top, "PROFESSIONAL ENGINEER" at the bottom, and "JOHN MURPHY 2735" in the center. A handwritten signature of John L. Murphy is written across the seal. Below the seal, the text "John L. Murphy P.E." is printed.

John L. Murphy P.E.



Chestnut St.
6/19/03 Thur 2101

4/7/00 Sun 1643
7/28/03 Mon 1300

10/4/03 Sat 1850B
7/30/02 Tue 1700
10/16/02 Wed 1635
5/9/03 Fri 1311

12/11/03 Thu 1425c
PED

Cumberland Ave.

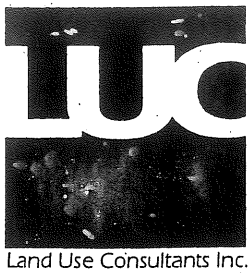
Cumberland Ave.

2002-2004 (3 Yrs.)
Total 8 accidents
Injury accidents = 2

NODE# 09460
CRF = 1.17

One Way
Chestnut St.

JLM 8/4/05
J.L.M.



July 18, 2005

4376

Barbara Barhydt, Senior Planner
Department of Planning & Urban Development
Portland City Hall
289 Congress Street
Portland, ME 04101

p l a n n e r s
e n g i n e e r s
l a n d s c a p e
a r c h i t e c t s

Site Plan & Subdivision Application, Chestnut Street Lofts, Portland, Maine:

Dear Barbara,

Land Use Consultants, Inc. has reviewed the site at the corner of Chestnut Street and Cumberland Avenue to evaluate the potential impacts which may result from the proposed development improvements. The existing site is entirely paved or impervious. It is assumed that the site has been developed for at least 100 years. There is no evidence of significant erosion or drainage problems as a result of rainfall or runoff in these areas. There is an existing catch basin on the site. The catch basin and paved parking on the site and the existing curb and sidewalk on Chestnut Street are in a state of significant distress and disrepair.

It is not known where the existing catch basin drains to. There are no separated storm drains in the immediate vicinity. All catch basins and drains discharge to a combined sewer in Chestnut Street or Cumberland Avenue. Most of the existing impervious surfaces drain via sheet flow to the existing catch basin on site or to Chestnut Street and Cumberland Avenue prior to discharge into the combined sewer. There are two catch basins located in Chestnut Street near the corner of Cumberland Avenue. Improvements in this area will include construction of a new separated storm drain. The new storm drain will connect to the existing sewer with a temporary connection until such time as the City of Portland separates the sewers beyond the site.

Existing buildings and parking areas will be removed from the site. The proposed amount of impervious surfaces will be less than the existing site and will not result in increased runoff or create erosion problems. The proposed landscaping improvements to this area include the addition of a new vegetated courtyard between the new parking and the existing chapel and Chestnut Street Church. A new mid rise multifamily residential building and parking lot will be constructed. All of these improvements will drain to new catch basins and drains. Essentially all runoff will be collected on site via the new storm drain prior to discharging to the city sewer.

966 RIVERSIDE STREET
PORTLAND, MAINE 04103

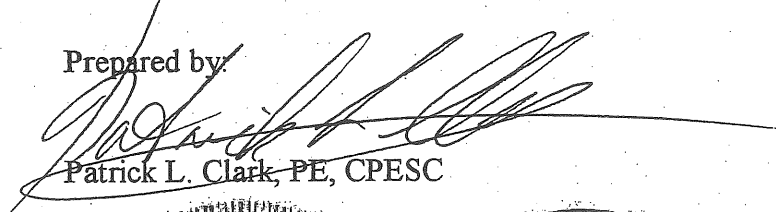
voice (207) 878 · 3313
f a x (207) 878 · 0201
email: landuse@landuseinc.net

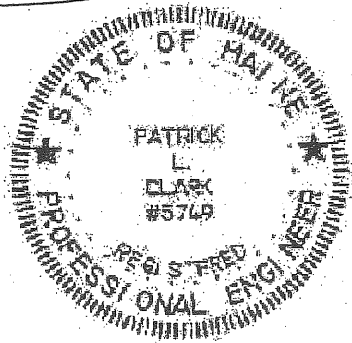
This project results in a net reduction of impervious area and is not subject to the Stormwater Law pursuant to 38 M.R.S.A. § 420 D. Land Use Consultant's has not performed pre and post development runoff calculations in order to evaluate the reduction in peak discharge rates resulting from the proposed project. No stormwater detention is proposed for this project. New storm drains are proposed for on site runoff and a new separated storm sewer is proposed in Chestnut Street. This storm drain will tie into the existing 18 inch Sanitary Sewer in Chestnut Street.

Based on comments provided by James Seymour, Development Review Coordinator, the City will require treatment of the stormwater. Mr. Seymour has requested that a minimum of 60% TSS removal be provided. LUC has evaluated runoff from the site using the Rational Method for calculating peak flow rates. Using this method and HydroCad software the runoff rates were calculated to be 0.66 cfs, 0.99 cfs, 1.18 cfs, 1.35 cfs and 1.63 cfs for the 1, 2, 5, 10 and 25 year rainfall intensities. Based on these runoff rates and evaluation of available DEP approved treatment products, LUC has chosen the First Defense, as manufactured by Hydro International. This device has been approved by Maine DEP for 60% TSS removals for one year flows not exceeding 0.71 cfs (320 GPM). I have attached a letter from Don Witherell of Maine DEP.

In general, all of the improvements will serve to better control the runoff from the site and prevent erosion. Due to the decrease in impervious area and direct discharge of stormwater to the new storm drain system, it is our opinion that drainage calculations or stormwater management improvements will not be required. The project will significantly improve the drainage characteristics of the site.

Prepared by:


Patrick L. Clark, PE, CPESC



Subcatchment 1S: (new Subcat)

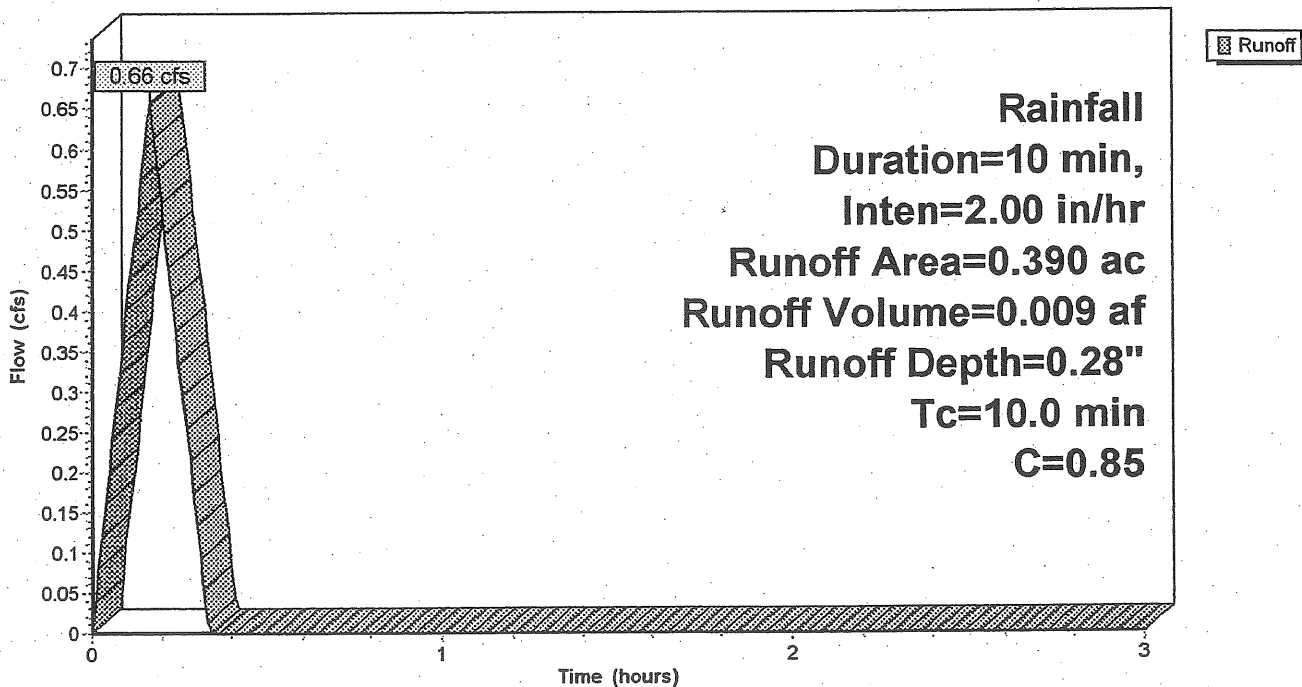
Runoff = 0.66 cfs @ 0.17 hrs, Volume= 0.009 af, Depth= 0.28"

Runoff by Rational method, Rise/Fall=1.0/1.0 xTc, Time Span= 0.00-3.00 hrs, dt= 0.01 hrs
 Rainfall Duration=10 min, Inten=2.00 in/hr

Area (ac)	C	Description
0.330	0.95	impervious
0.060	0.30	grass
0.390	0.85	Weighted Average

Tc (min)	Length (feet)	Slope (ft/ft)	Velocity (ft/sec)	Capacity (cfs)	Description
10.0					Direct Entry,

Subcatchment 1S: (new Subcat)



Subcatchment 1S: (new Subcat)

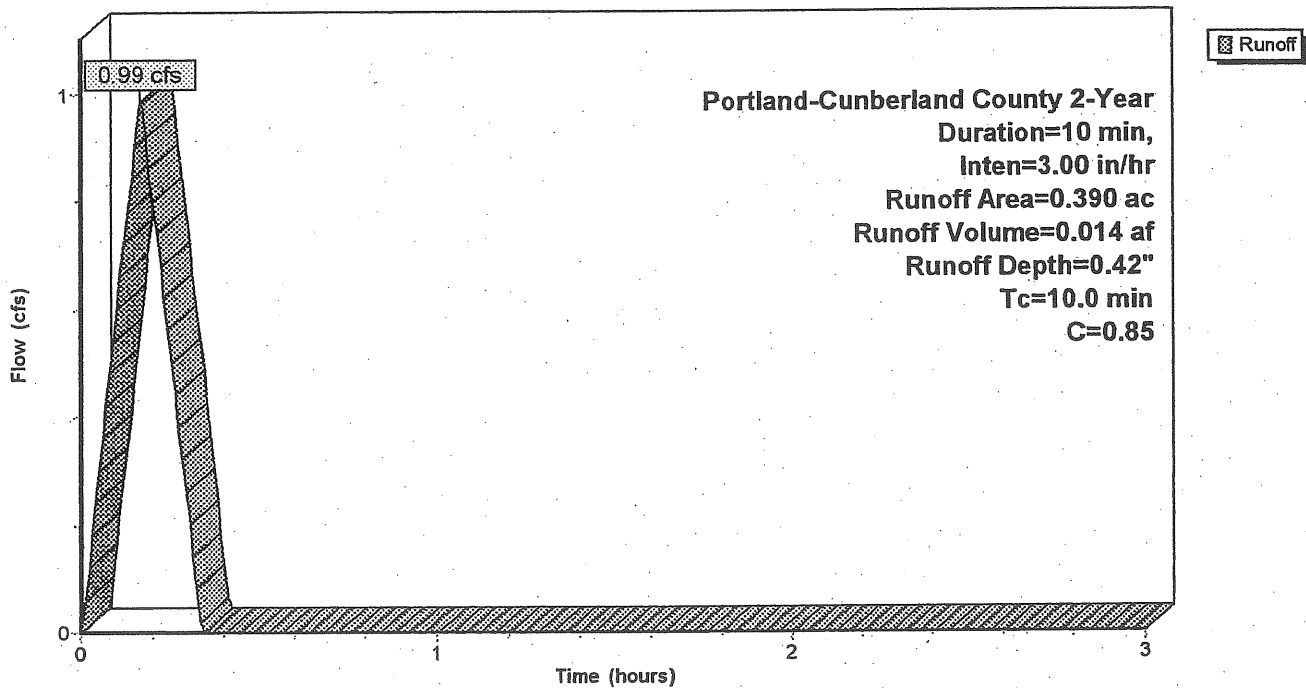
Runoff = 0.99 cfs @ 0.17 hrs, Volume= 0.014 af, Depth= 0.42"

Runoff by Rational method, Rise/Fall=1.0/1.0 x Tc, Time Span= 0.00-3.00 hrs, dt= 0.01 hrs
 Portland-Cumberland County 2-Year Duration=10 min, Inten=3.00 in/hr

Area (ac)	C	Description
0.330	0.95	impervious
0.060	0.30	grass
0.390	0.85	Weighted Average

Tc (min)	Length (feet)	Slope (ft/ft)	Velocity (ft/sec)	Capacity (cfs)	Description
10.0					Direct Entry,

Subcatchment 1S: (new Subcat)



Subcatchment 1S: (new Subcat)

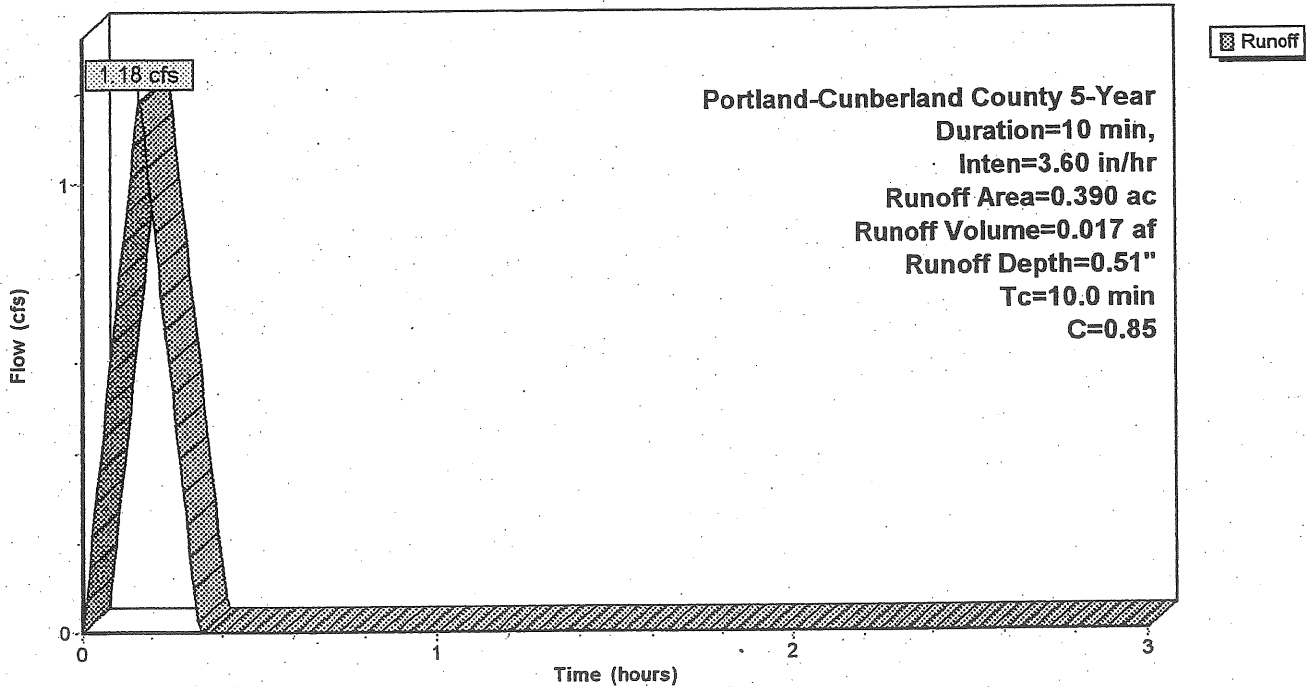
Runoff = 1.18 cfs @ 0.17 hrs, Volume= 0.017 af, Depth= 0.51"

Runoff by Rational method, Rise/Fall=1.0/1.0 xTc, Time Span= 0.00-3.00 hrs, dt= 0.01 hrs
 Portland-Cumberland County 5-Year Duration=10 min, Inten=3.60 in/hr

Area (ac)	C	Description
0.330	0.95	impervious
0.060	0.30	grass
0.390	0.85	Weighted Average

Tc (min)	Length (feet)	Slope (ft/ft)	Velocity (ft/sec)	Capacity (cfs)	Description
10.0					Direct Entry,

Subcatchment 1S: (new Subcat)



Subcatchment 1S: (new Subcat)

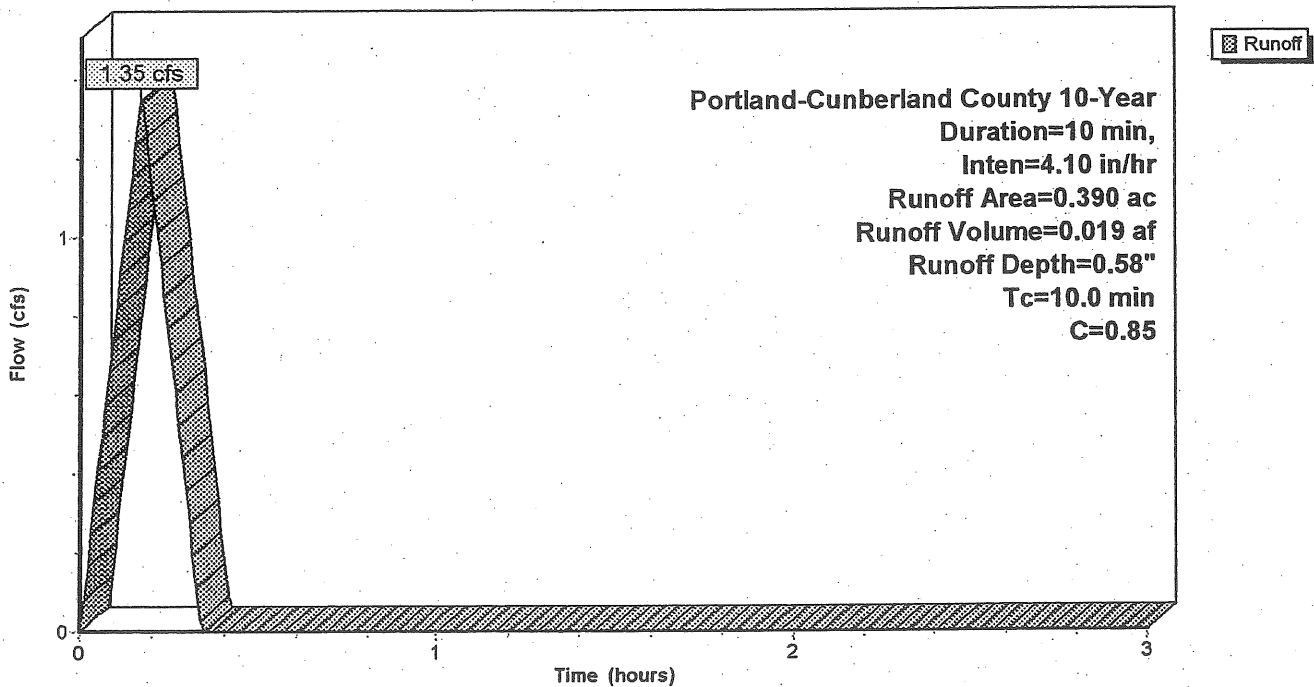
Runoff = 1.35 cfs @ 0.17 hrs, Volume= 0.019 af, Depth= 0.58"

Runoff by Rational method, Rise/Fall=1.0/1.0 xTc, Time Span= 0.00-3.00 hrs, dt= 0.01 hrs
 Portland-Cumberland County 10-Year Duration=10 min, Inten=4.10 in/hr

Area (ac)	C	Description
0.330	0.95	impervious
0.060	0.30	grass
0.390	0.85	Weighted Average

Tc (min)	Length (feet)	Slope (ft/ft)	Velocity (ft/sec)	Capacity (cfs)	Description
10.0					Direct Entry,

Subcatchment 1S: (new Subcat)



Subcatchment 1S: (new Subcat)

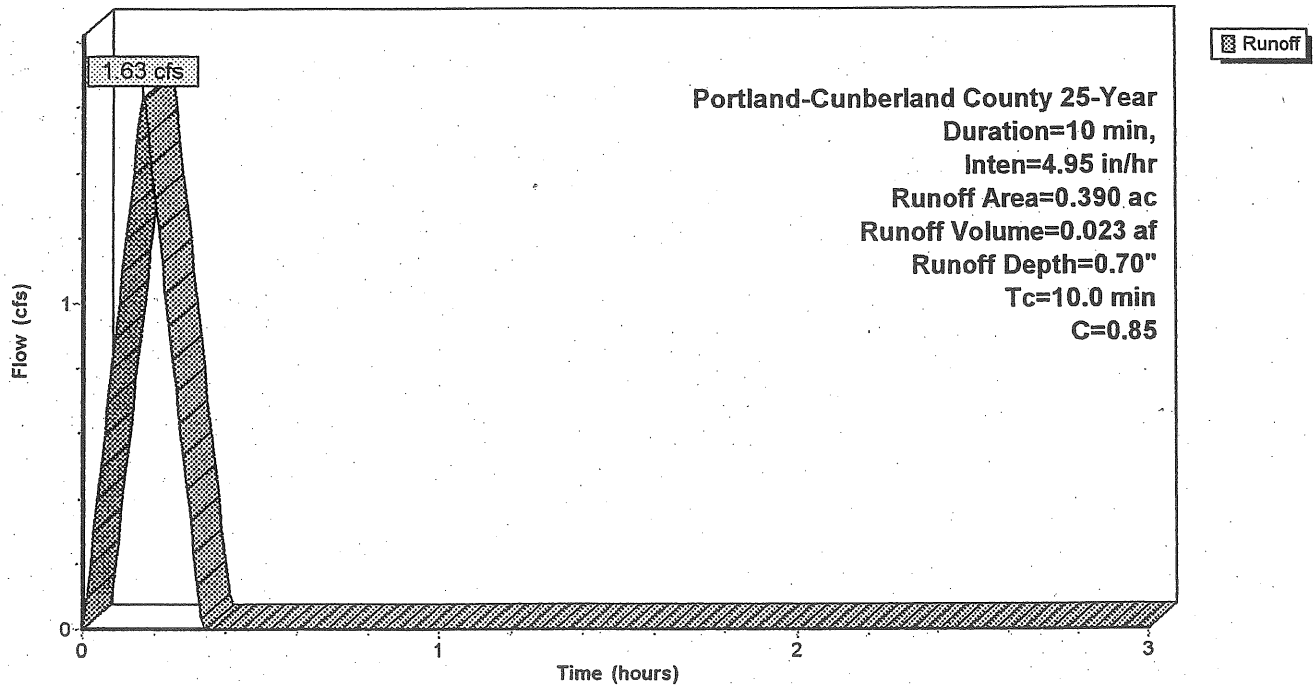
Runoff = 1.63 cfs @ 0.17 hrs, Volume= 0.023 af, Depth= 0.70"

Runoff by Rational method, Rise/Fall=1.0/1.0 xTc, Time Span= 0.00-3.00 hrs, dt= 0.01 hrs
 Portland-Cunberland County 25-Year Duration=10 min, Inten=4.95 in/hr

Area (ac)	C	Description
0.330	0.95	impervious
0.060	0.30	grass
0.390	0.85	Weighted Average

Tc (min)	Length (feet)	Slope (ft/ft)	Velocity (ft/sec)	Capacity (cfs)	Description
10.0					Direct Entry,

Subcatchment 1S: (new Subcat)





STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION

JOHN ELIAS BALDACCI
GOVERNOR

DAWN R. GALLAGHER
COMMISSIONER

January 5, 2005

Pam Deahl
Hydro International
94 Hutchins Drive
Portland, ME 04102

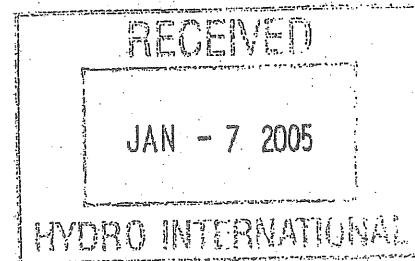
Dear Ms. Deahl,

The purpose of this letter is to inform you that, in accordance with the Laboratory Testing Protocol for Manufactured Treatment Systems and based on the results of the confirmation test for removal of OK-110 grade silica sand performed on November 12, 2004 and described in the attached report, the 4 foot diameter First Defense stormwater treatment device is approved for a total suspended solids (TSS) removal rating of 60%, provided that the device is sized such that the projected one year peak flow from the device's drainage area does not exceed 320 gpm.

If you have any questions regarding this letter or the attached report, please feel free to call Jeff Dennis at 207-287-7847.

Sincerely,

Donald T. Witherill
Division of Watershed Management



AUGUSTA
17 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0017
(207) 287-7688
RAY BLDG., HOSPITAL ST.

BANGOR
106 HOGAN ROAD
BANGOR, MAINE 04401
(207) 941-4570 FAX: (207) 941-4584

PORTLAND
312 CANCO ROAD
PORTLAND, MAINE 04103
(207) 822-6300 FAX: (207) 822-6303

PRESQUE ISLE
1235 CENTRAL DRIVE, SKYWAY PARK
PRESQUE ISLE, MAINE 04769-2094
(207) 764-0477 FAX: (207) 764-1507

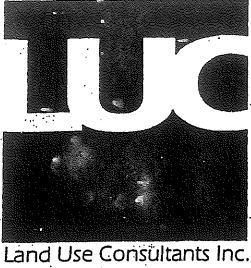
First Defense OK-110 Sand Confirmation Test - 11/12/04

	Inflow (mg/l)	Time	Outflow (mg/l)	Time	Background	Rem. Eff.	Inflow - BG	Outflow - BG	BG adj. Rem. Eff.
1	299.8	11:08	13.7	11:09	0.9	95.4	298.9	12.8	95.7
2	268.6	11:09	16.8	11:10	1.2	93.7	267.4	15.6	94.2
3	189.1	11:10	12.6	11:11	1.4	93.3	187.7	11.2	94.0
4	279.1	11:11	15.8	11:12	1.9	94.3	277.2	13.9	95.0
5	291.1	11:12	17.3	11:13	1.4	94.1	289.7	15.9	94.5
6	267.2	11:13	15.8	11:14	1.2	94.1	266.0	14.6	94.5
Mean	265.8		15.3		1.3	94.2	264.5	14.0	94.7

Flow	l/sec
1	17.4
2	20.7
3	19.1
4	18.6
5	16.5
6	17.7
mean	18.3

18.3 l/sec = 290 gpm = 0.65 cfs

Residence Time and interval between samples 78 seconds, time to start of sampling 5 minutes 13 seconds



FILE COPY

June 1, 2005

4376

Phil Sevigny
Builder and Developer Representative
Bay State Gas/Northern Utilities
325 West Street
Portsmouth, NH 03801

Chestnut Street Lofts, Portland, Maine:

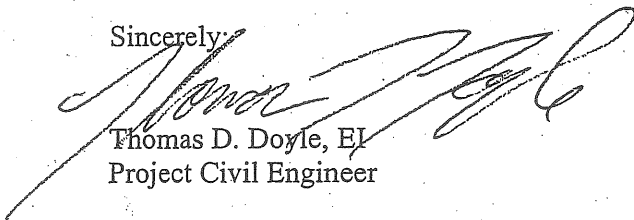
Dear Mr. Sevigny:

Land Use Consultants, Inc. (LUC) is pleased to submit the attached Plans for Chestnut Street Lofts on behalf of Chestnut Street, LLC. The project site is located on Chestnut Street between Cumberland Avenue and Congress Street. The project replaces the existing Chestnut Street United Methodist Church with condominium units and commercial space.

The existing parcel consists of the Chestnut Street United Methodist Church and parking spaces for 46 vehicles. The proposed Chestnut Street Lofts project will consist of 38 Condominium Units, of which 30 will be one bedroom units and 8 will be 2 bedroom units, and 3,000 S.F. of commercial space. In addition to the 38 condominium units and 3,000 SF of commercial space there will also be a 38 space parking lot for the project. The project will include connection to the existing gas main in Chestnut Street.

Please issue a letter at your earliest convenience indicating your capacity to serve the project or any concerns you may have regarding the proposed new service. We are submitting plans to the City of Portland for review, to meet with the Planning Board on June 7. Thank you for your timely attention to this matter. Please call if you have any technical comments, or need additional information. The time frame for this project is on a fairly fast track and any effort to reduce the overall timeframe using telephone, fax or e-mail would be greatly appreciated.

Sincerely,



Thomas D. Doyle, EI
Project Civil Engineer

Encl: Drawings:

966 RIVERSIDE STREET
PORTLAND, MAINE 04103

voice (207) 878 · 3313
fax (207) 878 · 0201
email: landuse@landuseinc.net

LUC

JUL 13 2005
RECEIVED

July 11, 2005

Mr. Thomas D. Doyle, EI
Project Civil Engineer
Land Use Consultants, Inc.
966 Riverside St.
Portland, ME 04103

Re: Chestnut Street Lofts, Portland, ME

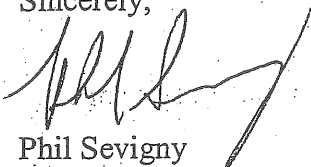
Dear Tom,

This letter is to confirm that sufficient gas supply is available from the existing 4" cast iron low pressure gas main on Chestnut St. for the above new project. The available gas pressure will be 7" w.c.

Upon submittal of city approved plans and confirmation of gas loads, square footages of proposed condo units, etc. Northern Utilities will perform an engineering design and construction cost estimate. At that point the project owner will be informed of what charges, if any, are required in order for Northern to install the necessary new gas infrastructure. If the installation offer is approved, then the necessary paperwork will be forwarded to the owner for signature.

Please let me know if you have any questions or need further information.

Sincerely,



Phil Sevigny
Builder Developer Representative
Northern Utilities, Inc.



Land Use Consultants Inc.

p l a n n e r s
e n g i n e e r s
l a n d s c a p e
a r c h i t e c t s

David A. Kamila PE
Frederic J. Licht PE
Thomas N. Emery RLA
J. David Haynes RLA

FILE COPY

June 8, 2005

4376

Rico Spugnardi
Design Engineer
Engineering Department
Portland Water district
225 Douglass Street
Portland, ME 04104-3553

Chestnut Street Lofts, Portland, Maine:

Dear Rico:

Land Use Consultants, Inc. (LUC) is pleased to submit the attached Plans for Chestnut Street Lofts on behalf of Chestnut Street, LLC. The project site is located on Chestnut Street between Cumberland Avenue and Congress Street. The project is located next to the existing Chestnut Street United Methodist Church.

The proposed Chestnut Street Lofts project will consist of 38 Condominium Units, of which 30 will be one bedroom units and 8 will be 2 bedroom units, and 3,000 S.F. of commercial space.

There is currently an existing 6" water line in Chestnut Street. This project will include construction of Chestnut Street to City of Portland Standards. This will require work near and around the existing water main. The development will require new service taps from the existing water line. We estimate that the proposed project will generate a demand of approximately 4,500 gallons per day (assuming construction of 38 condominium units and 3,000 SF of commercial space).

Please review the attached plans and at your earliest convenience, please provide a technical review of the plans so that any required changes may be included in the final plans.

Plans have been submitted to the City of Portland for review. Thank you for your timely attention to this matter. Please call if you have any technical comments, or need additional information. The time frame for this project is on a fairly fast track and any effort to reduce the overall timeframe using telephone, fax or e-mail would be greatly appreciated.

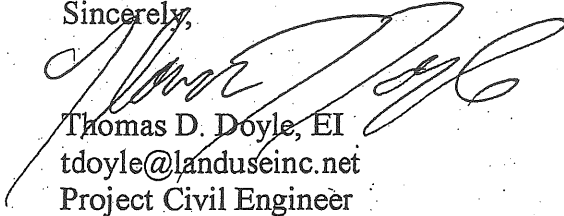
Please review these plans as soon as your schedule permits and provide a letter of approval for the proposed water distribution system. I am available to meet with you to discuss this matter or answer any questions you may have.

966 RIVERSIDE STREET
PORTLAND, MAINE 04103

voice (207) 878 · 3313
f a x (207) 878 · 0201
email: landuse@landuseinc.net

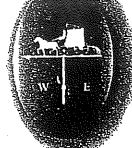
You may call me at 878-3313 to discuss any aspect of the project.

Sincerely,



Thomas D. Doyle, EI
tdoyle@landuseinc.net
Project Civil Engineer

Encl: Drawings:



Portland Water District
FROM SEBAGO LAKE TO CASCO BAY

LUC

JUN 07 2005
R E C E I V E D

June 6, 2005

Mr. Thomas D. Doyle, EI
Land Use Consultants, Inc.
966 Riverside Street
Portland, Maine 04103

Re: Chestnut Street Loft, Portland

Dear Sir:

The Portland Water District has an 6" water main in Chestnut Street, Portland, near the proposed site. A test on a nearby hydrant produced the following results: static pressure 79 psi; pito pressure 64 psi; with a flow of 1342 gpm. With these results in mind, the District feels we have sufficient capacity available to serve this proposed project and meet all normal fire protection and domestic water service demands. **Please notify your plumber of these results so that they can design your system to best fit the available pressure.**

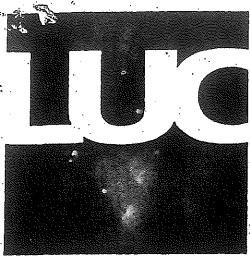
With certification by the developer that all required permits have been received, we look forward to serving this project.

Sincerely,

PORTLAND WATER DISTRICT

David W. Coffin, PLS
Engineering Supervisor

2/16



Land Use Consultants Inc.

David A. Kamila PE
Frederic J. Licht PE
Thomas N. Emery RLA
J. David Haynes RLA

FILE COPY

June 9, 2005

4376

*p l a n n e r s
e n g i n e e r s
l a n d s c a p e
a r c h i t e c t s*

Jamie Cough
Central Maine Power
162 Canco Road
Portland, Maine 04103

Chestnut Street Lofts, Portland, Maine:

Dear Mr. Cough:

Land Use Consultants, Inc. (LUC) is pleased to submit the attached Plans for Chestnut Street Lofts on behalf of Chestnut Street, LLC. The project site is located on Chestnut Street between Cumberland Avenue and Congress Street. The project is located next to the existing Chestnut Street United Methodist Church.

The proposed Chestnut Street Lofts project will consist of 38 Condominium Units, of which 30 will be one bedroom units and 8 will be 2 bedroom units, and 3,000 S.F. of commercial space.

We are proposing to bring in electrical service from the existing UP on the northwest corner of the property. Also, would also like to add another utility pole adjacent to the Colonnade Entry due to the proximity of the existing overhead line to the building. A sketch has been provided with this letter.

Please review the attached plans and sketch and at your earliest convenience, please provide a technical review of the plans so that any required changes may be included in the final plans. You have asked us for loads and whether 3-phase or single phase power will be needed for the project. We don't have that information as of yet but will provide to you as soon as that information becomes available.

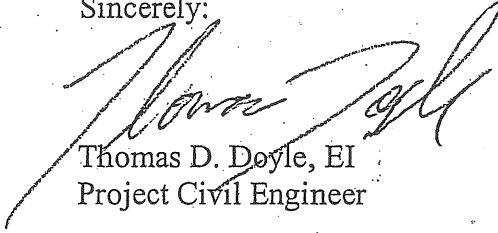
Plans have been submitted to the City of Portland for review. Thank you for your timely attention to this matter. Please call if you have any technical comments, or need additional information. The time frame for this project is on a fairly fast track and any effort to reduce the overall timeframe using telephone, fax or e-mail would be greatly appreciated.

966 RIVERSIDE STREET
PORTLAND, MAINE 04103

voice (207) 878-3313
fax (207) 878-0201
email: landuse@landuseinc.net

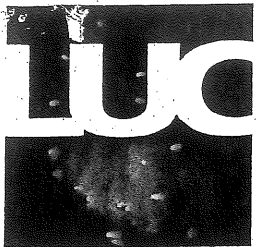
Please review these plans as soon as your schedule permits and provide a letter of approval for the proposed water distribution system. I am available to meet with you to discuss this matter or answer any questions you may have.

Sincerely:



Thomas D. Doyle, EI
Project Civil Engineer

Encl: Sketch Plan
Drawings



Land Use Consultants Inc.

p l a n n e r s
e n g i n e e r s
l a n d s c a p e
a r c h i t e c t s

FILE COPY

David A. Kamila PE
Frederic J. Licht PE
Thomas N. Emery RLA
J. David Haynes RLA

June 2, 2005

4376

Mr. Frank Brancely, Senior Engineer
Portland Public Works Department
55 Portland Street
Portland, ME 04101-2991

Sewer Capacity – Chestnut Street Lofts

Dear Mr. Brancely:

Land Use Consultants, Inc. (LUC) is pleased to submit the attached Plans for Chestnut Street Lofts on behalf of Chestnut Street, LLC. The project site is located on Chestnut Street between Cumberland Avenue and Congress Street. The project replaces the existing Chestnut Street United Methodist Church with condominium units and commercial space.

The existing parcel consists of the Chestnut Street United Methodist Church and parking spaces for 46 vehicles. The proposed Chestnut Street Lofts project will consist of 38 Condominium Units, of which 30 will be one bedroom units and 8 will be 2 bedroom units, and 3,000 S.F. of commercial space. In addition to the 38 condominium units and 3,000 SF of commercial space there will also be a 38 space parking lot for the project. The project will include connection to the existing electrical service on Chestnut Street.

There is currently an existing sewer line in Chestnut Street. This project will include the construction in Chestnut Street to City of Portland Standards. This will require work near and around the existing sewer main. The development will require new service taps from the existing sewer line. We estimate that the proposed project will generate a demand of approximately 4,500 gallons per day (assuming construction of 38 condominium units and 3,000 SF of commercial space).

I am pleased to submit the attached Preliminary Plans for Chestnut Street Lofts on behalf of Chestnut Street, LLC. The Chart Block and Lot Numbers are 27-C-1, 10 and 11.

Please review the attached plans and prepare a letter to confirm the available capacity to handle the projected flows. I am available to meet with you to discuss this matter or answer any questions you may have.

966 RIVERSIDE STREET
PORTLAND, MAINE 04103

voice (207) 878 · 3313
fax (207) 878 · 0201
email: landuse@landuseinc.net



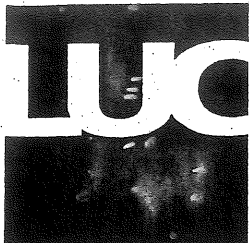
We are submitting plans to the City of Portland for review, to meet with the Planning Board on June 7. Thank you for your timely attention to this matter. Please call if you have any technical comments, or need additional information. The time frame for this project is on a fairly fast track and any effort to reduce the overall timeframe using telephone, fax or e-mail would be greatly appreciated.

Sincerely,

A handwritten signature in black ink, which appears to read 'Thomas Doyle', is written over the typed name.

Thomas D. Doyle, EI
Project Civil Engineer
tdoyle@landuseinc.net

encl:



Land Use Consultants Inc.

David A. Kamila PE
Frederic J. Licht PE
Thomas N. Emery RLA
J. David Haynes RLA

FILE COPY

June 1, 2005

4376

p.l.a.n.n.e.r.s
e.n.g.i.n.e.e.r.s
l.a.n.d.s.c.a.p.e
a.r.c.h.i.t.e.c.t.s

George Hillman
Verizon
Engineering Dept.
5 Davis Farm Road
Portland, Maine 04103

Chestnut Street Lofts, Portland, Maine:

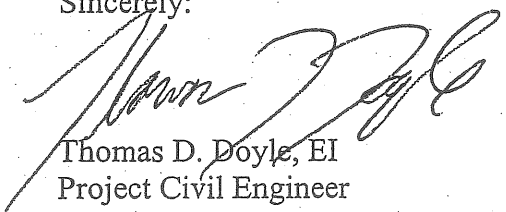
Dear Mr. Hillman:

Land Use Consultants, Inc. (LUC) is pleased to submit the attached Plans for Chestnut Street Lofts on behalf of Chestnut Street, LLC. The project site is located on Chestnut Street between Cumberland Avenue and Congress Street. The project replaces the existing Chestnut Street United Methodist Church with condominium units and commercial space.

The existing parcel consists of the Chestnut Street United Methodist Church and parking spaces for 46 vehicles. The proposed Chestnut Street Lofts project will consist of 38 Condominium Units, of which 30 will be one bedroom units and 8 will be 2 bedroom units, and 3,000 S.F. of commercial space. In addition to the 38 condominium units and 3,000 SF of commercial space there will also be a 38 space parking lot for the project. The project will include connection to the existing telephone service on Chestnut Street.

We are submitting plans to the City of Portland for review, to meet with the Planning Board on June 7. Thank you for your timely attention to this matter. Please call if you have any technical comments, or need additional information. The time frame for this project is on a fairly fast track and any effort to reduce the overall timeframe using telephone, fax or e-mail would be greatly appreciated.

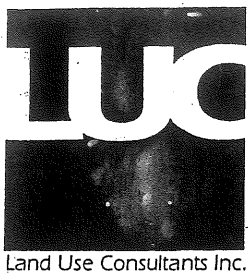
Sincerely:


Thomas D. Doyle, EI
Project Civil Engineer

966 RIVERSIDE STREET
PORTLAND, MAINE 04103

Encl: Drawings:

voice (207) 878 · 3313
f a x (207) 878 · 0201
email: landuse@landuseinc.net



David A. Kamila PE
Frederic J. Licht PE
Thomas N. Emery RLA
J. David Haynes RLA

FILE COPY

June 1, 2005

4376

Terry Bradish
Central Maine Power
162 Canco Road
Portland, Maine 04103

p l a n n e r s
e n g i n e e r s
l a n d s c a p e
a r c h i t e c t s

Chestnut Street Lofts, Portland, Maine:

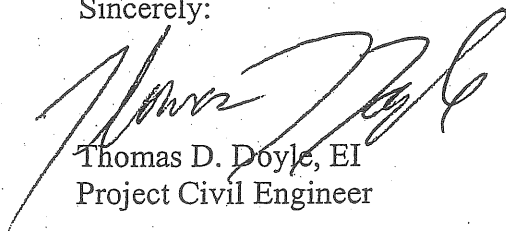
Dear Mr. Bradish:

Land Use Consultants, Inc. (LUC) is pleased to submit the attached Plans for Chestnut Street Lofts on behalf of Chestnut Street, LLC. The project site is located on Chestnut Street between Cumberland Avenue and Congress Street. The project replaces the existing Chestnut Street United Methodist Church with condominium units and commercial space.

The existing parcel consists of the Chestnut Street United Methodist Church and parking spaces for 46 vehicles. The proposed Chestnut Street Lofts project will consist of 38 Condominium Units, of which 30 will be one bedroom units and 8 will be 2 bedroom units, and 3,000 S.F. of commercial space. In addition to the 38 condominium units and 3,000 SF of commercial space there will also be a 38 space parking lot for the project. The project will include connection to the existing electrical service on Chestnut Street.

We are submitting plans to the City of Portland for review, to meet with the Planning Board on June 7. Thank you for your timely attention to this matter. Please call if you have any technical comments, or need additional information. The time frame for this project is on a fairly fast track and any effort to reduce the overall timeframe using telephone, fax or e-mail would be greatly appreciated.

Sincerely:

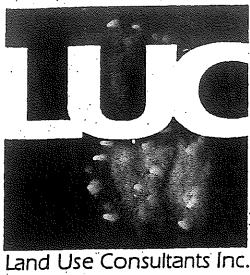


Thomas D. Doyle, EI
Project Civil Engineer

Encl: Drawings:

966 RIVERSIDE STREET
PORTLAND, MAINE 04103

voice (207) 878 · 3313
fax (207) 878 · 0201
email: landuse@landuseinc.net



David A. Kamila PE
Frederic J. Licht PE
Thomas N. Emery RLA
J. David Haynes RLA

FILE COPY

June 1, 2005

4376

*p l a n n e r s
e n g i n e e r s
l a n d s c a p e
a r c h i t e c t s*

Colin Chase
Construction Services
Time Warner Cable
118 Johnson Road
Portland, Maine 04102

Chestnut Street Lofts, Portland, Maine:

Dear Mr. Chase:

Land Use Consultants, Inc. (LUC) is pleased to submit the attached Plans for Chestnut Street Lofts on behalf of Chestnut Street, LLC. The project site is located on Chestnut Street between Cumberland Avenue and Congress Street. The project replaces the existing Chestnut Street United Methodist Church with condominium units and commercial space.

The existing parcel consists of the Chestnut Street United Methodist Church and parking spaces for 46 vehicles. The proposed Chestnut Street Lofts project will consist of 38 Condominium Units, of which 30 will be one bedroom units and 8 will be 2 bedroom units, and 3,000 S.F. of commercial space. In addition to the 38 condominium units and 3,000 SF of commercial space there will also be a 38 space parking lot for the project. The project will include connection to the existing cable service on Chestnut Street.

We are submitting plans to the City of Portland for review, to meet with the Planning Board on June 7. Thank you for your timely attention to this matter. Please call if you have any technical comments, or need additional information. The time frame for this project is on a fairly fast track and any effort to reduce the overall timeframe using telephone, fax or e-mail would be greatly appreciated.

Sincerely:

Thomas D. Doyle, EI
Project Civil Engineer

Encl: Drawings:

966 RIVERSIDE STREET
PORTLAND, MAINE 04103

voice (207) 878 · 3313
f a x (207) 878 · 0201
email: landuse@landuseinc.net

DRAINAGE MAINTENANCE AGREEMENT

IN CONSIDERATION OF site plan and subdivision approval granted by the Planning Board of the City of Portland to a plan entitled "Recording Plat, Chestnut Street Lofts," dated July 19, 2005, last revised _____, 2005, filed with the City of Portland, Department of Planning and Urban Development, 389 Congress Street, Portland, Maine, and to be recorded at the Cumberland County Registry of Deeds and pursuant to a condition thereof, CHESTNUT STREET LOFTS LLC, a Maine limited liability company with a place of business at Portland, Maine, the owner of the subject premises, does hereby agree, for itself, its successors and assigns (the "Owner)", as follows:

That it will, at its own cost and expense and at all times in perpetuity, maintain in good repair and in proper working order the surface water drainage system as shown on said plan, including but not limited to the catch basins and the outlet or outlets therefrom, for the benefit of the said City of Portland, all persons in lawful possession of said premises and abutters thereto; further, that the said City of Portland, said persons in lawful possession and said abutters, or any of them, may enforce this Agreement by an action at law or in equity in any court of competent jurisdiction; further, that after giving the Owner written notice and a reasonable time to perform, the said City of Portland may, by its authorized agents or representatives, enter upon said premises or any of said surface water drainage system in the event of any failure or neglect thereof, the cost and expense thereof to be reimbursed in full to the said City of Portland by the Owner upon demand.

This Agreement shall not confer upon the City of Portland or any other person the right to utilize said surface water drainage system for public use or for the development of any other property, and the Owner shall bear no financial responsibility by virtue of this Agreement for enlarging the capacity of said surface water drainage system for any reason whatsoever.

This Agreement shall bind the undersigned only so long as it retains any interest in said premises, and shall run with the land and be binding upon its successors and assigns as their interests may from time to time appear.

Dated at Portland, Maine this _____ day of _____, 20__.

CHESTNUT STREET LOFTS LLC

By _____
Richard Berman, its Member

STATE OF MAINE
CUMBERLAND, ss.

_____, 20__

Personally appeared the above-named Richard Berman, Member of Chestnut Street Lofts LLC, as aforesaid, 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.

Before me,

Notary Public/Attorney at Law

Print Name: _____

LICENSE AGREEMENT

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the CITY OF PORTLAND, a Maine body corporate and politic, with a mailing address of City Hall, 389 Congress Street, Portland, Maine 04101 (the "City"), hereby GRANTS to CHESTNUT STREET LOFTS LLC, a Maine limited liability company with a place of business in Portland, Maine and mailing address c/o Berman Associates, One India Street, Portland, Maine 04101 ("Grantee") a revocable license to occupy portions of land owned by the City comprising the subsurface foundation footings on the northwesterly side of Cumberland Avenue and the southwesterly side of Chestnut Street in Portland, Maine (collectively "City's Land") which land abuts certain land of Grantee's located at Cumberland Avenue and Chestnut Street in Portland, Maine, described in a deed to Grantee of Chestnut Street United Methodist Church of even or near date to be recorded herewith (collectively "Grantee's Land"), solely for the purposes described herein, and subject to the following conditions.

1. The license granted herein is given for the following purposes and is located as described below:

A license, revocable as provided below, for the encroachment of improvements onto City's Land, extending as follows:

_____ inches (_____) at _____ feet (_____) below grade, from Grantee's Land onto City's Land (i) running southeasterly from the northeast corner of Chestnut Street and Cumberland Avenue a distance of sixty feet (60'), more or less, along the northerly sideline of Chestnut Street and (ii) running northeasterly from the northeast corner of Chestnut Street and Cumberland Avenue a distance of one hundred fourteen feet (114'), more or less, along the northeasterly sideline of Cumberland Avenue, for the purpose of permitting concrete footings to encroach onto City's Land.

2. Grantee, its successors and assigns (hereinafter collectively the "Licensees") shall indemnify the City, its officers, agents and employees from any and all claims which arise out of its use, or the use of others, of the City's Land as described above.

3. Licensees shall procure and maintain commercial general liability insurance in an amount of not less than Four Hundred Thousand Dollars (\$400,000) combined single limit, covering claims for bodily injury, death and property damage and shall either name the City of Portland as an additional insured with respect to such coverage or shall obtain a contractual liability endorsement covering the obligations of Licensees under the terms of this license.

4. This license is assignable to any subsequent owners of the buildings located on the land described on Exhibit A attached hereto.

5. This license may be revoked upon six (6) months written notice by the City in the event that: 1) the buildings shown on the attached plans (Exhibit B) fail to be constructed

substantially in accordance with such plans or any amendments thereto; 2) the buildings as shown on such plans or any amendments thereto are destroyed, removed or otherwise thereafter cease to exist on the site at Chestnut Street and Cumberland Avenue for a period of one year or more. City acknowledges that Grantee may amend this Agreement unilaterally for the purpose of correcting the site plans attached hereto as Exhibit B more accurately to show the encroachments described above that are being licensed under this agreement, provide the planning board or planning authority, as applicable, has approved any amended site plan.

6. This License Agreement supersedes and replaces all prior similar agreements between the parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed this _____ day of _____, 2005.

CITY OF PORTLAND

By: _____
Joseph E. Gray
Its City Manager

CHESTNUT STREET LOFTS LLC

By: _____
Richard Berman, its sole Member

STATE OF MAINE
CUMBERLAND, SS

_____, 2005

PERSONALLY APPEARED the above named Joseph E. Gray, City Manager of the City of Portland as aforesaid, and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of the City of Portland.

Before me,

Notary Public/Attorney at Law
Print name:
My commission expires:

EXHIBIT A

O:\MAS\05180 Berman\Chestnut Street\Title\City License Agreement.doc

for: Maintenance
(cross-easement)

EASEMENT

KNOW ALL PERSONS BY THESE PRESENTS, that CHESTNUT STREET CHURCH LLC, a Maine limited liability company with a place of business in Portland, Maine and mailing address in care of Berman Associates, One India Street, Portland, Maine 04101 ("Church"), FOR VALUABLE CONSIDERATION, hereby GRANTS to CHESTNUT STREET CHAPEL LLC, a Maine limited liability company with a place of business in Portland, Maine and mailing address in care of Berman Associates, One India Street, Portland, Maine 04101, its successors and assigns ("Chapel") an easement, more particularly described below; and Chapel, FOR VALUABLE CONSIDERATION, hereby GRANTS to Church, its successors and assigns, an easement, more particularly described below (collectively the "Easements"), for the purposes described below, over certain land of Church and Chapel located at Chestnut, Portland, Maine and more particularly described in a deed to Church from Chestnut Street United Methodist Church of even or near date to be recorded in the Cumberland County Registry of Deeds herewith ("Church Land") and certain land of Chapel located at Chestnut, Portland, Maine and more particularly described in a deed to Chapel from Chestnut Street United Methodist Church of even or near date to be recorded in the Cumberland County Registry of Deeds herewith ("Chapel Land"). The Easements are described as follows:

An easement over an area ten feet (10') wide, more or less, for ingress and egress by foot and all types of motor vehicles, extending from the Chapel's northeasterly sidewall to the Church's northwesterly sidewall and running northeasterly from Chestnut Street between the Chapel building and the Church building forty feet (40'), more or less, in order to load and unload ladders and other materials and equipment necessary for the maintenance and upkeep of the walls and roofs of the Church and Chapel buildings, and to perform maintenance, repairs and replacements on the walls and roof of each of the Church and the Chapel. The portion of the Church Land and the Chapel Land subject to this Easement shall not be used to park vehicles except for short periods of time to unload ladders, staging and other materials and equipment necessary during the periods of time such maintenance is being performed. The portion of the Church Land and the Chapel Land subject to this Easement is depicted on a plan entitled "Recording Plat Chestnut Street Lofts, 29 Chestnut St., Portland, ME 04101", dated July 19, 2005, prepared by TFF Architects for Chestnut Street Lofts, LLC and duly recorded in the Cumberland County Registry of Deeds in Plan Book ____, Page ____ (the "Plat"), and consists of the hatched area running between the Chapel's building and the Church's building and identified as "Proposed Cross Easement Church to Chapel and Chapel to Church for Maintenance".

At all times when performing maintenance activities, the parties shall exercise reasonable caution to prevent damage and unreasonable disruption to the Church Land and the Chapel Land, and upon the conclusion of all activities, each party shall remove all debris, ladders and scaffolding and shall return the other party's Land to its original condition prior to such maintenance activities. Neither party shall allow any mechanics liens to be filed against the other's Land, and if any such lien is filed, the party whose activities resulted in the filing of the lien shall immediately cause the same to be bonded off and discharged at its sole cost and expense.

IN WITNESS WHEREOF, the Church and Chapel herein have caused this instrument to be signed and sealed this ____ day of _____, 2005.

WITNESS:

CHESTNUT STREET CHAPEL LLC

By: _____
Richard Berman, its sole Member

CHESTNUT STREET CHURCH LLC

By: _____
Richard Berman, its sole Member

STATE OF MAINE
CUMBERLAND, ss.

_____, 2005

Personally appeared the above named Richard Berman, sole member of Chestnut Street Church LLC and Chestnut Street Chapel LLC, as aforesaid, and acknowledged the foregoing instrument to be his free act and deed in his said capacities and the free act and deed of said limited liability companies.

Before me,

Attorney-at-Law/Notary Public
Printed Name: _____
Commission expires: _____

DRAFT

for: Maintenance

EASEMENT

KNOW ALL PERSONS BY THESE PRESENTS, that CHESTNUT STREET LOFTS LLC, a Maine limited liability company with a place of business in Portland, Maine (the "Grantor") FOR CONSIDERATION PAID, hereby GRANTS to CHESTNUT STREET CHAPEL LLC, a Maine limited liability company with a place of business in Portland, Maine and mailing address c/o Berman Associates, One India Street, Portland, Maine 04101, its successors and assigns (the "Grantee") forever, a perpetual easement (the "Easement") for the purposes described below, over certain land of Grantor's located at Chestnut Street, Portland, Maine and more particularly described in a deed from Chestnut Street United Methodist Church of even or near date to be recorded herewith in the Cumberland County Registry of Deeds ("Grantor's Land"). Grantor's Land abuts certain land of Grantee located at Chestnut Street, Portland, Maine, and more particularly described in a deed from Chestnut Street United Methodist Church to the Grantee herein of even or near date to be recorded herewith (the "Grantee's Land"). The Easement is described as follows:

A ten foot (10') wide easement for ingress and egress by foot and all types of motor vehicles running along the northwesterly and rear (northeasterly) sidelines of Grantee's Land, in order to load and unload ladders and other materials and equipment necessary for the maintenance, repair and replacement of the walls and roof of Grantee's building. The portion of Grantor's Land described in this Easement shall not be used to park vehicles except for short periods of time to unload ladders, staging and other materials and equipment necessary when such maintenance is being performed. The portion of Grantor's Land subject to this Easement is depicted on a plan entitled "Recording Plat Chestnut Street Lofts, 29 Chestnut St., Portland, ME 04101", dated July 19, 2005, prepared by TPH Architects for Chestnut Street Lofts, LLC and duly recorded in the Cumberland County Registry of Deeds in Plan Book __, Page __ (the "Plat"), and consists of the striped area running along the northwesterly and rear (northeasterly) sidelines of Grantee's Land and identified as "Proposed Easement Condo to Chapel for Maintenance".

At all times when performing maintenance activities, Grantee shall exercise reasonable caution to prevent damage and unreasonable disruption to Grantor's Land, and upon the conclusion of all maintenance activities, Grantee shall remove all debris, ladders and scaffolding and shall return Grantor's Land to its original condition prior to such maintenance activities. Grantee shall not allow any mechanics liens to be filed against Grantor's Land, and if any such lien is filed, Grantee shall immediately cause the same to be bonded off and discharged at Grantee's sole cost and expense.

IN WITNESS WHEREOF, the Grantor herein has caused this instrument to be signed

and sealed this ____ day of _____, 2005.

WITNESS:

CHESTNUT STREET LOFTS LLC

By: _____
Richard Berman, its sole Member

STATE OF MAINE
CUMBERLAND, ss.

_____, 2005

Personally appeared the above named Richard Berman, sole Member of Chestnut Street Lofts LLC, as aforesaid, 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.

Before me,

Attorney-at-Law/Notary Public
Printed Name: _____
Commission expires: _____

O:\MAS\05180 Berman\Chestnut Street\Title\Chapel Easement for roof maintenance.doc

DRAFT

for: Turning Vehicles

EASEMENT

KNOW ALL PERSONS BY THESE PRESENTS, that CHESTNUT STREET CHURCH LLC, a Maine limited liability company with a place of business in Portland, Maine (the "Grantor") FOR CONSIDERATION PAID, hereby GRANTS to CHESTNUT STREET LOFTS LLC, a Maine limited liability company with a place of business in Portland, Maine and mailing address c/o Berman Associates, One India Street, Portland, Maine 04101, its successors and assigns (the "Grantee") forever, a perpetual easement (the "Easement") for the purposes described below, over certain land of Grantor's located at Chestnut Street, Portland, Maine and more particularly described in a deed from Chestnut Street United Methodist Church of even or near date to be recorded herewith in the Cumberland County Registry of Deeds ("Grantor's Land"). Grantor's Land abuts certain land of Grantee's located at Chestnut Street, Portland, Maine, and more particularly described in a deed from Chestnut Street United Methodist Church to the Grantee herein of even or near date to be recorded herewith (the "Grantee's Land"). The Easement is described as follows:

An easement for ingress and egress by foot and all types of motor vehicles, for the purpose of turning vehicles on Grantee's parking lot. The portion of Grantor's Land described in this Easement shall not be used to park vehicles. The portion of Grantor's Land subject to this Easement is depicted on a plan entitled "Recording Plat Chestnut Street Lofts, 29 Chestnut St., Portland, ME 04101", dated July 19, 2005, prepared by TFH Architects for Chestnut Street Lofts, LLC and duly recorded in the Cumberland County Registry of Deeds in Plan Book _____ Page _____ (the "Plat"), and consists of the hatched identified as "Proposed Easement from church to Chestnut Street Lofts Condo."

IN WITNESS WHEREOF, the Grantor herein has caused this instrument to be signed

and sealed this _____ day of _____, 2005.

WITNESS:

CHESTNUT STREET CHURCH LLC

By: _____
Richard Berman, its sole Member

STATE OF MAINE
CUMBERLAND, ss.

_____, 2005

Personally appeared the above named Richard Berman, sole Member of Chestnut Street Church LLC, as aforesaid, 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.

Before me,

Attorney-at-Law/Notary Public
Printed Name: _____
Commission expires: _____

O:\MAS\05180 Berman\Chestnut Street\Title\Church Easement to condos.doc

DRAFT

for: parking spaces &
use of open space

EASEMENT

KNOW ALL PERSONS BY THESE PRESENTS, that CHESTNUT STREET LOFTS, LLC, a Maine limited liability company doing business in Portland, ME (the "Grantor") FOR CONSIDERATION PAID, hereby GRANTS to CHESTNUT STREET CHAPEL LLC, a Maine limited liability company with a place of business in Portland, Maine and mailing address c/o Berman Associates, One India Street, Portland, Maine 04101, its successors and assigns ("Chapel"), and to CHESTNUT STREET CHURCH LLC, a Maine limited liability company with a place of business in Portland, Maine and mailing address c/o Berman Associates, One India Street, Portland, Maine 04101, its successors and assigns, its successors and assigns ("Church;" Church and Chapel are sometimes referred to collectively as the "Grantee"), two (2) easements (the "Easements") for the purposes described below over certain land of Grantor's located at Chestnut Street, Portland, Maine and more particularly described in a deed to Grantor of even or near date from Chestnut Street United Methodist Church to be recorded herewith in the Cumberland County Registry of Deeds ("Grantor's Land"). Grantor's Land abuts certain land of Chapel's located at Chestnut Street, Portland, Maine, and more particularly described in a deed from Chestnut Street United Methodist Church to Chapel of even or near date to be recorded herewith in said Registry of Deeds (the "Chapel Land") and certain land of Church's located at Chestnut Street, Portland, Maine, and more particularly described in a deed from Chestnut Street United Methodist Church to Church of even date to be recorded herewith in said Registry of Deeds (the "Church Land").

The Easements are described as follows:

1. Each of Chapel and Church and their respective guests, invitees and tenants, shall have the right and easement, in common with others, to use and enjoy for recreational and park purposes the open space located on Grantor's Land as depicted on a plan entitled "Recording Plat Chestnut Street Lofts, 29 Chestnut St., Portland, ME 04101" dated July 19, 2005, prepared by TFH Architects for Chestnut Street Lofts LLC and duly recorded in the Cumberland County Registry of Deeds in Plan Book ___, Page ___ (the "Plat"), consisting of the area identified on the Plat as "Landscaped Open Space." The Landscaped Open Space shall be used in accordance with the rules and regulations established by the Chestnut Street Lofts Condominium Association (the "Association") and conditioned upon the payment by Church and Chapel to the Association of an annual fee to be determined by the Association in reasonable proportion to their respective use of the Landscaped Open Space.

2. Each of Chapel and Church shall have one (1) parking space in the parking lot area on Grantor's Land depicted on the Plat, the location of said parking spaces to be designated by the Association and conditioned upon the payment by Church and Chapel of an annual maintenance fee as determined by the Association.

The Association shall have the right to enforce against Chapel and Church any rules and regulations it may adopt governing use of the Landscaped Open Space and the parking areas by unit owners in the Chestnut Street Lofts Condominium, provided the Association furnishes written notice to Chapel and Church of the adoption of such rules and regulations, together with copies thereof. In the event of a breach of such rules and regulations, or nonpayment of their

respective fees for use of the Landscaped Open Space and parking areas, in either case not cured within thirty days after written notice from the Association, the Association shall have the right to terminate this easement by written notice to the breaching party. A statement executed by an officer of the Association and recorded at the Cumberland County Registry of Deeds as to the breach and stating that the same was not cured within the grace period provided herein shall be conclusive evidence of the proper termination of this easement as against the breaching party. No termination shall affect the non-breaching party, and the non breaching party may, but is not obligated to, cure the breach by the breaching party, at the breaching party's expense.

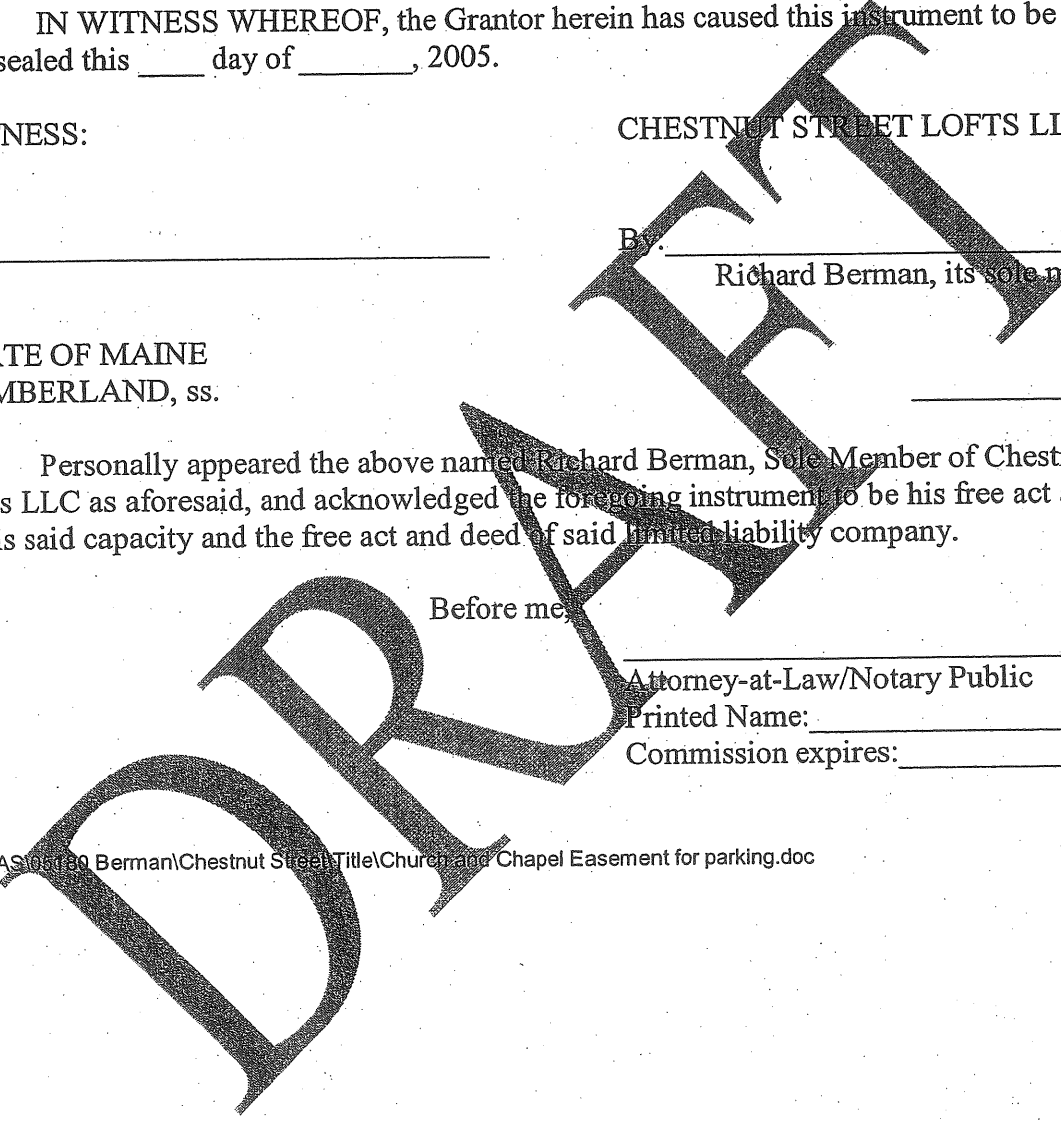
IN WITNESS WHEREOF, the Grantor herein has caused this instrument to be signed and sealed this ____ day of _____, 2005.

WITNESS: _____ CHESTNUT STREET LOFTS LLC
By: _____
Richard Berman, its sole member

STATE OF MAINE
CUMBERLAND, ss. _____, 2005

Personally appeared the above named Richard Berman, Sole Member of Chestnut Street Lofts LLC as aforesaid, 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.

Before me, _____
Attorney-at-Law/Notary Public
Printed Name: _____
Commission expires: _____



DECLARATION OF CONDOMINIUM

OF

CHESTNUT STREET LOFTS CONDOMINIUM

This Declaration of Condominium is executed as of this ____ day of _____, 2005 by CHESTNUT STREET LOFTS LLC, a Maine limited liability company with a place of business in Portland, Maine ("Declarant"), pursuant to the Maine Condominium Act, 33 M.R.S.A. § 1601-101 et seq. (as amended from time to time, hereinafter the "Act").

ARTICLE I: CREATION OF CONDOMINIUM; DEFINED TERMS

Section 1.1 Declaration of Property. Declarant, owner in fee simple of the land and buildings (hereinafter "Land"), described in Exhibit A annexed hereto and incorporated herein, located within the City of Portland, Maine, hereby submits the Land, together with all improvements, easements, rights and appurtenances belonging thereto (hereinafter "Property") to the provisions of Chapter 31 of Title 33 of the Maine Revised Statutes Annotated, as amended, known as the Maine Condominium Act ("Condominium Act") and hereby creates, with respect to the Property, a condominium, reserving to itself Development Rights in the Property, such condominium to be known as Chestnut Street Lofts Condominium (the "Condominium"). The Property is shown on "Condominium Plat for Chestnut Street Lofts Condominium" dated _____ and on "Condominium Plans for Chestnut Street Lofts Condominium" dated _____ (hereinafter "Plat and Plans"), to be recorded herewith in the Cumberland County Registry of Deeds, as amended from time to time. The Property shall hereafter be held, sold and conveyed subject to the terms, conditions, covenants, easements and restrictions set forth in this Declaration of Chestnut Street Lofts Condominium, as amended from time to time (hereinafter the "Declaration") and in the Act, which shall run with the Property and bind and inure to the benefit of all owners of the Property or any portion thereof, their respective heirs, successors and assigns. Pursuant to the Act, the Chestnut Street Lofts Condominium Association, a Maine non-profit corporation created under the Maine non-profit corporation act,

13-B M.R.S.A. § 101 et seq., as amended (hereinafter the "Association") shall be the Unit Owners' Association under the Act.

Section 1.2 Defined Terms. Capitalized terms used in this Declaration shall have the meaning specified in this Declaration or, if not otherwise defined in this Declaration, as it may be amended from time to time, or in the Plats and Plans, shall have the same meanings as specified in the Act:

(1) "Allocated Interests" mean (a) the Common Element Interest as defined in Section 4.3 hereof, (b) the Common Expense Liability as defined in Section 6.1 hereof, and (c) the votes in the Association, allocated to each Unit pursuant to this Declaration.

(2) "Building" means the building erected on the Land containing the Units, as well as other improvements comprising a part of the Building or intended to be used for purposes incidental to the use of the Building.

(3) "Bylaws" mean such governing regulations for the Association as are adopted pursuant to the Act and this Declaration for the regulation and management of the Property, including such amendments thereof as may be adopted from time to time.

(4) "Commercial Unit" means the Unit or Units restricted to commercial use.

(5) "Common Elements" mean all portions of the Condominium other than the Units and includes, without limitation, the hallway located on the first floor and the park area between the parking lot and the former Chestnut Street chapel, as shown on the Plats.

(6) "Common Element Interest" has the meaning provided in Section 4.3 of this Declaration.

(7) "Common Expenses" mean expenditures made by or financial liabilities of the Association together with any allocation to reserves. Without limiting the generality of the foregoing, the term "Common Expenses" includes expenses incurred by the Association for the maintenance of the first floor hallway.

(8) "Common Expense Liability" has the meaning provided in Section 6.1 of this Declaration.

(9) "Condominium Documents" mean this Declaration, the Plats and Plans, Plans and the Bylaws, as amended from time to time.

(10) "Declarant" means Chestnut Street Lofts LLC, its successors and assigns and all successors to any Special Declarant Rights hereunder.

(11) "Declarant Control Period" means the time period described in Section 7.2 of the Declaration.

(12) "Development Rights" has the meaning specified in Article V of this Declaration and Section 1601-103(11) of the Act.

(13) "Eligible Mortgage Holder" means the holder of record of a recorded first Mortgage on 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 such holder, 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.

(14) "Executive Board" means the Board of Directors of the Association authorized to act pursuant to this Declaration and the Act on behalf of the Association.

(15) "Limited Common Elements" mean those portions of the Common Elements the exclusive use of which is reserved as an appurtenance to one or more, but fewer than all, of the Units as indicated and allocated pursuant to this Declaration.

(16) "Limited Common Expenses" mean the Common Expenses for services benefiting fewer than all the Units, which are assessed pursuant to this Declaration exclusively against the Units benefited in accordance with Section 1603-115(c)(2) of the Act.

(17) "Mortgage" means a recorded mortgage encumbering a Unit in the Condominium held by a Mortgagee and "Mortgagee" means the holder of a recorded Mortgage or deed of trust encumbering a Unit in the Condominium.

(18) "Recorded" means that an instrument has been duly entered of record in the Registry of Deeds for Cumberland County, Maine.

(19) "Residential LCEs" means certain portions of the Common Elements, described in Section 4.1 below, that are reserved for the exclusive use of the Residential Units only and shall be appurtenant to the Residential Units.

(20) "Residential Unit" means one of the 34 Units that is restricted to residential use.

(21) "Special Declarant Rights" has the meaning provided in Article V of this Declaration and Section 1601-103(25) of the Act.

(22) "Unit" means a part of the Property designated for separate ownership or occupancy, the boundaries of which are described in Article III hereof, and consisting of either Residential Units or Commercial Units.

ARTICLE II: IDENTIFICATION AND LOCATION
OF CONDOMINIUM; ASSOCIATION

The name of the condominium is Chestnut Street Lofts Condominium. The name of the Association organized under the Act is Chestnut Street Lofts Condominium Association. The Condominium is located on Chestnut Street and Cumberland Avenue in the City of Portland, County of Cumberland, and State of Maine (which location is more particularly described in Exhibit A hereto) and includes the land and buildings at Chestnut Street and Cumberland Avenue, Portland, Maine 04101.

ARTICLE III: DESCRIPTION OF PROPERTY AND UNITS

Section 3.1 Description of the Property. A legally sufficient description of the Property included in the Condominium is set forth in Exhibit A attached hereto and made a part hereof.

Section 3.2 Maximum Number of Units. Pursuant to this Declaration, Declarant is creating thirty-four (34) Residential Units and one Commercial Unit. Thus, the maximum number of Units that the Declarant reserves the right to create in the Condominium is thirty-five Units, subject to Declarant's right to subdivide Units.

Section 3.3 Description and Boundaries of Units. The Unit numbers, location of Units created by this Declaration within the Building and their approximate dimensions are shown on the Plats and Plans. A list of all Unit numbers and Common Element Interests and Common Expense Liability and votes in the Association appurtenant to each Unit is attached hereto as Exhibit B. The locations of the Units are as shown more fully on the Plats and Plans,

The boundaries of each Unit created by this Declaration will be as follows: (1) Horizontal (Upper and Lower) Boundaries of each Unit shall be the following boundaries extended to an intersection with the vertical (perimetric) boundaries: (a) Upper Boundary: The inclined plane of the lower surface of ceiling joists or other framing members (but not including the ceiling joists or such other framing members); and (b) Lower Boundary: The horizontal upper surface of the concrete floor (but not including the concrete comprising the floor or any framing members supporting the same); and (2) Vertical (perimetric) Boundaries of each Unit shall be the internal surface of the walls (i.e., the inner surface of the sheetrock or other finished wall surface) bounding the Unit extended to intersections with each other and with the horizontal or inclined boundaries. All paneling, tiles, wallpaper, paint, sheetrock, flooring finish and any other materials constituting any part of the finished surfaces of the ceilings, walls or floors are a part of the Unit, and all other portions of the walls, floors or ceilings are a part of the Common Elements. Exterior windows and entry doors of each Unit are Limited Common Elements for that Unit. 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 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. Subject to the foregoing provisions, all spaces, interior partitions and other fixtures and improvements within the boundaries of a Unit are a part of the Unit. Any shutters, awnings, window boxes, doorsteps, stoops, halls, steps, decks, balconies, patios, skylights, and flues designed to serve a single Unit but which are located outside a Unit's boundaries are Limited Common Elements allocated exclusively to that Unit. The Buildings and Units shown on the Plats and Plans are subject to settling or lateral movement of the buildings and minor variations between the Unit boundaries as shown or projected on the Plats and Plans and the physical boundaries as constructed or reconstructed. In such event, each Unit has an easement for encroachments as set forth in Article XVI hereof.

Section 3.4 Relocation of Unit Boundaries Subject to applicable provisions of this Declaration or law and environmental and land-use ordinances and regulations, and upon the prior written consent of the Association, the relocation of boundaries between Units will be permitted at the expense of the Unit Owners of the Unit or Units the boundaries of which are to be so relocated, subject to compliance with the provisions therefor set forth in Section 1602-113 and Section 1602-112 of the Act.

Section 3.5 Maintenance Responsibilities. The Units and all appliances and equipment therein shall be maintained and repaired by each Unit Owner, and the Common Elements shall be maintained and repaired by the Association except that if damage is inflicted upon any Common Elements, the Unit Owner responsible for the damage is liable for the prompt repair thereof, all in accordance with the provisions of Section 1603-107(a) of the Act, except as expressly set forth to the contrary in this Declaration. See Sections 4.8, 4.9 and 4.10 herein.

ARTICLE IV: COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

Section 4.1 Allocation of Limited Common Elements. The location of all real estate that may be allocated as Limited Common Elements, and the location of all Residential LCEs as allocated herein, other than portions of the Property specified as Limited Common Elements in Section 1602-102 (2) and (4) of the Act, is shown on the Plats and Plans. The Limited Common Elements include any shutters, awnings, window boxes, balconies, doorsteps, stoops, porches, all exterior doors and windows and entryways. Residential LCEs are the following: The basement storage areas in the Building, all hallways and stairs above the first floor (the hallway on the first floor is a Common Element), the elevator, all vehicle parking areas, including ingress and egress to the Land, The allocation of Limited Common Elements and Residential LCEs to the Units cannot be altered except with the written consent of the Unit Owners affected by the reallocation of Limited Common Elements, in compliance with the provisions of Section 1602-108(b) of the Act.

Section 4.2 Association Rights to Reserve Common Elements. The Association shall have the power to grant revocable licenses in the Common Elements for use by less than all Unit

Owners for specified periods of time and to establish a reasonable charge for the use and maintenance thereof. The Association shall designate a basement storage space and parking space for each Residential Unit Owner. Such designation by the Association shall not be construed as a sale or disposition of the Common Elements.

Section 4.3 Common Element Interest. The Common Elements are all part of the Property other than the Units. The percentage of undivided interest in the Common Elements appurtenant to each Unit (the "Common Element Interest") is listed and allocated to each Unit in Exhibit B. The Common Element Interest and the Common Expense Liability appurtenant to each Unit, is a percentage determined on the basis of the number of square feet of floor space in the Unit divided by the total amount of floor space of all Units listed on Exhibit B, times 100. The voting rights for each Unit are shown on Exhibit B.

Section 4.4 Common Elements to Remain Undivided. The Common Element Interest of a Unit shall be inseparable from each Unit, and any conveyance, lease, devise or other disposition or mortgage or other encumbrance of any Unit shall extend to and include the Common Element Interest, whether or not expressly referred to in the instrument effecting such transfer. Except as otherwise provided by law or this Declaration, the Common Element Interests and the fee titles to the respective Units conveyed therewith shall not be separately conveyed, transferred, alienated or encumbered, and each of said Common Element Interests shall be deemed to be conveyed, transferred, alienated or encumbered with its respective Unit notwithstanding that the description in the instrument of conveyance, transfer, alienation or encumbrance may refer only to the fee title to the Unit. The Common Elements shall remain undivided and no action for partition or division of any part thereof shall be permitted, unless otherwise provided by law and permitted by this Declaration.

Section 4.5 Amendment of Interest in Common Elements. Except with respect to the subdivision or relocating or boundaries of Units as provided in Section 3.4 or the re-allocation of interests provided in Section 6.1, or as otherwise provided in the Act, the Common Element Interest appurtenant to each Unit shall have a permanent character, shall be inseparable from each Unit and shall not be altered or changed except by the recording of an amendment to this Declaration, duly approved by 100% of the Unit Owners.

Section 4.6 Use of Common Elements. Except as their use may otherwise be limited by this Declaration, the Bylaws or otherwise by the Association or Unit Owners pursuant to its/their powers under the Bylaws to establish rules and regulations, each Unit Owner, tenant and occupant of a Unit, and the family members and guests of such Unit Owner, tenant and occupant, may use the Common Elements in common with all other Unit Owners and tenants or occupants of other Units, and their respective family members and guests, in accordance with the purposes for which they are intended without hindering or encroaching upon the lawful rights of the other Unit Owners, and in common with other persons legally entitled to use the Common Elements, upon the following terms:

(1) The portion of the Property used for vehicular and pedestrian access and for parking shall not be used for the parking of motor vehicles, commercial vehicles, trailers, motor homes, trucks with a gross weight of over 6,000 pounds or boats except with the prior written approval of the Association. No unattended vehicle shall at any time be left in such a manner as to impede the passage of traffic (whether by foot or vehicle) or to impair access to parking areas. Parking and access areas, Residential LCEs and Common Elements shall at all times be kept free of unreasonable accumulations of debris or rubbish of any kind and no junk or derelict vehicle or other vehicle on which current registration plates are not displayed shall be kept upon the Property. Major vehicular repairs are not permitted on the Property. The Association shall have the right to tow any vehicles left in the Common Elements at the expense of the responsible Unit Owner.

(2) No Unit Owner of a Residential Unit (other than the Declarant in connection with its promotional or marketing purposes) may erect any sign on or in his or her Unit or any Limited Common Element which is visible from outside of his or her Unit or from the Common Elements, without in each instance having obtained the prior written permission of the Association; excepting, however, that the Unit Owner of the Commercial Unit(s) may display a single sign in accordance with all applicable state and local laws, ordinances and regulations and with the approval of the Association. This provision is not intended to prevent the Association from maintaining on the Common Elements a register of Unit occupants, or owners, or both.

(3) No Unit Owner shall obstruct any of the Common Elements nor shall any Unit Owner place or cause or permit anything to be placed on or in any of the Common Elements without the approval of the Board. Nothing shall be altered or constructed in or removed from the Common Elements except with the prior written consent of the Association.

(4) The Association, any Unit Owner and the Declarant shall not be considered a bailee of any personal property stored on the Common Elements (including vehicles parked on the Common Elements), whether or not exclusive possession of the particular area is given to a Unit Owner for parking or storage purposes, and shall not be responsible for the security of such personal property or for any loss or damage thereto, except to the extent covered by insurance in excess of any applicable deductible.

Section 4.7 Alteration to Unit or Common Elements by Unit Owner. A Unit Owner may make improvements and alterations to the interior of his Unit but no Unit Owner may make any improvements or alterations or do any work whatsoever which would impair the structural integrity or mechanical systems of the Building, lessen the support of any portion of the Condominium, or jeopardize the soundness or safety of the Property. With the prior written approval of the Association, Unit Owners may erect interior partitions and change the finish on the floor of the Units, subject to the foregoing prohibition against impairment of the structural integrity or mechanical systems of the Building. No Unit Owner shall impair any easement or hereditament therein without the unanimous consent of the Unit Owners affected thereby. No Unit Owner shall alter, paint or otherwise change the appearance of the Common Elements (including the Limited Common Elements) or paint or otherwise change the exterior appearance

of his Unit (including, but not limited to, the exterior surfaces of doors) or any other portion of the Condominium without the prior written approval of the Association.

Section 4.8 Limited Common Elements, Maintenance. Except as herein provided, the Association shall maintain, repair and replace all Limited Common Elements (including Residential LCEs, which are appurtenant to the Residential Units) located outside the boundaries of the Unit and shall assess as a Limited Common Expense to the Unit Owners who benefit from the use of such Limited Common Elements the expenses associated with the maintenance, repair or replacement of such Limited Common Elements, provided that the Association shall also have the right to assess an individual Unit for such expenses if they are incurred due to the negligence or misconduct of the Owner of such Unit or his agents, invitees or guests. The Association shall be responsible for snow removal on entry porches, walkways, and parking spaces. The Unit Owners shall maintain, repair, and replace any Limited Common Elements located within the perimetric boundaries of their respective Units. The Unit Owners shall have housekeeping responsibilities for the porches, balconies and entryways to their respective Units and shall be responsible for keeping their respective assigned parking and storage spaces free of debris and spilled petroleum or other automotive products. The Association may set standards of housekeeping, maintenance, use and appearance applicable to the Limited Common Elements.

Section 4.9 Maintenance of Common Elements. The Association shall maintain, repair and replace all Common Elements, including but not limited to driveways, the open space and walkways, water feeder lines and meters and drainage system if any. The City of Portland owns the sewer system. The Association shall assess as a Common Expense the Common Expenses associated with the maintenance, repair or replacements of such Common Elements, provided that the Association shall also have the right to assess an individual Unit for such Common Expenses if the Common Expense shall be incurred due to the negligence, neglect or misconduct of the Owner of such Unit or his agents, invitees or guests.

Section 4.10 Maintenance of Unit. Each Unit Owner shall keep and maintain his or her Unit and its equipment, appliances and appurtenances in good order, condition and repair and in clean and sanitary condition, whether such maintenance and repair shall be structural or nonstructural, ordinary or extraordinary, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his or her Unit. No Unit Owner shall sweep or throw, or permit to be swept or thrown, from his or her Unit any dirt, debris or other substance. In addition, each Unit Owner shall be responsible for all damage to any other Units or to the Common Elements resulting from his or her failure or negligence to make any of the repairs required by this Article. Each Unit Owner shall perform his or her responsibility in such manner as shall not unreasonably disturb or interfere with the other Unit Owners. Each Unit Owner shall promptly report to the Association or the managing agent any defect or need for repairs for which the Association is responsible.

Section 4.11 Liability of Owner. Each Unit Owner shall be liable, and the Association shall have a lien against his or her Unit, for the expense of maintenance, repair or replacement of any damage to the Common Elements, Limited Common Elements, Residential LCEs or to

another Unit caused by such Unit Owner's act, neglect or carelessness or by that of any member of such Unit Owner's family, or such Unit Owner's guest or tenants, or their pets. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of any Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation against such Unit Owner.

ARTICLE V: SPECIAL DECLARANT RIGHTS

Section 5.1 Development Rights. For a period of five (5) years from the date of this Declaration, Declarant, its successors and assigns reserve the following Development Rights (but shall have no obligation): (1) to create Common Elements, Limited Common Elements and/or Residential LCEs on the Property as shown on the Plats and Plans; (2) to subdivide unsold Units or to convert unsold Units into Common Elements or Limited Common Elements, including, without limitation, the right to subdivide the Commercial Unit into as many as three separate Commercial Units; (3) to create and construct any improvements as shown on the Plats and Plans; (4) to grant easements, all of the above more fully described in Sections 5.3 through 5.9, of this Article; and (5) to add land to the Condominium and construct additional buildings on such land, such land that may be added being described on Exhibit A-1 attached hereto and made a part hereof. . All of these rights may be exercised in compliance with Section 1602-110 of the Act and without consent of any Unit Owner or Mortgagee. The Development Rights reserved herein may be exercised with respect to different areas of real estate at different times and no assurances are made in regard to the boundaries of the portions or regulation of the order in which those areas may be subjected to the exercise of each Development Right, except as stated in Section 5.9 of this Article.

Section 5.2 Appointment of Association Officers and Board Members. Declarant reserves the right to appoint or remove any officer of the Association or any Executive Board members or in the alternative under Section 1603-103 (d), to approve or disapprove acts of the Association (including acceptance of the Budget) or the Executive Board during the period of Declarant Control to the extent, in the manner and for the periods specified in Article VII of this Declaration.

Section 5.3 Condominium Association Access. Declarant reserves in favor of itself, the Association, its officers, agents and employees, any managing agent and every other person authorized by the Executive Board, the irrevocable right and easement to have access to each Unit as provided in Section 1603-107(a) of the Act as may be necessary for the inspection, maintenance, repair or replacement of any of the Common Elements and Limited Common Elements therein or accessible therefrom or the making of any addition or improvements thereto; or to make repairs to any Unit, the Common Elements or the Limited Common Elements if such repairs are reasonably necessary for the public safety or to prevent damage to any other Unit or Units, the Common Elements or the Limited Common Elements; or to abate any violation of law, orders, rules or regulations of the Association or of any governmental authorities having

jurisdiction thereof. In case of an emergency, such right of entry shall be immediate whether or not the Unit Owner is present at the time. The Association shall have the right to grant to third parties permits, licenses and easements over and through the Common Elements for utilities and other purposes reasonably necessary or useful for the proper maintenance and operation of the Condominium. Declarant's rights but not the Association's rights under this paragraph shall terminate on the earlier of (a) conveyance of all Units to Purchasers other than a successor Declarant, or (b) five (5) years from the date of this Declaration.

Section 5.4 Declarant's Easement for Marketing. The Declarant reserves the right with respect to its marketing of Units to use the Common Elements and Limited Common Elements for the ingress and egress of itself, its officers, employees, agents, contractors and subcontractors and for prospective purchasers of Units, including the right of such prospective purchasers to park in parking spaces. The Declarant also reserves the right to use any Units owned or leased by the Declarant as models, management offices, sales offices for this and other projects. The Declarant reserves the right to relocate the same from time to time within the Property; upon relocation, the furnishings thereof may be removed. The Declarant further reserves the right to maintain on the Property such advertising signs and lighting as may comply with applicable governmental regulations, which may be placed in any location on the Property and may be relocated or removed, all at the sole discretion of the Declarant. Further, the Declarant shall have the right to erect temporary offices on Common Element parking spaces for models, sales, management, customer service and similar purposes. This easement shall continue until the earlier of (a) conveyance of all Units to Purchasers other than a Successor Declarant, or (b) five (5) years from the date of this Declaration. Any parking spaces assigned to Unit Owners may not be used for the purposes specified in this Paragraph.

Section 5.5 Declarant's Easements for Construction. The Declarant reserves the easement, right and privilege without let or hindrance with respect to the creation of the Units, Common Elements, Limited Common Elements, and Residential LCEs, the Development Rights specified in Section 5.1 hereinabove and other improvements of the Condominium, to go upon any and all of the Property, except for Units conveyed to Purchasers, for purposes of construction, reconstruction, maintenance, repair, renovation, replacement, improvement or correction of the Units and Common Elements, for completion of the improvements indicated on the Plats and Plans and for the exercise of the Development Rights. Declarant reserves the right to keep construction equipment on the Property as necessary. Furthermore, the Declarant reserves an easement in the Units and 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. These easements shall continue until the earlier of (a) conveyance of all Units to Purchasers other than a Successor Declarant, or (b) five (5) years from the date of this Declaration.

Section 5.6 Declarant's Right to Connect With Utilities. The Declarant further reserves an easement to connect with and make use of utility lines, wires, pipes and conduits located on the Property for construction purposes on the Property, provided that Declarant shall be responsible for the cost of service so used, and to use the Common Elements for ingress and

egress and construction activities and for the storage of construction materials and equipment used in the completion of the Units and Common Elements. This easement shall continue until the earlier of (a) conveyance of all Units to Purchasers other than a Successor Declarant, or (b) five (5) years from the date of this Declaration.

Section 5.7 Declarant's Right to Grant Easements. The Declarant shall have the right, until the earlier of (a) conveyance of all Units to Purchasers other than a Successor Declarant, or (b) five (5) years from the date of this Declaration, to grant and reserve easements and rights-of-way through, under, over and across the Property for vehicular and pedestrian access, road improvement, construction purposes, for the installation, maintenance and inspection of the lines and appurtenances for public or private water, sewer, pumping station, drainage, gas, electricity, telephone and other utilities. The Units and Common Elements shall be, and are hereby, made subject to easements in favor of the Declarant, appropriate utility and service companies and governmental agencies or authorities for such access or utility and service lines and equipment as may be necessary or desirable to serve any portion of the Property or adjacent property. The easements created in this Paragraph shall include, without limitation, rights of Declarant, or the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, telephone wires and equipment, air conditioning, heating systems, ventilation systems, electric wires, cables, conduits and equipment and ducts and vents over, under, through, along and on the Units and Common Elements and to provide public access across the Common Elements.

Section 5.8 Alteration of Common Elements by Declarant. Subject to all applicable ordinances, requirements, and conditions of the City of Portland, the Declarant reserves the right (but shall have no obligation) to modify, alter, remove or improve defective, obsolete or nonfunctional portions of the Common Elements, including without limitation any equipment, fixtures and appurtenances when in the Declarant's judgment it is necessary or desirable to do so, until the earlier of (a) five (5) years from the date of this Declaration, or (b) conveyance of all Units to Purchasers other than a Successor Declarant.

Section 5.9 Transfer of Special Declarant Rights; Surrender. Declarant reserves the right to transfer from time to time to any one or more transferees any or all reserved Special Declarant Rights in accordance with Section 1603-104 of the Act. Notwithstanding any other provisions in this Declaration, this Article may not be amended without the prior written consent of the Declarant. Notwithstanding the foregoing, Declarant may surrender or terminate any rights reserved under this Article at any time by recording an instrument so providing in the Cumberland County Registry of Deeds.

Section 5.10 No Assurances. The Declarant makes no assurances as to the order in which the Units may be developed.

ARTICLE VI: ASSESSMENTS FOR COMMON EXPENSES

Section 6.1 Common Expense Liability. Reference is made to Exhibit B for the allocation of the liability for Common Expenses (the "Common Expense Liability") to each Unit. The Common Expense Liability allocated to each Unit is a percentage of the Common Expenses assessed against all the Units, according to the formula described herein.

Section 6.2 Allocation of Assessments of Common Expense. The total amount of Common Expenses shall be assessed against all the Units in the following proportions: (1) the Common Expenses other than Limited Common Expenses shall be assessed against all the Units as shown on Exhibit B as a percentage based upon the floor space for each Unit divided by the total floor space for all Units; (2) the Limited Common Expenses (including Residential LCEs) shall be assessed solely against each Unit benefited except as otherwise provided in this Declaration; if a Limited Common Expense benefits more than a single Unit, but fewer than all of the Units, that Limited Common Expense shall be divided equally among those Units benefited; (3) assessments to pay a judgment against the Association shall be made as a Common Expense against the Units included in the Condominium at the time such judgment was entered but shall be allocated to Units according to the percentages set forth in Exhibit B as in effect at the time of said judgment; (4) any utilities which are or are made by Declarant to be separately metered shall be supplied by the public utility company serving the area directly to each Unit through a separate meter and each Unit Owner shall be required to pay the bills for utilities consumed or used in his Unit; any utilities, including, but not limited to water distribution, used for common purposes or serving the Units and which are not separately metered shall be paid by the Association as a Common Expense.

The Declarant shall pay all the common expenses for operations until the Association makes a Common Expense assessment based upon a ratified budget. Assessments against all declared Units will begin on the adoption and ratification of the budget. The Executive Board will propose and adopt the Budget. If during the Declarant Control Period, eighty percent (80%) of the voting interest of the Unit Owners do not reject the proposed budget, it will be ratified. After the Declarant Control Period, the budget shall be approved by majority vote of the members of the Executive Board, subject to the notice provisions set forth in the Bylaws.

Section 6.3 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, one-twelfth of the Unit's Limited Common Expenses and Common Expenses which are assessed on an annual basis against the Unit in the proportions required in Section 6.2 of this Article in accordance with the Bylaws and subject to Section 1603-103(c) of the Act. If for any reason the Association shall revise the annual budget of the Association in accordance with the Bylaws and subject to Section 1603-103(c) of the Act 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 of any such

revised annual Common Expenses including Limited Common Expenses assessed against his Unit in the proportions required in Section 6.2.

Section 6.4 Interest; Acceleration. In the event of a default by any Unit owner in paying any sum assessed against his Unit which continues for a period in excess of thirty (30) days, interest at a rate to be established annually by the Association (which shall not exceed the lower of the maximum interest rate allowed by law which may be charged by the Association at such time or eighteen percent per annum), shall be imposed on the principal amount unpaid from the date when due until paid. If the Association shall fail to set such rate, it shall be deemed to have been set at the rate of Eighteen Percent (18%) per annum. The Association shall have the right to establish and impose charges for late payment of assessments. In any case where an assessment against a Unit Owner is payable in installments, upon a default by such Unit Owner in the timely payment of any two consecutive installments, the maturity of the remaining total of the unpaid installments of such assessments may be accelerated at the option of the Association, and the entire balance of the annual assessment may be declared due and payable in full by the service of notice to such effect upon the defaulting Unit Owner by the Association or its representative.

Section 6.5 Lien for Assessments. The total annual assessment levied against each Unit for Common Expenses including Limited Common Expenses, revised Common Expenses including Limited Common Expenses, or any special assessment, and any other sums duly levied against the Unit pursuant to this Declaration, the Bylaws, or the Act and all interest thereon and charges for late payment thereof and legal fees and other costs of collection thereof, shall constitute the personal liability of the Owner of the Unit so assessed and also shall, until fully paid, constitute a lien against the Unit in favor of the Association from the date upon which such assessment, special assessment or other sum such as interest becomes due as provided in Section 1603-116 of the Act. Such lien shall, with respect to annual assessments, be effective on the first day of each fiscal year of the Association as to the full amount of the annual assessment, and, as to special assessments and other sums duly levied, 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 this Declaration, (b) a first Mortgage recorded before or after the date on which the assessment sought to be enforced becomes delinquent, and (c) liens for real estate taxes and sewer liens or assessments against the Units; provided, however, that such lien is not subject to the provisions of 14 M.R.S.A. §4561 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.

Section 6.6 Enforcement. The lien for assessments described in Section 6.5 may be enforced and foreclosed by the Association in like manner as a mortgage on real estate as provided in Section 1603-116(a) of the Act or by any other means presently or hereafter provided by law or in equity. A suit to recover a money judgment for unpaid assessments, interests, penalties, and costs of collection may be maintained against the Unit Owner personally without foreclosing or waiving the lien securing such assessments and a foreclosure may be

maintained notwithstanding the pendency of any suit to recover a money judgment. During the pendency of any such suit, the Unit Owner shall be required to pay a reasonable rental for the Unit for any period prior to the sale pursuant to any judgment or order of any Court having jurisdiction over such sale.

Section 6.7 No Exemption From Expenses by Waiver of Use of Common Elements or Unit. No Unit Owner may exempt himself from Common Expense Liability with respect to the payment of assessments for Common Expenses by waiver of the enjoyment of the right to use any of the Common Elements or by abandonment of his Unit or otherwise. The obligation to pay assessments for Common Expenses is absolute and unconditional and shall not be subject to set-offs or counterclaims.

Section 6.8 Reduction of Expenses. All receipts from payments, fees or charges for the use, rental, operation, or allocation of any and all Common Elements shall be applied first to reduce the Common Expense relating to the use of that Common Element giving rise to such receipt and any excess thereof shall be applied to Common Expenses generally.

Section 6.9 Surplus Funds. If at the end of any fiscal year any amounts accumulated from assessments for Common Expenses and income from the operation of the Common Elements to which such Common Expenses pertain shall exceed the amount required for actual Common Expenses and provision for Common Expenses and any payment of reserves for future Common Expenses, such excess shall be applied to the reserve fund, or if not so applied, shall be credited to each Unit Owner in proportion to their respective Common Expense Liabilities to reduce until exhausted the next monthly installments due from Unit Owners. Surplus funds shall not otherwise be paid or credited to Unit Owners.

Section 6.10 Service Charges. The Association shall have the express power to separately charge a Unit and the owner thereof for services rendered to that Unit or to any Limited Common Elements allocated to that Unit. Such charges shall be a lien on the Unit with the same status as a lien for Common Expense assessments under this Declaration and Bylaws, which lien for service charges may be foreclosed in like manner as a mortgage on real estate. The recordation of this Declaration constitutes record notice of the lien. Service charges shall include without limitation: (1) if a Unit Owner, members of his family, guests or tenants requests the Association to perform repair and maintenance work on his Unit or to any Limited Common Elements allocated to that Unit or damages the Common Elements or fails to perform maintenance and repair work required, the expense thereof as determined by the Association or its designee may be assessed as a Service Charge; (2) fees, if any, which may be established by the Association for use and maintenance of water, sewer, heat and/or other utility services; (3) insurance premiums on permanent improvements to Units installed by Unit Owners and insured by the request of the Unit Owner with the Association's hazard insurance carrier; and (4) fees for private collection of trash, which service is in addition to service already assessed as a common expense.

Section 6.11 Liability. Subject to the limitation set forth below, in a voluntary conveyance subsequent to the sale by the Declarant to the initial Owner, the purchaser of a Unit shall be jointly and severally liable with the seller for all assessed but unpaid common assessments, charges, fees, interest and costs of collection up to the time of the recording of the grant or conveyance, although the purchaser shall not be prevented from exercising any right to recover from the seller the amounts thereof paid by purchaser.

(1) A Unit Owner or purchaser or prospective purchaser under a purchase and sale contract for a Unit may obtain, upon request and the payment of such fee as may be established from time to time by the Association, a statement from the Association setting forth the amount of unpaid common assessments, special assessments, charges, fees, interest and costs of collection against the unit as of the date of the statement and such other items required by the Act under §1604-108(a). Except as otherwise agreed in writing by the purchaser, if the purchaser requests a statement from the Association, the purchaser shall not be liable for (and the Unit conveyed shall not be subject to a lien for) any unpaid amounts due from the seller before the statement is issued other than that which is indicated on the statement, but shall be liable for interest and costs of collection accrued thereafter.

(2) A Unit Owner providing a certificate pursuant to subsection (1) is not liable to the purchaser for any erroneous information provided by the Association and included in the certificate.

(3) In a foreclosure instituted by the first mortgage holder, a lien on the Unit for unpaid assessments will be extinguished but the personal liability for the assessments made prior to foreclosure will remain with the person who owned the Unit when the assessments became due until said assessments are paid in full.

ARTICLE VII: UNIT OWNERS ASSOCIATION; DECLARANT CONTROL

Section 7.1 Owners' Association and Bylaws. Each Unit Owner shall be a member of the Association, a non-profit corporation organized under the laws of the State of Maine known as Chestnut Street Lofts Condominium Association. Membership shall be appurtenant to the Units, and the transfer of title to a Unit shall automatically transfer the membership appurtenant to that Unit to the transferee or transferees. A mortgage, however, shall not transfer membership until foreclosure or sale in lieu of foreclosure. The Bylaws of the Association shall be available to all members of the Association.

Section 7.2 Declarant Control Period. Until the earlier of (1) five (5) years from the first conveyance of a Unit to a person other than the Declarant, or (2) sixty (60) days after conveyance of 75% of the Units to Unit Owners other than a Declarant, subject to earlier termination as set forth below, Declarant shall control the Association as specified in Section 5.2 ("Declarant Control Period"), and during this period Declarant or persons designated by it may appoint, remove and replace members of the Executive Board.

Section 7.3 Working Capital Fund. At the end of the Declarant Control Period, the Working Capital Fund, which shall be equal to the total number of Units times two months Common Expense Charges (as established at the time the first Unit is conveyed), shall become available to meet transitional needs of the Association.

ARTICLE VIII: LIMITATION OF LIABILITY

Section 8.1 Limited Liability of the Executive Board. No member of the Executive Board or officer of the Association, except to the extent of his or her willful misconduct or gross negligence: (1) shall be liable for the failure of any service to be obtained by the Executive Board and paid for by the Association, or for injury or damage to persons or property caused by the elements or by another Unit Owner or person on the Property, or resulting from electricity, gas, water, rain, dust or sand which may leak or flow from the outside or from any part of the Building, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place; (2) shall be liable to the Unit Owners as a result of the performance of the Executive Board members' duties for any mistake of judgment, negligence or otherwise; (3) shall have any 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 them on behalf of the Executive Board or the Association in the performance of the Executive Board members' duties; (4) shall 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 guest in a Unit, or in or on the Common Elements or Limited Common Elements; (5) shall have any 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 them; or (6) shall have any personal liability arising out of the use, misuse or condition of the buildings, or which might in any other way be assessed against or imputed to the Executive Board members as a result of or by virtue of their performance of their duties.

Section 8.2 Indemnification. Each member of the Executive Board, in his or her capacity as an Executive Board member, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him or her 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 Executive Board, or any settlement of any such proceeding, whether or not he or she is an Executive Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Executive Board member and/or officer is adjudged guilty of willful misconduct or gross negligence in the performance of his or her duties; provided that, in the event of a settlement, this indemnification shall apply only if and when the Executive Board (with the affected member abstaining if he or she is then an Executive Board member) or 70% of the voting interests of the Unit Owners (if more than 50% of the Board abstains or if the settlement is beyond the amount covered by insurance) approve(s) such settlement and reimbursement as being in the best interests of the Association; and provided further that indemnification hereunder with respect to

any criminal action or proceeding is permitted only if such Executive Board member and/or officer had no reasonable cause to believe his or her conduct was unlawful. The indemnification by the Association set forth in this Paragraph shall be paid by the Association 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 Executive Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit Owners or otherwise.

Section 8.3 Defense of Claims. Complaints brought against the Association, the Executive Board or the officers, employees or agents thereof in their respective capacities as such, or the Condominium as a whole, shall be directed to the Executive Board of the Association, which shall promptly give written notice thereof to the Unit Owners and the Eligible Mortgage Holders and the Mortgagees of Units identified to the Association, and such complaints shall be defended by the Association. The Unit Owners shall have no right to participate in such defense other than through the Association.

ARTICLE IX: EMINENT DOMAIN

Section 9.1 Entire Unit. If any Unit shall be taken or condemned by any authority having the power of eminent domain, or if part of a Unit is taken or condemned by any authority having the power of eminent domain leaving the Unit Owner with a remnant which may not be practically or lawfully be used for any purpose permitted by this Declaration, the award for such taking or condemnation shall be paid to the Unit Owner as compensation for his Unit and its Allocated Interest in the Common Elements, whether or not any Common Elements are taken or condemned. Upon such taking or condemnation, unless the decree provides otherwise, that Unit's entire Allocated Interests shall be automatically reallocated to the remaining Units according to the formula specified in Exhibit B. The Association shall promptly prepare, execute and record as a Common Expense an amendment to this Declaration reflecting such reallocation. Any remnant of a Unit remaining after part of a Unit is taken or condemned under this Section 9.1 shall thereafter be a Common Element.

Section 9.2 Part of Unit. Except as otherwise provided in Section 9.1, if part of a Unit is taken or condemned by any authority having the power of eminent domain, any award therefor shall be paid to the Owner of such Unit as compensation for the reduction in value of the Unit and its Allocated Interest in the Common Elements, whether or not any Common Elements are taken or condemned. After such part of a Unit is taken or condemned:

(1) That Unit's Allocated Interests shall be reduced in proportion to the reduction in size of the Unit; and

(2) The Allocated Interests of all other Units shall be re-allocated according to the formula in Exhibit B. The Association shall promptly prepare, execute and record as a Common Expense an amendment to this Declaration reflecting such reallocation.

Section 9.3 Common Elements. If part of the Common Elements shall be taken or condemned by any authority having the power of 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 portion of the award attributable to the Common Elements taken shall be paid to the Association for the use and benefit of the Unit Owners and their Mortgagees as their interests may appear. Each Unit Owner appoints the Association as attorney-in-fact for this purpose. Subject to the provisions of Section 9.4, the Association shall divide any portion of remaining Common Elements among the Unit Owners and their Mortgagees, in proportion to their respective interests in the Common Elements prior to such taking or condemnation, but the portion of the award attributable to the acquisition of any Limited Common Element shall be equally divided among the Owners of the Units to which such Limited Common Element was allocated at the time of such taking or condemnation. The Association shall promptly prepare, execute and record as a Common Expense an amendment to this Declaration reflecting such reallocation.

Section 9.4 Decree, Prior Liens. The court decree shall be recorded in the Registry of Deeds. Notwithstanding anything to the contrary in this Article, lien holders on any Unit, Common Element or Limited Common Element, shall have a lien on any such awards in order of priority of their respective liens.

ARTICLE X: REPAIR AND RECONSTRUCTION AFTER FIRE OR CASUALTY

Section 10.1 Required Repair and Reconstruction. In the event of damage to or destruction of all or any part of the Property as a result of fire or other casualty, the Association shall promptly arrange for and supervise the prompt repair, replacement and restoration thereof (including any damaged Units, service fixtures, service machinery and other apparatus initially installed therein by the Declarant, but not including any other furniture, furnishings, fixtures, equipment or other personal property supplied or installed by the Unit Owners in the Units), substantially in accordance with this Declaration, Plats and Plans, the prior elevation thereof and the original plans and specifications therefor unless (1) the Condominium is terminated, or (2) repair, replacement or restoration would be illegal under any state or local health, safety, land-use or environmental statute, code or ordinance, or (3) eighty percent (80%) of the voting interests of the Unit Owners (Eligible Mortgage Holder substituting its vote in place of the Unit Owner as allowed under §1602-119(c)) vote not to repair, restore or replace the damaged or destroyed Property, and such decision is approved by every Owner (or the Eligible Mortgage Holder substituting its vote) of a Unit or Limited Common Element, which will not be repaired, replaced or restored. Additionally, approval of at least sixty-seven (67%) percent of all the Eligible Mortgage Holders is required as further described in Section 14.4(5).

Section 10.2 Procedure for Reconstruction and Repair. If repair, replacement or restoration shall be required pursuant to Section 10.1:

(1) Cost Estimates: The Association shall promptly obtain reliable and detailed estimates of the cost of repairing and restoring such portion (including any damaged Units, fixtures, service machinery and other apparatus initially installed by Declarant, but not including any other furniture, furnishings, fixtures or equipment installed by the Unit Owner in the Unit) substantially in accordance with this Declaration, the Plats and Plans, the prior elevation thereof and original building plans and specifications therefor unless other action is approved by the voting interests specified in Section 10.1 above; such costs may also include professional fees and premiums for such bonds as the Association may determine to be necessary;

(2) Assessments: If the net proceeds of insurance, if any, are not sufficient to defray such estimated costs of reconstruction, repair and replacement, 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 costs in excess of insurance proceeds and reserves shall be deemed a Common Expense and a special assessment therefor shall be levied by the Association; and

(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 Section 10.2(2) on account of such casualty, shall be payable to the Association and shall be held in trust for the benefit of Unit Owners and their mortgagees. The trust fund shall be used for construction and be disbursed in the following manner:

(a) if the estimated cost of reconstruction and repair is less than One Hundred Thousand (\$100,000.00) Dollars, then the construction fund shall be disbursed in appropriate progress payments, or upon order of the Association; provided, however, that upon request of fifty percent (50%) of the Eligible Mortgage Holders (based upon one vote for each Mortgage held) such funds shall be disbursed pursuant to Section 10.2(3)(b);

(b) if the estimated cost of reconstruction and repair is One Hundred Thousand (\$100,000.00) Dollars or more, then the construction fund shall be disbursed in payment of such costs upon approval of an architect qualified to practice in the State of Maine (the "Architect") and approved by fifty percent (50%) of the Eligible Mortgage Holders, payment to be made from time to time as the work progresses; the Architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, materialmen, the architect and other persons who have rendered services or furnished materials in connection with the work stating that:

(i) the sums requested by them in payment are justly due and owing and that such sums do not exceed the value of the services and materials furnished;

(ii) there is no other outstanding indebtedness known to such Architect for the services and materials described; and

(iii) the cost as estimated by such Architect for the work remaining to be done subsequent to the date of such certificate does not exceed the amount of the construction fund remaining after payment of the sum so requested;

(c) when the damage is to both Common Elements and Units, the insurance proceeds shall be applied in the order deemed by the Association to be most beneficial to the Condominium as a whole; and

(d) the first monies disbursed in payment of the cost of reconstruction and repair shall be from any insurance proceeds and, if there is a balance in the construction fund after the payment of all of the costs of the reconstruction and repair for which the fund is established, such balance shall be distributed among all Unit Owners, Mortgage holders and lien holders, as their respective insurable interests may appear, in proportion to their respective Common Element Interests or the Common Element Interests to which their respective Mortgages are subject, unless such balance resulted from a fund collected solely from a Unit Owner assessed because of said Unit Owner's negligence or omission.

Section 10.3 Damage or Destruction; No Repair or Replacement. If the entire Condominium is not repaired or replaced: (1) the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged areas of the Common Elements to a condition compatible with the remainder of the Condominium as determined by the Association or Architect; (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 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; and (3) the remainder of the proceeds shall be distributed to all the Unit Owners and Mortgagees, as their insurable interest may appear, in proportion to their respective Common Element Interests or the Common Element Interests which are subject to respective Mortgages. If the Unit Owners and their Mortgagees vote not to rebuild any Unit, that Unit's entire Allocated Interests shall be automatically reallocated upon said vote as if the Unit had been condemned as provided in Article IX of this Declaration and the Association shall prepare, execute and record an amendment to this Declaration reflecting the re-allocations. Notwithstanding any provisions of this Article to the contrary, Section 1602-118 of the Act governs the distribution of insurance proceeds if the Condominium is terminated.

ARTICLE XI: INSURANCE

Section 11.1 Policies. Commencing no later than the time of the first conveyance of a Unit other than as security for an obligation to a person other than the Declarant, the Association shall obtain, or cause to be obtained, and shall maintain, the policies of insurance described in

Sections 11.2, 11.4, and 11.5 to the extent such policies shall be reasonably available from reputable insurance companies. To the extent that said insurance described in said sections is not reasonably available, the Association shall give written notice of that fact to the Unit Owners and Eligible Mortgage Holders by hand-delivery, securing a receipt therefor, or by prepaid United States mail, return receipt requested. To the extent that any of the insurance described in said sections becomes in the future no longer available, the Association shall obtain in substitution therefor such comparable insurance as shall then be available.

Section 11.2 Property Insurance. The Association shall obtain and maintain as a Common Expense a blanket-type or master standard form of "all-risk" fire insurance policy with extended coverage, vandalism, malicious mischief, wind storm, debris removal, cost of demolition and water damage endorsements issued by an insurance company authorized to do business in the State of Maine insuring as a single entity the entire Property (exclusive of land, foundations, excavations, and other similar items customarily excluded from property insurance policies), including the Units and any bathroom and service fixtures, service machinery, and other appliances and apparatus initially installed therein by the Declarant and the replacements thereto installed by the Declarant but not including furniture, wall coverings, furnishings or other personal property supplied or installed by Unit Owners, and including all air-conditioning and heating equipment and other service machinery contained in the Property covering the interests of and naming as named insureds, the Association (for the use and benefit of the individual Unit Owners) and all Unit Owners and their Mortgagees and their Mortgagees' successors and assigns, as their insurable interests may appear. It shall contain a standard Maine Mortgage Clause in favor of each Mortgagee of a Unit with provisions that the proceeds of loss, if any, shall first be payable to each Mortgagee, its successors and assigns, as its insurable interest may appear. It shall be for an amount no less than one hundred percent (100%) of the then current full replacement cost of the Property (exclusive of the land, excavations, foundations and other similar items customarily excluded from such coverage), without deduction for depreciation (such amount to be redetermined annually by the Association with the assistance of the insurance company affording such coverage). Such policy shall contain such "deductible" as the Association shall reasonably deem appropriate, together with the following provisions:

- (1) The following endorsements (or their equivalent):
 - (a) "no control", i.e. to the effect that coverage shall not be prejudiced by any act or neglect of any occupant or Unit Owner or their agents when such act or neglect is not within the control of the insured, or the Unit Owners collectively; nor by any failure of the insured, or the Unit Owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the insured, or the Unit Owners collectively, have no control;
 - (b) "Construction Code Endorsement" or "increased cost of construction";
 - (c) steam boiler coverage endorsement, if applicable; and

(d) "agreed amount" or elimination of co-insurance clause and inflation-guard endorsement, if applicable;

(2) That any "no other insurance" clause expressly exclude individual Unit Owners' policies from its operation so that the physical damage policy purchased by the Association shall be deemed primary coverage and any individual Unit Owners' policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Association hereunder provide for or be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees;

(3) Each Unit Owner is an insured person under the policy with respect to liability arising out of his ownership of an undivided interest in the Common Elements or membership in the Association;

(4) The insurer waives its right to subrogation under the policy against any Unit Owner of the Condominium or members of his household;

(5) No act or omission by any Unit Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and

(6) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

Section 11.3 Losses; Adjustment and Payment. Any loss covered by the insurance policy described in Section 11.2(1) and (2) of this Article shall be adjusted with the Association by its Association, and the insurance proceeds for said loss shall be payable to the Association, and not to any Mortgagee. The Association shall hold any insurance proceeds in trust for Unit Owners, Mortgagees and other lien holders as their interests may appear. Subject to the provisions of Section 11.3 and Section 10.2(3), the proceeds shall be disbursed first for the repair or restoration of the damage to the Property, 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, or the decision has been made not to repair or restore the damage as provided in Section 10.1(3) and Section 14.4(6), or the Condominium is terminated.

Section 11.4 Liability Insurance. The Association shall obtain and maintain, as a Common Expense, comprehensive general public liability insurance (including medical payments insurance) and property damage insurance in such limits as the Board may from time to time determine, insuring each Executive Board Member, any managing agent, each Unit Owner and the Declarant against any liability to the public or to the Unit Owners (and their invitees, agents and employees) covering all occurrences commonly insured against for death,

bodily injury or property damage arising out of, or incident to, the maintenance, ownership or use of the Common Elements and/or relating to any legal liability resulting from suits or actions related to employment contracts to which the Association is a party. Such insurance shall be issued on a comprehensive liability basis and shall contain: (1) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured; and (2) a "severability of interest" endorsement which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts of the Association or of another Unit Owner. The Association shall review such limits once each year, but in no event shall such insurance be less than one million dollars covering claims for bodily injury or property damage arising out of one occurrence.

Section 11.5 Other Insurance. The Association shall obtain and maintain as a Common Expense: (1) insurance to satisfy the indemnification obligations of the Association as provided in Section 8.2 of this Declaration to the extent available and at the option of the Association; (2) worker's compensation insurance if and to the extent necessary to meet the requirements of law; (3) blanket fidelity bond coverage for any management agent and for anyone who handles or is responsible for funds held or administered by the Association whether or not compensation is received for such services, which fidelity bond shall name the Association as an obligee; (4) directors and officers insurance; and (5) such other insurance as the Association may determine or as may be requested from time to time by a majority in voting interest of the Unit Owners. Said fidelity bond shall cover the greater of (a) the maximum funds in the custody of the Association or management agent at any time and in addition shall be at least equal to the sum of three months of assessments on all Units plus the Association's reserve funds or (b) 150% of the estimated annual operating expenses, including reserves of the Condominium. The fidelity bond shall provide for ten days' written notice to the Association before the bond can be cancelled or modified for any reason.

Section 11.6 Memoranda, Cancellation, Additional Required Provisions. All insurers which issue an insurance policy or policies to the Association, upon request, shall issue a copy of the policy to any Unit Owner or Mortgagee. All such insurers issuing the policy may not cancel (including cancellation for non-payment of premium), substantially modify or refuse to renew such policy or policies until twenty (20) days after notice of the proposed cancellation, modification 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. All policies under this Article shall in addition contain the following provisions: (1) The insurer waives any right to claim by way of subrogation against the Declarant, the Association, the Executive Board, the managing agent or the Unit Owners, and their respective agents, employees, guests and, in the case of Unit Owners, the members of their household; and (2) The Declarant, so long as Declarant shall own any Unit, shall be protected by all such policies as a Unit Owner.

Section 11.7 Separate Insurance. Each Unit Owner shall have the right, at his own expense, to obtain insurance for his own Unit and for his own benefit and to obtain insurance coverage upon his personal property and for his personal liability as well as upon any

improvements made by him to his Unit under coverage normally called "improvements and betterments coverage", and for such other risks as are normally insured against; provided, however, that no Unit Owner shall be entitled to exercise his right to acquire or maintain such insurance coverage so as to decrease the amount which the Association, on behalf of all Unit Owners, may realize under any insurance policy maintained by the Board or to cause any insurance coverage maintained by the Board to be brought into contribution with insurance coverage obtained by a Unit Owner. All such policies shall contain waivers of subrogation. At the option of the Association, each Unit Owner shall obtain and maintain general liability insurance in such amounts as required by the Association from time to time and shall provide a certificate of insurance to the Association for each term of coverage at least two (2) weeks prior to the expiration date of the current term of such insurance.

ARTICLE XII: RESTRICTIONS ON USE, OCCUPANCY
OR ALIENATION OF UNITS

Section 12.1 Use and Occupancy Restrictions on Units. The Commercial Unit is restricted to commercial use and shall not be used for any residential purpose (with the exception of any such Units during the time period when they are being used by the Declarant as a sample, model or sales office). Each Unit shall be occupied and used subject to the following restrictions: (1) except for the Commercial Unit, no other Unit shall be used for other than residential purposes (with the exception of any such Units during the time period when they are being used by the Declarant as a sample, model or sales office) of the Unit Owners or such other persons to whom the Unit Owners have leased the Unit in accordance with this Declaration, the Bylaws and any rules and regulations adopted by the Association; nothing in this Declaration shall be construed to prohibit the Declarant from exercising any easements and rights reserved by the Declarant pursuant to this Declaration for any purposes including promotional, marketing or display purposes, from using any appropriate portion of the Common Elements for exercising these reserved rights, settlement of sales of Units and for customer service purposes, or from leasing Units owned by Declarant as provided in this Declaration; (2) nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Property or any part thereof applicable for commercial use without the prior written consent of the Association; no Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Property or any part thereof or which would be in violation of any law, regulation or administrative ruling; no waste will be committed on the Common Elements; (3) no Unit shall be used so as to create a nuisance or an unreasonable interference with the peaceful possession and occupation or proper use of any other Unit or the Common Elements; (4) no owner or occupant of any Unit shall carry on, or permit to be carried on, any practice which unreasonably interferes with the quiet enjoyment and proper use of another Unit or the Common Elements by the Owner or occupant of any other Unit, or which creates or results in a hazard or nuisance on the Property; and (5) the maintenance, keeping, boarding and/or raising of animals, laboratory animals, livestock, poultry or reptiles of any kind, regardless of number, is prohibited within any Unit or upon the Common Elements except that the Association may adopt rules permitting certain household pets. The

Association may adopt rules which would eliminate any specific pet which was adjudged to have become a nuisance.

Notwithstanding any of the foregoing, a Unit owner may use a residential Unit for the purpose of a home office, provided, however, that any such use complies with all applicable state and local laws, ordinances and regulations, and provided that such use is otherwise consistent with the Condominium Documents. The Commercial Unit shall be used for commercial purposes as permissible in accordance with all applicable state and local laws, ordinances and regulations, provided that such use is otherwise consistent with the Condominium Documents.

Section 12.2 Leasing Restrictions. No Unit shall be rented for a period of less than six months. No Unit Owner shall lease a Unit other than on written form of lease requiring the lessee to comply with the Condominium Documents and rules and regulations of the Association. Each Unit Owner shall, promptly following the execution of any lease of a Unit, notify the Association in writing of the name of the tenant and the term of the lease and any options in the lease to renew, extend or purchase. The Bylaws and/or Rules and Regulations may provide for further regulation and rental of Units, except that no other restrictions will be imposed relating to the term of any lease or rental agreement.

Section 12.3 Voluntary Resale of Units. The following provision applies to the sales of Units by all Unit Owners other than the Declarant: No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his or her Unit subsequent to the date of recordation of a bona fide conveyance in fee of such Unit by the Owner to a new Owner. In a voluntary transfer of a Unit, the grantee of the Unit shall be jointly and severally liable with the grantor for all unpaid assessments and special assessments for Common Expenses made by the Association against the latter up to the time of the recordation of grantor's transfer, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any person who shall have entered into an agreement to purchase a Unit from a Unit Owner shall be entitled to a certificate from the Association as provided by Section 1604-108(b) of the Act, and the grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any assessments or unpaid special assessments made by the Association against the grantor for Common Expenses in excess of those disclosed on such certificate. All Unit Owners shall comply with Section 1604-108 of the Act. Except as provided in this Article, there are no other restrictions governing the voluntary transfer of a Unit.

Section 12.4 Rules and Regulations. Each Unit may be used subject to all restrictions contained in the Unit deed, this Declaration, the Bylaws of the Association, and the Rules and Regulations of the Association, as amended from time to time.

ARTICLE XIII: APPLICABILITY; COMPLIANCE AND DEFAULT

Section 13.1 Applicability. This Declaration shall be applicable to the Condominium. All present and future Owners and tenants, their guests, servants, agents and employees and any

other person or persons that shall be permitted to use the Common Elements shall be subject to this Declaration, the Bylaws and to such rules and regulations as may be issued according to the Bylaws by the Association from time to time governing the conduct of its members and the use and occupancy of the Property. Ownership, rental or occupancy of any of the Units in the Condominium shall be conclusively deemed to mean that said Owner, tenant or occupant has accepted and ratified this Declaration, the Bylaws and the rules and regulations of the Association and will comply with them. The acceptance of a deed or conveyance (other than as security) or the entering into of a lease or the entering into of occupancy of any Unit (other than possession by a Mortgagee prior to either the completion of foreclosure or the acceptance of a deed to the Unit subject to the Mortgage held by such Mortgagee) shall signify that the provisions of this Declaration and the Bylaws, the rules and regulations of the Condominium and the decisions of the Association are accepted and ratified by such Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

Section 13.2 Compliance and Default. (1) Each Unit Owner shall be governed by and shall comply strictly with the terms, covenants, conditions and restrictions of this Declaration, Bylaws and the rules and regulations adopted pursuant thereto, and the same as they may be amended from time to time. (2) The Association shall have the power to enforce compliance with such reasonable rules and regulations relative to the operation, use and occupancy of the Units and the Common Elements consistent with the provisions of this Declaration and the Act, including, but not limited to the appointment of such committees and the enactment and enforcement of such enforcement procedures and penalties for violations as the Association shall deem appropriate. The rules and regulations shall be adopted, amended, or rescinded from time to time, by means of appropriate resolutions duly approved by the Executive Board in accordance with the Bylaws. A copy of such rules and regulations and copies of any amendments thereto shall be delivered or mailed to each Owner or occupant of a Unit promptly after the adoption thereof. (3) Failure of the Unit Owner to comply therewith shall entitle the Association or Unit Owners to the remedies provided in this Declaration and the Act, and also to the following relief, none of which remedies shall be exclusive of any other remedies: (a) Suits: Failure to comply with the terms of this Declaration, the Bylaws and the rules and regulations adopted pursuant thereto, as the same may be amended from time to time, shall entitle the Association or any aggrieved Unit Owner to sue for the recovery of damages or for injunctive relief, or both. Such relief shall not be exclusive of other remedies provided by law; (b) Costs and Attorney's Fees: In any proceeding arising because of an alleged failure of a Unit Owner to comply with the terms of the Condominium Documents and rules and regulations adopted pursuant thereto, as the same may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and reasonable attorney's fees; provided, however, that no attorney's fees may be recovered against the Association in any such action unless the court shall first expressly find that the Association acted in bad faith; and (c) No Waiver of Rights: The failure of the Declarant, the Association, or any Unit Owner to enforce any covenant, restriction or other provision of the Act, the Condominium Documents or the rules and regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

Section 13.3 Appeal and Hearing Procedure; Actions by Owners. Unit Owners shall have the right to object, challenge, commence any suit at law or in equity or take any other action under any act, power or authority now in force or hereafter to be enacted against the Association, but not until the Unit Owner has followed such procedures established by the Association by rule or regulation consistent with the provisions of this Paragraph. The Executive Board, or a committee as may be appointed by the Executive Board, shall hear appeals from Unit Owners or lessees of alleged violations of the Condominium Documents and rules and regulations of the Association. Unit Owners shall not have the right to appeal assessments for or collections of assessments for Common Expenses. The Executive Board or such committee shall hold a hearing on any such appeal within thirty (30) days after the receipt by the Executive Board of a formal notice of appeal from a Unit Owner or resident. A decision shall be issued in writing by the Executive Board within ten (10) days after the conclusion of the hearing. The Executive Board shall have the right to establish various rules and procedures governing the operation and administration of the appeal and hearing process and the enforcement of the Condominium Documents and rules and regulations. Unless the internal remedies provided by this Section and such rules and regulations as may be promulgated by the Executive Board shall be expressly waived by the Association or the Association fails or refuses to act, no action at law or in equity shall be commenced by any Unit Owner or resident until such internal remedy is pursued to exhaustion. Any action by a Unit Owner against any other Unit Owner or resident arising out of any term, covenant or condition contained in the Condominium Documents or any rule or regulation made pursuant thereto shall be subject to the same procedures.

ARTICLE XIV: MORTGAGES OF UNITS; RIGHTS OF MORTGAGEES

Section 14.1 Right to Mortgage. Each Unit Owner shall have the right to mortgage or encumber his own respective Unit together with the Allocated Interests appurtenant to such Unit. Except as otherwise permitted by Section 1603-112 of the Act and subject to this Declaration, no Unit Owner shall have the right or authority to mortgage or otherwise encumber in any manner whatsoever the Common Elements or any part thereof except his own Unit and his own respective Allocated Interests appurtenant to his Unit. A Unit Owner who mortgages his Unit shall notify the Association in writing of the name and address of his Mortgagee(s) and shall file a conformed copy of the note and Mortgage with the Association.

Section 14.2 Mortgage Foreclosure. Foreclosure by a Mortgagee of a Unit shall proceed by civil action according to 14 M.R.S.A. §6321, et seq., as amended, or pursuant to the remedies provided in the mortgage or through deed (or assignment) in lieu of foreclosure. The Association shall be named party in the proceedings if a lien exists for assessments that were or may become payable to the Association before the foreclosure sale. A first mortgage recorded before or after the date on which an assessment became delinquent, has priority over any lien which the Association may have. The foreclosure sale will extinguish as to the mortgagee the lien for assessments that were payable before the foreclosure sale but the proceeds from the sale

will be disbursed according to the provisions of the judgment regarding priority of liens, including any assessments owed to the Association.

Section 14.3 Notices to Eligible Mortgage Holder. The Association shall send written notice by prepaid United States mail to each affected Eligible Mortgage Holder at the address identified pursuant to Section 17.3 of this Declaration of the following proposed actions either within a reasonable period prior to the taking of any of such proposed actions or at the time that notice thereof is given to Unit Owners unless another time is specified herein: (1) any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit on which there is a first Mortgage held by such Eligible Mortgage Holder; (2) notice of any default or delinquency in the payment of assessments for Common Expenses or any other charges owed by an Owner of a Unit subject to a Mortgage held of record by such an Eligible Mortgage Holder, or any other default in the performance or payment by such an Owner of a Unit of any obligation under this Declaration, the Bylaws or any rules and regulations of the Association, which delinquency or other default continues for a period of sixty (60) days, to the Eligible Mortgage Holder of the Mortgage to which such Owner's Unit is subject; (3) any lapse, cancellation or material modification of any insurance policy or fidelity bond required to be maintained under the Declaration or Bylaws by the Association; (4) the proposed use of any proceeds of Property Insurance required to be obtained and maintained by the Association pursuant to Section 1603-113, subsection (a) of the Act, for purposes other than repair or restoration of the damaged property; (5) the adoption of any proposed budget under Section 1603-103, subsection (c) of the Act, the date of the meeting of Unit Owners scheduled to consider ratification of such proposed budget, and a summary of the proposed budget; (6) any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders as specified in Section 14.6; (7) the termination of the Condominium pursuant to Section 1602-118 of the set and this Declaration; (8) a change in the Allocated Interests appurtenant to any Unit, a change in the boundaries of a Unit, or the subdivision of a Unit; (9) the merger or consolidation of the Condominium with another condominium; or (10) the conveyance or subjection to a security interest of any portion of the Common Elements. Any action taken by the Declarant which has been reserved as a Declarant's right under this Declaration does not require notification of the Eligible Mortgage Holders. Upon written request of any Eligible Mortgage Holder, the Association will provide an audited financial statement of the Association for the preceding fiscal year at the Eligible Mortgage Holder's expense.

Section 14.4 Mortgagee Approval Rights:

(1) The prior written approval of at least eighty (80%) percent of the voting interest of the Unit Owners and sixty-seven (67%) percent of the Eligible Mortgage Holders shall be required to terminate or abandon the Condominium.

(2) The prior written approval of at least sixty-seven (67%) percent of the voting interest of the Unit Owners and at least fifty-one (51%) percent of the Eligible Mortgage Holders shall be required to alter or change the Allocated Interests except with respect to the exercise of

Development Rights reserved by the Declarant in this Declaration, or as otherwise provided in the Act.

(3) Any abandonment, partition, subdivision, encumbrance, sale or transfer of any of the Common Elements (except for granting easements for utilities or other public purposes consistent with the intended use of the Common Elements and the exercise of rights reserved by the Declarant under Article V) by act or omission shall require the prior written approval of at least eighty (80%) percent in voting interest of the Unit Owners and sixty-seven (67%) percent of the Eligible Mortgage Holders.

(4) The prior written approval of at least sixty-seven (67%) percent of the Eligible Mortgage Holders shall be required to use property insurance and eminent domain proceeds for losses to any Condominium Property (whether to Units or to Common Elements) for other than the repair, replacement restoration of the Property substantially in accordance with this Declaration, the Bylaws, Plat and Plans, and the original elevation thereof, and the original building plans and specifications.

Section 14.5 Voting by Eligible Mortgage Holders.

(1) In the event of any of the following proposed actions: (i) the termination of the Condominium pursuant to Section 1602-118 of the Act; (ii) change in the Allocated Interest of a Unit, a change in the boundaries of a Unit or a subdivision of a Unit; (iii) the merger or consolidation of the Condominium with another Condominium; (iv) the conveyance or subjection to a security interest of any portion of the Common Elements; or (v) the proposed use of any proceeds of hazard insurance required to be maintained by the Association under section 1603-113, subsection (a), for purposes other than the repair or restoration of the damaged property, an Eligible Mortgage Holder shall have the right but not the obligation in place of the Unit Owner to cast the votes allocated to that Unit or give or withhold any consent required of the Unit Owner for such action. This right shall be exercised by the Eligible Mortgage Holder delivering written notice to the Association with a copy to the Unit Owner, prior to or at the time of the taking of the proposed action, which notice shall be sent by prepaid United States mail, return receipt requested, or by delivery in hand, all according to 33 M.R.S.A. § 1602-119(c). Failure of the Eligible Mortgage Holder to so exercise such right shall constitute a waiver thereof.

(2) An Eligible Mortgage Holder who receives a written request to approve or consent to any actions or additions and amendments to any documents relating to the Condominium who does not deliver to the requesting party a negative response within thirty (30) days after the giving of notice shall be deemed to have approved such request in writing.

Section 14.6 Other Rights of Eligible Mortgage Holders. In the event or any default by a Unit Owner in payment of assessments or performance of obligations pursuant to the Condominium Documents as more fully described in Section 14.3(2) of this Article, the Eligible

Mortgage Holder of the Mortgage on such Owner's Unit shall have the right but not the obligation to cure such default. In addition to, but not by way of limitation of, all rights granted to Eligible Mortgage Holders pursuant to the Act and to this Declaration to cast the votes allocated to a Unit in lieu of the Unit Owner or which require a certain percent approval by Eligible Mortgage Holders, any Eligible Mortgage Holder, or its representative, shall have the right to attend meetings of the Association and Executive Board for the purposes of discussing the matters described in Sections 14.3(4), (5), (7), (8), (9) and (10). 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. Each Eligible Mortgage Holder shall be entitled to examine the financial records and books of account of the Association upon reasonable prior written notice to the Association and shall be entitled at the expense of the Eligible Mortgage Holder to an audited financial statement.

ARTICLE XV: AMENDMENT

Except in cases of amendments to this Declaration as described in the Act in Sections 1601-107, Eminent Domain; 1602-108, Allocation of Limited Common Elements; 1602-112, Reallocation of Boundaries Between Adjoining Units; 1602-113, Subdivision of Units; or 1602-118, Termination of Condominium, and except in cases of amendments to the Declaration that may be executed by the Declarant under Section 1602-109(f) Plats and Plans or under Section 1602-110, Exercise of Development Rights, of the Act, and subject to the other provisions of this Declaration and of the Act, this Declaration and the Plats and Plans may be amended as follows:

Section 15.1 Before Any Conveyance. Prior to the conveyance of any Unit by the Declarant to a Unit Owner other than as security for an obligation, the Declarant shall have the right to amend this Declaration in any manner that the Declarant may deem appropriate.

Section 15.2 After First Conveyance. After the first conveyance of a Unit by a Declarant, excepting amendments to the Declaration, Plat and Plans made by the Declarant accordance with rights preserved under Article V, the terms of the following subparagraphs shall apply to the amendment of this Declaration:

(1) Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting of the Executive Board in which a proposed amendment is considered, and shall be served upon all Unit Owners in the manner provided in Section 17.1 for service of notices and upon Eligible Mortgage Holders in the manner identified in Section 17.3.

(2) Resolution. An amendment to this Declaration may be proposed by either the Executive Board or by Unit Owners holding in the aggregate no less than twenty (20%) percent of the votes in the Association. No resolution of the Executive Board adopting a proposed amendment shall be effective unless it has been adopted at a meeting of the Association duly

called and held in accordance with the Bylaws by the affirmative vote of at least sixty-seven (67%) percent in voting interest of the Unit Owners and then executed and recorded as provided in Section 15.2 (5).

(3) Agreement. In the alternative, an amendment may be made by an agreement signed by the record Owners (or the Eligible Mortgage Holders) of the Units to which at least sixty-seven (67%) percent of the votes in the Association are allocated in the manner required for the execution of a deed and acknowledged by at least one of them, and such amendment shall be effective when recorded.

(4) Certain Amendments. Except as otherwise permitted by the Act or provided in this Declaration, no amendment may increase the number of Units or change the boundaries of any Unit, the Allocated Interests allocated to a Unit, or the uses to which any Unit is restricted without the unanimous consent of the Unit Owners. No amendment of this Declaration shall make any change which would in any way affect any of the rights, privileges, powers and options of the Declarant, its successors or assigns, unless the Declarant, or its successors or assigns shall join in the execution of such amendment.

(5) Execution and Recording. A copy of each amendment shall be attached to or included with a certificate, certifying that the amendment was duly adopted, which certificate shall be executed and acknowledged by such officer or officers of the Association and/or member or members of the Executive Board designated for that purpose in the Bylaws. The amendment shall be effective when such certificate and copy of the amendment are recorded.

(6) Notice and Challenge. No action to challenge the validity of an amendment to this Declaration adopted by the Association pursuant to this Article may be brought more than one year after such amendment is recorded. After each amendment to this Declaration adopted pursuant to this Article has been recorded, notice thereof shall be sent to all Unit Owners and to all Eligible Mortgage Holders at the address last furnished to the Association, but failure to send such notices shall not affect the validity of such amendment. The Association shall make copies of the Declaration and all amendments thereto available for inspection at reasonable times upon reasonable request for such inspection.

ARTICLE XVI: EASEMENTS AND LICENSES

Section 16.1 Recorded Easements and Licenses. The recording data for previously existing recorded easements and licenses appurtenant to or included in the Condominium or by virtue of any reservation contained in this Declaration, are stated and set forth in Exhibit A hereto.

Section 16.2 Utilities, Pipes and Conduits. Each Unit Owner shall have an easement in common with all other Unit Owners in the same Building to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements serving his Unit and located in any of

the other Units in the same Building. Each Unit shall be subject to an easement in favor of all other Unit Owners to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units in the same Building and located in such Unit.

Section 16.3 Structural Support. Each Unit shall have an easement to the extent necessary for structural and subjacent support over every other Unit in the same Building and over the Common Elements, and each Unit and the Common Elements shall be subject to an easement for structural and lateral support in favor of every other Unit in the same Building.

Section 16.4 Ingress, Egress and Regress. Each Unit Owner shall have an easement, subject to any rules and regulations established by the Association, in common with all other Unit Owners to use the entrances, exits, corridors and other Common Elements as a means of ingress, egress and regress to and from the Property and the adjoining public streets. The Association shall not and cannot establish any rules and regulations depriving any Unit Owner of reasonable ingress, egress and regress to and from his Unit, the Property and Common Elements, and the adjoining public streets.

Section 16.5 Encroachments. If any portion of the Common Elements or Limited Common Elements hereafter encroaches upon any Unit, or if any Unit hereafter encroaches upon any other Unit or upon any portion of the Common Elements or Limited Common Elements, as a result of settling or shifting of the Building in which they are located or if the Building or Units are not constructed precisely in accordance with the dimension shown on the Plats and Plans or otherwise except as a result of the purposeful or negligent act or omission of the Owner of the encroaching Unit, or of the Association in the case of encroachments by the Common Elements or Limited Common Elements, a valid easement appurtenant to the encroaching Units, Common Elements or Limited Common Elements for the encroachment and for the maintenance of the same shall exist for so long as the encroachment shall exist. In the event that the Building shall be partially destroyed as a result of fire or other casualty or as a result of taking by the power of, or in the nature of, eminent domain or by an action or deed in lieu of condemnation, and then is rebuilt, encroachments of a portion or portions of the Common Elements or Limited Common Elements upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Elements or Limited Common Elements, due to such rebuilding, shall be permitted, and valid easements appurtenant to the encroaching Units, Common Elements or Limited Common Elements for such encroachments and the maintenance thereof shall exist so long as such Building as so rebuilt shall stand.

Section 16.6 Common Elements Easement in Favor of Unit Owners. The Common Elements (including, but not limited to, the Limited Common Elements) shall be and are hereby made subject to the following easements in favor of the Units benefited: (1) for the installation, repair, maintenance, use, removal and/or replacement of lighting fixtures, electrical receptacles, panel boards and other electrical installations which are Common Elements adjacent to such Unit; provided that the installation, repair, maintenance, use, removal or replacement of any such item does not unreasonably interfere with the common use of any part of the Common Elements, adversely affect either the thermal or acoustical character of the Building or impair or

structurally weaken the Building; (2) for driving and removing nails, screws, bolts and other attachment devices into the Unit side surface of the stone, block, brick or other masonry walls bounding the Unit and the Unit side surface of the studs which support the dry wall or plaster perimeter walls bounding the Unit, the bottom surface of floor joists above the Unit to the extent such nails, screws, bolts and other attachment devices may encroach into a part of a Common Elements adjacent to such Unit; provided that any such action will not unreasonably interfere with the common use of any part of the Common Elements, adversely affect either the thermal or acoustical character of the building or impair or structurally weaken the Building; and (3) for the maintenance of the encroachment of any lighting devices, outlets, exhaust fans, ventilation ducts, registers, grilles and similar fixtures which serve only one Unit but which encroach into any part of any Common Elements or Limited Common Elements on the date this Declaration is recorded or was thereafter installed by Declarant during the Declarant Control Period or within two (2) years after the termination thereof.

Section 16.7 Association's Rights. The Association shall have rights reserved to it by the Declarant in Section 5.3. It shall have the reasonable right of entry upon any Unit to make emergency repairs and to do other work reasonably necessary for the proper maintenance or operation of the Condominium. The Association shall have the right to grant permits, licenses and easements over the Common Elements for utilities, ways and other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium. The Association has a right of access to each Unit for the purpose of making inspections or for the purpose of correcting any condition originating in a Unit or elsewhere and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, other Common Elements or Units, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner, and provided further that judicial proceedings shall be instituted by the Association before any items of construction can be altered or demolished. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

Section 16.8 Special Declarant Rights. Declarant, its successors and assigns have the rights and easements specified in Article V of this Declaration entitled Special Declarant Rights.

ARTICLE XVII: NOTICES TO UNIT OWNERS BY ASSOCIATION

Section 17.1 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, if requested, and shall be deemed to have been duly given if delivered personally or sent by United States mail, postage prepaid, or if such notification is of a default or lien, sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the Unit Owner at the address which the Unit Owner shall designate in writing and file with the Secretary of the Association, or if no such address is so designated, the address of the Unit of such Unit Owner who is the record owner thereof.

Section 17.2 To the Association. All notices, demands, statements or other communications affecting the Condominium shall be in writing and shall be deemed to have been duly given to the Association if delivered personally 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.

Section 17.3 Eligible Mortgage Holder. All notices, demands, statements or other communications affecting the Condominium given by the Association to any Eligible Mortgage Holder shall be in writing and shall be deemed to have been duly given by the Association if delivered personally or sent by United States mail, postage prepaid, addressed to the Eligible Mortgage Holder at the address identified pursuant to this Declaration.

ARTICLE XVIII: TAXATION

Section 18.1 Separate Taxation. If there is any Unit Owner other than the Declarant, each Unit and its Allocated Interests shall be deemed to be a separate tax parcel and shall be separately taxed and assessed by the City of Portland. Except to any extent required by law, neither the building, the Property nor any of the Common Elements shall be deemed to be or assessed individually as a separate tax parcel.

Section 18.2 Units Not Yet Separately Assessed. In the event that for any year real estate taxes are assessed by the City of Portland and are not separately taxed and assessed to each separate Unit Owner but are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective Common Element Liability.

ARTICLE XIX: TERMINATION OF CONDOMINIUM

The Condominium shall not be terminated except as provided in, and subject to, Section 1602-118 of the Act, and only by agreement of Unit Owners of Units to which at least eighty (80%) percent of the Votes of the Association are allocated, but an Eligible Mortgage Holder shall have the right but not the obligation in place of the Unit Owner to cast the vote allocated to that Unit subject to its mortgage by delivering written notice to the Association with a copy to the Unit Owner prior to or at the time of taking the proposed action as allowed under the Act. Additionally, approval of Eligible Mortgage Holders is required as previously described in Sections 14.4 and 14.5.

ARTICLE XX: MISCELLANEOUS

Section 20.1 Interpretation; Conflict. In the event of any conflict or discrepancy between this Declaration, the Bylaws and the Plats and Plans, this Declaration shall govern. If

any provision of this Declaration, the Bylaws or the rules and regulations, or any section, sentence, clause, phrase, or word therein, or the application thereof in any circumstances be judicially held in conflict with any applicable laws, including, but not limited to, the Condominium Act, then the laws shall be deemed controlling; but the validity of the remainder of this Declaration, the Bylaws and rules and regulations, and the application of any such provision, section, clause, phrase, or word in other circumstances shall not be affected thereby and all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provisions hereof. The use of the singular number in this Declaration shall be deemed to include the plural, and the use of any one gender shall be deemed applicable to all genders. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches which may occur. Any dispute or disagreement between Unit Owners with respect to interpretation or application of this Declaration or the Bylaws or rules and regulations shall be determined by the Executive Board, which determination shall be final and binding on all parties.

Section 20.2 Remedies Cumulative. All rights, remedies and privileges granted to the Association 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.

Section 20.3 Arbitration In any dispute between one or more Unit Owners and the Declarant regarding the Common Elements, the Association shall act for the Unit Owners, and any agreement with respect thereto by the Board shall be conclusive and binding upon the Unit Owners. Any dispute or disagreement between Unit Owners other than Declarant with respect to the interpretation or application of this Declaration or the Articles of Incorporation, the Bylaws or rules and regulations of the Association shall be determined by the Executive Board, which determination shall be final and binding on all parties subject to a disputant's right to appeal the decision by seeking arbitration following the procedures set forth hereinbelow.

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

other parties and with the American Arbitration Association. The demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations or other principles of law and equity.

IN WITNESS WHEREOF, CHESTNUT STREET LLC, the Declarant, has caused this Declaration to be executed by _____, its _____ thereunto duly authorized, as of the date first above written.

WITNESS:

CHESTNUT STREET LOFTS LLC,
Declarant

By: _____

Name:
Its:

STATE OF MAINE
CUMBERLAND, SS.

_____, 2005

Personally appeared the above-named _____, _____ of CHESTNUT STREET LOFTS LLC, as aforesaid, 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.

Before me,

Notary Public/Attorney-at-law

EXHIBIT A

PROPERTY DESCRIPTION

O:\MAS\05180 Berman\Chestnut Street\Condominium Docs\Declaration of Condominium 8_15_05.doc

EXHIBIT B

ALLOCATED INTERESTS

Unit No.	Percentage Interest	Vote in the Association
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
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21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
Commercial Unit		
TOTALS:	100%	35

BYLAWS
OF
CHESTNUT STREET LOFTS CONDOMINIUM ASSOCIATION

ARTICLE I

Name and Location

The name of the corporation is Chestnut Street Lofts Condominium Association (“Association” or “Corporation”). Its location is 23-31 Chestnut Street, Portland, Maine.

ARTICLE II

Definitions

Section 2.01. “Declaration” means the Chestnut Street Lofts Condominium Declaration recorded in the Cumberland County Registry of Deeds on _____, 2005, as amended from time to time, including the plats and plans therein referred to, which as amended from time to time are referred to as “Plats” and “Plans” respectively, the condominium established by the Declaration being referred to as the “Condominium”.

Section 2.02. “Member” or “Unit Owner” shall mean and refer to the owner, whether one or more persons or entities, of the fee simple title to any Unit of the Condominium, but not one who owns solely for security for an obligation.

Section 2.03. “Condominium Act” means the Maine Condominium Act, Chapter 31 of Title 33 M.R.S.A. § 1601-101 et seq., as amended, and “Nonprofit Corporation Act” means the Maine Nonprofit Corporation Act, Title 13-B M.R.S.A. § 101 et seq., as amended. Terms not herein defined will have the meanings established by the Declaration.

ARTICLE III

Powers of Association

Subject to the provisions of the Declaration, the Association may:

- (1) Adopt and amend Bylaws and rules and regulations;

(2) Acting through its Executive Board, adopt and amend budgets for revenues, expenditures and reserves and collect assessments for Common Expenses from Unit Owners;

(3) Hire and terminate managing agents and other employees, agents and independent contractors;

(4) Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or one or more Unit Owners on matters affecting the Condominium;

(5) Make contracts and incur liabilities;

(6) Regulate the use, maintenance, repair, replacement and modification of Common Elements;

(7) Cause additional improvements to be made as part of the Common Elements;

(8) Acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property, provided that Common Elements may be conveyed or subjected to a security interest only pursuant to the Condominium Act.

(9) Grant easements, leases, licenses and concessions through or over the Common Elements;

(10) Impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements, other than Limited Common Elements, and services provided to Unit Owners;

(11) Impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, Bylaws and rules and regulations of the Association; enforce Association liens.

(12) Impose reasonable charges for the preparation and recordation of amendments to the Declaration, resale certificates required by the Condominium Act or statements of unpaid assessments;

(13) Provide for the indemnification of its officers and directors, also known as Executive Board members and maintain directors' and officers' liability insurance;

(14) Exercise any other powers conferred by the Declaration or Bylaws;

(15) Exercise all other powers that may be exercised in this State by legal entities of the same type as the Association; and

(16) Exercise any other powers necessary and proper for the governance and operation of the Association.

ARTICLE IV

Meetings of Members

Section 4.01. Place and Time. All meetings of the members shall be held at such place in or outside the State of Maine and at such time as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof. The first meeting of the members shall be held no later than the earlier of either the time for adoption of the first annual budget or within sixty (60) days after 33 1/3% of the Units are conveyed to Unit Owners other than the Declarant.

Section 4.02. Annual Meetings. There shall be an annual meeting of the members on the second Tuesday of April of each year or at such other reasonable time or date as may be designated by the Executive Board.

Section 4.03. Special Meetings. Special meetings of the members may be called by the board of directors, designated as the "Executive Board," in the Declaration and in Section 5.01 hereof or by the President or by members having at least 1/3 the votes of members.

Section 4.04. Budget Adoption Meetings. As provided in §1603-103 of the Condominium Act, the date for a meeting of the members to consider ratification of a budget proposed by the Executive Board shall be not less than fourteen (14) nor more than thirty (30) days after mailing of the summary of the proposed budget to the members.

Section 4.05. Notice of Meetings. The President or Secretary, or the persons calling the meeting not less than ten (10) nor more than fifty (50) days in advance of any meeting, shall cause notice to be hand delivered or sent prepaid by United States mail to the mailing address of each Unit or to any other mailing address designated in writing by the Unit Owner. The notice of any meeting must 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 or Bylaws, any budget changes and any proposal to remove a director or officer, and if it is of a special meeting, the purpose or purposes for which it is called. When appropriate under the Bylaws or Declaration the Board shall also send reasonable prior written notice by prepaid United States mail to "Eligible Mortgage Holders" as defined in §1602-119 of the Condominium Act.

Section 4.06. Quorum, Adjournment. A quorum is deemed present throughout any meeting of the members of the Corporation when persons entitled to cast one third of the votes of the Association are present in person or by proxy at the beginning of the meeting. If, however, a

quorum is not present, a majority of the votes present may adjourn a meeting from time to time. At an adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally noticed. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each member.

Section 4.07. Voting, Proxies. As provided in the Condominium Act:

(a) If only one of the multiple owners of a Unit is present at a meeting of the corporation, he is entitled to cast the vote allocated to that Unit. If more than one of the multiple owners are present, the vote allocated to that Unit may be cast in accordance with the agreement of a majority in interest of the multiple owners including fractional voting. There is majority agreement if any one of the multiple owners casts the vote allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.

(b) A vote allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit Owner. If a Unit is owned by more than one person, each owner of the Unit may vote as described in Section 4.07(a) above or register protest to the casting of votes by the other owners of the Unit through a duly executed proxy. A Unit Owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the members. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates twelve (12) months after its date, unless it specifies a shorter term.

Section 4.08. Parliamentary Procedure. At all meetings, Roberts' Rules of Order, as then amended, shall be followed, except in the event of conflict with these Bylaws or the Declaration.

Section 4.09. Informal Action of Unit Owners. Any action required or permitted to be taken at a meeting of the members may be taken without a meeting if written consents, setting forth the action so taken, shall be signed by all of the members entitled to vote on such action and are filed with the officer of the Corporation responsible for the keeping of records as part of the Corporate records.

ARTICLE V

Directors

Section 5.01. Executive Board, Number, Qualifications, Powers and Duties. The business and affairs of the Association shall be managed by the Executive Board consisting of not less than three persons and not more than seven persons, which shall act on behalf of the Association and constitute the "Executive Board" under the Condominium Act as referenced in the Declaration. During the Declarant Control Period, there shall be three Executive Board

members. All members of the Board except for those appointed by the Declarant or persons designated by it, shall be Unit Owners. The Board shall have the power and duty to manage the activities of the Association, including exercising or causing to be exercised the powers of the Association enumerated in Article III hereof, except the Board may not amend the Bylaws after the termination of the Declarant Control Period, as defined in the Declaration.

Section 5.02. Election of Directors. The members of the Board shall be elected at the annual meeting of the Association by majority vote of those Unit Owners present at the meeting except during the Declarant Control Period.

Section 5.03. Term. The initial Executive Board shall be elected so that one third of the Board members serve for a term of one year, another third serve for two years and the final third serve for three years. Thereafter, the term of office of a Board Member shall be three years. Each Board Member shall hold office until his successor shall have been elected and qualified, or until his earlier resignation, removal from office, death or incapacity.

Section 5.04. Vacancies. Vacancies in the Board, other than positions of the Board appointed by Declarant, may be filled by appointment by the Board Members in office, even if less than a quorum. Declarant shall fill vacancies in positions it appoints.

Section 5.05. Removal of Executive Board Members. During the Declarant Control Period, removal of Declarant appointees shall be by Declarant. Otherwise at a special meeting of Association members called expressly for that purpose, the entire Executive Board or any individual Board Member may be removed, with or without cause, by the affirmative vote of Association members holding 2/3 of the voting interest of the Association.

Section 5.06. Managing Agent or Manager. The Executive Board may employ for the Condominium a managing agent or a manager at a compensation established by the Executive Board. No management contract shall be for a period of greater than three (3) years. A contract with the management agent must provide for termination by either party without cause and without payment of a termination fee on ninety (90) days written notice. The manager shall perform such duties and services as the Executive Board shall authorize, including without limitation maintenance and repair of Common Elements and obtaining of insurance. The Executive Board may delegate to the managing agent or manager the powers to:

- (a) hire and terminate employees, agents and independent contractors;
- (b) collect assessments from Unit Owners;
- (c) make contracts and incur liabilities, within budget except for emergencies; and
- (d) provide upkeep, maintenance, repair and replacement of Limited Common Elements.

Section 5.07. Annual Meeting. The first meeting of each newly elected Executive Board shall be held immediately following the adjournment of the annual meeting of the Association members at the same place as the annual meeting of Association members and no notice of such meeting shall be necessary to the newly elected Board Members in order legally to constitute the meeting, provided a quorum shall be present. In the event such meeting is not held at such time and place, the meeting shall be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Executive Board, or as shall be specified in a written waiver, signed by all of the Board Members.

Section 5.08. Regular Meetings. Regular meetings of the Executive Board may be held in November of each year or at such other reasonable time as may be designated by the Board. Notice of regular meetings of the Executive Board shall be given to each member of the Executive Board in person or by mail, telephone or telegraph, at least three (3) business days prior to the day named for such meeting.

Section 5.9. Special Meetings. Special meetings of the Executive Board may be called for such time and place including by phone, as determined by the President or any member of the Executive Board on three (3) hour notice to each member of the Executive Board, given in person or by mail, telephone, facsimile or electronic mail.

Section 5.10. Waiver of Notice. Any member of the Executive Board may at any time waive notice of any meeting of the Executive Board in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Executive Board at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Executive Board are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 5.11. Quorum of Executive Board. At all meetings of the Executive Board, a majority of the members thereof shall constitute a quorum for the transaction of business. If at any meeting of the Executive Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned 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.

Section 5.12. Resolutions of the Board; Action by Unanimous Written Consent. Unless otherwise provided in these Bylaws, the Declaration, the Condominium Act or Nonprofit Corporation Act, the votes of a majority of the members of the Executive Board present at a meeting at which a quorum is present or at which a quorum was present at the beginning of the meeting shall constitute the decision of the Executive Board and shall thus constitute action of the Association. Any action required to be taken at a meeting of the Executive Board or any other action which may be taken at a meeting of the Executive Board, may be taken without a meeting,

if a consent in writing setting forth the action so taken shall be signed by all of the members of the Executive Board.

Section 5.13. Fidelity Bonds. The Executive Board may obtain fidelity bonds for all officers and employees of the Association handling or responsible for Association funds. The premiums on such bonds shall constitute a Common Expense.

Section 5.14. Compensation. No member of the Executive Board shall receive any compensation from the Association for acting as such except for approved expenses.

Section 5.15. Liability of the Executive Board. The members of the Executive Board shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith.

Section 5.16. Parliamentary Procedure. At all Board or committee meetings, Roberts' Rules of Order, as then amended, shall be followed, except in the event of conflict with these Bylaws or the Declaration.

ARTICLE VI

Officers

Section 6.01. Designation. The officers of the Association shall be a President, Secretary and Treasurer, all of whom shall be elected by the Executive Board. The Executive Board may appoint a Vice President, Assistant Treasurer, Assistant Secretary and such other officers as in its judgment may be necessary. The President and any Vice President, but no other officers, need be members of the Executive Board. The Executive Board shall also maintain a registered office and a registered agent for the corporation as required by law.

Section 6.02. Election of Officers. The initial officers of the Association shall be elected by the Executive Board at any time. Officers shall thereafter be elected annually by the Executive Board at the first meeting of each new Executive Board. Officers shall hold office at the pleasure of the Executive Board.

Section 6.03. Removal of Officers and Vacancies. Upon the affirmative vote of a majority of the members of the Executive Board, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Executive Board or at any special meeting of the Executive Board called for that purpose. Vacancies may be filled by the Board.

Section 6.04. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Unit Owners and of the Executive Board. He shall have all of the general powers and duties which are incident to the office of president of a

corporation organized under the Nonprofit Corporation Act, 13B M.R.S.A. §101 et seq as amended, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association, and such powers of the Executive Board as the Board shall delegate to him.

Section 6.05. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Executive Board shall appoint some other member of the Executive Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Executive Board or by the President.

Section 6.06. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Executive Board; he shall have charge of such books and papers as the Executive Board may direct; and he shall, in general, perform all the duties incident to the office of the secretary of a corporation organized under the Nonprofit Corporation Act.

Section 6.07. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of accounts showing all receipts and disbursements and for the preparation of all required financial data. He shall be responsible for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Executive Board, and he shall, in general, perform all the duties incident to the office of treasurer of a corporation organized under the Nonprofit Corporation Act.

Section 6.08. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by the President or by such other person or persons as may be designated by the Executive Board.

Section 6.09. Compensation of Officers. No officer, except the Treasurer, shall receive any compensation from the Association for acting as such.

ARTICLE VII

Operation of the Condominium

Section 7.01. Budget Determination of Common Expenses. The Executive Board shall from time to time, and at least annually, prepare a proposed budget for revenues, expenditures and reserves for the Condominium, determine the amount payable by the Unit Owners to meet the Common Expenses of the Condominium, and allocate and assess such Common Expenses, which includes Limited Common Expense, among the Unit Owners

according to their interests as established by the Declaration, as amended from time to time. The Common Expenses shall include, among other things, (a) the costs of repairs, maintenance, replacement and modification of the Common Elements, including the Limited Common Elements, (b) the costs of additional improvements, if any, to the Common Elements, and (c) the cost of all premiums on all policies of insurance required to be or which have been obtained by the Executive Board. The Common Expenses shall also include such amounts as the Executive Board may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for general operating reserve for the Condominium equal to not less than two months Common Expenses for all declared Units, for an adequate reserve fund for replacement, and to make up any deficit in the Common Expenses for any prior year. The Executive Board shall advise all Unit Owners, promptly, in writing, of the amount of Common Expenses payable by each of them, respectively, as determined by the Executive Board, as aforesaid, and shall furnish copies of each budget on which such Common Expenses, including Limited Common Expenses, are based to all Unit Owners.

Within thirty (30) days after preparation of any proposed budget for the Condominium, the Board shall provide a summary of the budget to all the Unit Owners, and shall set a date for a meeting of the Executive Board to consider ratification of the proposed budget not less than fourteen (14) nor more than thirty (30) days after mailing of the summary. The Board shall also send reasonable prior written notice by prepaid United States mail to "eligible mortgage holders" as defined in §1602-119 of the Condominium Act of the budget and the date of the ratification meeting with a summary of the budget. At the meeting, the Executive Board shall receive and consider comments from Unit Owners and Eligible Mortgage Holders with respect to the proposed budget. A vote of [a majority? Higher threshold?] of the Executive Board shall be necessary to adopt the proposed budget

Section 7.02. Payment of Common Expenses. All Unit Owners shall be obligated to pay the Common Expenses under the budget or an amended budget, assessed by the Executive Board at such time or times as the Executive Board shall determine.

No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to the recording of a sale, transfer or other conveyance by him of such Unit. A purchaser of a Unit shall be liable for the payment of Common Expenses assessed against such Unit prior to the acquisition by him of such Unit, unless such expense is not shown on a certificate issued for the benefit of the purchaser by the Association under §1604-108 of Maine Condominium Act and requested by or given to the purchaser.

Section 7.03. Collection of Assessments. The Executive Board shall make all assessments for Common Expenses against the Unit Owners from time to time, and at least annually shall take prompt action to collect any assessment due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof.

Section 7.04. Default in Payment of Common Expenses. In the event of default by any Unit Owner in paying to the Executive Board the Common Expenses as determined by the Executive Board, such Unit Owner shall be obligated to pay interest at 18% per annum or such rate established by the Executive Board from time to time not exceeding 18% per annum on such Common Expenses from the due date thereof, together with all expenses, including attorney's fees, incurred by the Executive Board in any attempt to collect and in any proceeding brought to collect such unpaid Common Expenses. The Executive Board shall have the right and duty to attempt to recover such Common Expenses, together with interest thereon, and the expenses of the collection attempt and proceeding, including attorney's fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by the provisions of the Condominium Act.

Section 7.05. Foreclosure of Liens for Unpaid Common Expenses. In any action brought by the Executive Board to foreclose a lien on a Unit because of unpaid Common Expenses, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall (subject to the prior right of any mortgagee on any one or more Units) be entitled to the appointment of a receiver to collect the same. Foreclosure extinguishes the lien on the Unit but unless the debt for the unpaid Common Expenses is satisfied from the proceeds of the foreclosure sale, personal obligation for the unpaid Common Expenses will remain with the person who owned the Unit when the expenses became due and payable. The Executive Board, acting on behalf of all Unit Owners shall have the right to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant thereto, and convey or otherwise deal with the same. A suit to recover a money judgment for unpaid Common Expenses shall be maintainable without foreclosing or waiving the lien securing the same.

Section 7.06. Statement of Common Expenses. The Executive Board shall promptly provide any Unit Owner upon written request a recordable statement setting forth the amount of unpaid assessments currently levied against the Unit and other such information as required under §1604-108 of the Condominium Act when the Unit Owner shall be supplying a certificate to a purchaser. The statement shall be furnished within 10 business days after receipt of the request and is binding on the Association, the Board and every Unit Owner.

Section 7.07. Abatement and Enjoinment of Violations by Unit Owners. The violation of any rule or regulation adopted by the Executive Board or the Unit Owners, or the breach of any bylaw contained herein, or the breach of any provision of the Declaration shall give the Executive Board the right, in addition to any other rights set forth in these Bylaws:

- (a) To enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof or thereof, and the Executive Board shall not thereby be deemed guilty in any manner of trespass;

(b) To enjoin, abate or remedy by any appropriate legal proceedings, either at law or in equity, the continuance of any such breach at the cost, including attorney's fees, of such Unit Owner;

(c) If these Bylaws contain provisions, or the Executive Board has adopted and published rules and regulations governing the use of the Common Elements and the personal conduct of any person thereon violates those provisions or rules and regulations, to suspend such use by any such person for violation of such provisions or rules and regulations for a period not to exceed thirty (30) days for any single violation except that access to the Unit may not be denied.

(d) To levy summary charges against a Unit Owner for such violation, in addition to any damages, provided that no summary charges may be levied for more than \$50.00 for any one violation; but each day a violation continues after notice, it shall be considered a separate violation. Collection of charges for damages or summary charges may be enforced against the Unit Owner or Owners involved as if the charge were a Common Expense owed by the particular Unit Owner or Owners.

Section 7.08. Maintenance and Repairs of Units. All maintenance, repairs and replacements of any Unit, ordinary or extraordinary, shall be made by the owner of such Unit. Each Unit Owner shall be responsible for all damages to any and all other Units and/or to the Common Elements that his failure so to do may cause.

Section 7.09. Rules and Regulations. Rules and regulations concerning the use of the Common Elements may be promulgated and amended by the Executive Board and/or the Unit Owners. The Unit Owners may rescind by majority vote any rule or regulation adopted by the Executive Board.

ARTICLE VIII

Records

Section 8.01. Records. The Executive Board or the managing agent shall keep detailed records of the actions of the Executive Board and the managing agent, minutes of the meetings of the Executive Board, minutes of the meetings of the Unit Owners and financial records and books of account for the Association, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Expenses against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid, records of the history of actions and expenditures affecting the Common Elements and all other records required under the Condominium Act. Such records shall be available for examination by the Unit Owners and eligible mortgagees at convenient hours of weekdays.

Section 8.02. Annual Report. An annual report of the receipts and expenditures of the Association shall be rendered by the Executive Board to all Unit Owners.

ARTICLE IX

Miscellaneous

Section 9.01. Fiscal Year. The fiscal year of the Association shall be determined by the Executive Board.

Section 9.02. Notices. Unless other provision is made by law, these bylaws or in the Declaration, all notices required under these Bylaws shall be delivered by hand, or sent prepaid United States mail (a) to the Executive Board, care of the managing agent, or if there is no managing agent, to the office of the Executive Board or to such other address as the Executive Board may hereafter designate from time to time by notice in writing to Unit Owners; (b) to a Unit Owner, to the mailing address of the Unit or to any other mailing address designated in writing by the Unit Owner. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

Section 9.03. Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

Section 9.04. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws, or the intent of any provision thereof.

Section 9.05. Gender. The use of masculine gender in these Bylaws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 9.06. Waiver. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 9.07. Conflict. These Bylaws are intended to comply with the requirements of the Condominium Act, the Nonprofit Corporation Act and the Declaration. However, in the event of any conflict between these Bylaws and the provisions of either of such Acts or the Declaration, the provisions of such Act or of the Declaration, as the case may be, shall control.

Jeremy Doocce
Poughkeepsie Planner less than a year.
Masters 2004 Master's
"young planner" } eager.

Sathash Poteti
Masters 05
B Arch
Blanner 05 } no presentation skills
great tech ability

Shkriakwan
Masters
Assist Planner 04
GIS, presentation } very eager.
Not such exp w/ complex projects
but good basic exp.

* Matt Monahan
Masters PA
Engineering/planning
Planning NH.

Greg Butler.

Ben Singer
Land Surveyor.
BA - Geog.
Zoning Review 2005

David Ashman

David Asherman - ~~msg at home~~ ^{in person} March 2. 4pm

~~Gregory Butler - March 1st 2pm. by phone~~

~~Matt Monahan - msg on cell - 3-1 / 1:00pm.~~

Benjamin Singer - ~~msg. on phone~~ ^{March 8 4pm by phone} ~~2nd phone msg.~~

Mark Woolard - msg. on phone

Christopher Kittredge - Accepted another job.
Remove from list.

Jeremy Duxsee

Planner in Poughkeepses
Brownfields, river development

GIS, understanding of structure
landscaping

"young planner", low
mean index. young mind.

~~Pld design~~

Bayside
Ocean Palms
Progressive

Sarthosh Poteti

architecture

→ development of sites

haphazard planning/design.

Transportation Planning, Flooding while producing
architecture

Memphis '03 → present

typical work assignment

daily review of site plans 40/mo/20m
application

GIS applications.

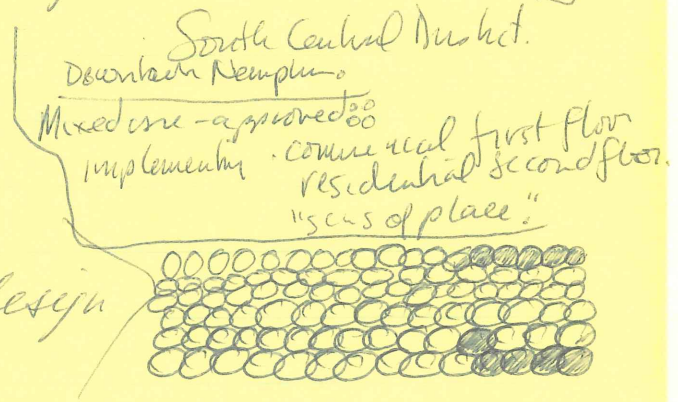
Notifications
Land Use Cases - assisted Senior Planner.

presents at public meetings

Stormwater Management

infrastructure in existing roads, sidewalks,
Comprehensive plan for neighborhood

Commercial
impervious surface
flood plain.
low impact development / design
Landscaping



Revisiting ordinance.
Charrette.
form based coding.

Memph 650,000
County 900,000

Gumantour.

Interest in Ald. - challenging career.

Difficult project - cost reduction

Time argument
maintain scheduling
LU Control Bd.
Rarely presents, provides
background or report
GIS, 3D Studio Max.