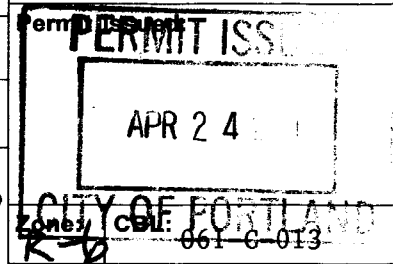


City of Portland, Maine – Building or Use Permit Application 389 Congress Street, 04101, Tel: (207) 874-8703, FAX: 874-8716

Location of Construction: ***309 Spring Street		Owner: *** J. Daniel Hoffman		Phone: 774-7777	Permit No: 01-0392
Owner Address:		Lessee/Buyer's Name:		Phone:	BusinessName:
Contractor Name:		Address:		Phone:	
Past Use: <u>2 Units</u>		Proposed Use: Condo		COST OF WORK: \$0.	PERMIT FEE: \$30.00 ?
				FIRE DEPT. <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied	INSPECTION: Use Group: 9-3 Type: 50 006899
Proposed Project Description: Condo Conversion				Signature: <i>[Signature]</i>	Signature: <i>[Signature]</i>
				PEDESTRIAN ACTIVITIES DISTRICT (P.A.D.)	
				Action: Approved <input type="checkbox"/>	
				Approved with Conditions: <input type="checkbox"/>	
				Denied: <input type="checkbox"/>	
Permit Taken By: Gayle		Date Applied For: March 1, 2001 gg			



Zoning Approval: 2 units ok per microfiche

Special Zone or Reviews:

Shoreland *ok with conditions*

Wetland

Flood Zone

Subdivision

Site Plan major minor mm

3/12/01

Zoning Appeal

Variance

Miscellaneous

Conditional Use

Interpretation

Approved

Denied

1. This permit application does not preclude the Applicant(s) from meeting applicable State and Federal rules.
2. Building permits do not include plumbing, septic or electrical work.
3. Building permits are void if work is not started within six (6) months of the date of issuance. False information may invalidate a building permit and stop all work..

CERTIFICATION

I hereby certify that I am the owner of record of the named property, or that the proposed work is authorized by the owner of record and that I have been authorized by the owner to make this application as his authorized agent and I agree to conform to all applicable laws of this jurisdiction. In addition, if a permit for work described in the application is issued, I certify that the code official's authorized representative shall have the authority to enter all areas covered by such permit at any reasonable hour to enforce the provisions of the code(s) applicable to such permit

March 2, 2001

SIGNATURE OF APPLICANT ADDRESS: DATE: PHONE:

RESPONSIBLE PERSON IN CHARGE OF WORK, TITLE PHONE:

White-Permit Desk Green-Assessor's Canary-D.P.W. Pink-Public File Ivory Card-Inspector

PERMIT ISSUED WITH REQUIREMENTS

PERMIT ISSUED WITH REQUIREMENTS CEO DISTRICT

THIS IS NOT A PERMIT/CONSTRUCTION CANNOT COMMENCE UNTIL THE PERMIT IS ISSUED

**Minor/Minor Site Review for New Detached Single Family Dwelling,
All Purpose Building Permit Application**

In the interest of processing your application in the quickest possible manner, please complete the Information below for a Building or Use Permit.

NOTEIf you or the property owner owes real estate or personal property taxes or user charges on any property within the City, payment arrangements must be made before permits of any kind are accepted.**

Location/Address of Construction: 309 Spring Street 04102

Total Square Footage of Proposed Structure 2200 Square Footage of Lot

Tax Assessor's Chart, Block & Lot Number Chart# <u>061</u> Block# <u>C</u> Lot# <u>013</u>	Owner: ^{XXX} <u>J. Daniel Hoffman</u>	Telephone#: <u>774 7777 HM</u> <u>774 0317 UK</u>
---	---	---

Lessee/Buyer's Name (If Applicable) <u>N/A</u>	Owner's/Purchaser/Lessee Address: <u>N/A</u>	Cost Of Work: \$ <u>0</u> Fee: \$ <u>30.00</u> <i>2 Condo Units 150.</i>
---	---	---

Current use: 2 unit residence Proposed use: 2 Condo units
Condo unit Permit Fee 30.00
 Project description: Condo conversion \$80.00

Contractor's Name, Address & Telephone
N/A Rec'd By: 3/1/01

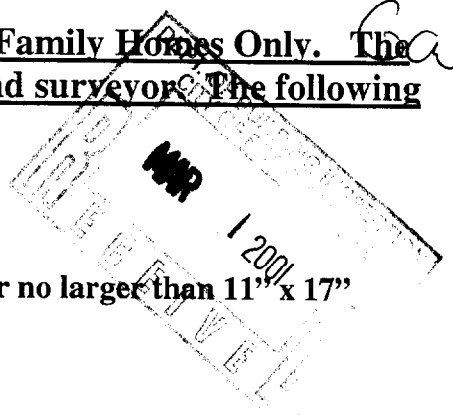
A "minor/minor" site plan review is required for New Single Family Homes Only. The Site/Plot plan must be prepared and sealed by a registered land surveyor. The following must be submitted:

- 4 copies of the site/plot plan
- 1 copy of the building/construction plan on 32" x 48"
- 1 copy of the site plan/plot plan and construction/building plan on paper no larger than 11" x 17"

On all commercial permits the following must be submitted:

- 1 copy of the site/plot plan
- 2 1 copy of the building/construction plan on 32" x 48"
- 1 copy of the site/plot and construction /building plan on paper no larger than 11" X 17"

Please note that single family additions and alterations may be hand drawn on regular paper, however the below details will still apply.



THIS IS NOT A PERMIT/CONSTRUCTION CANNOT COMMENCE UNTIL THE PERMIT IS ISSUED

A PLOT PLAN INCLUDES THE FOLLOWING:

- The shape and dimension of the lot, all existing buildings (if any), the proposed structure and the distance from the actual property lines. Structures include decks porches, a bow windows cantilever sections and roof overhangs, as well as, sheds, pools, garages and any other accessory structures.
- Scale and North arrow; Zoning District & Setbacks
- First Floor sill elevation (based on mean sea level datum);
- Location and dimensions of parking areas and driveways;
- Location and size of both existing utilities in the street and the proposed utilities serving the building;
- Location of areas on the site that will be used to dispose of surface water.
- Existing and proposed grade contours

A COMPLETE SET OF CONSTRUCTION DRAWINGS INCLUDES THE FOLLOWING:

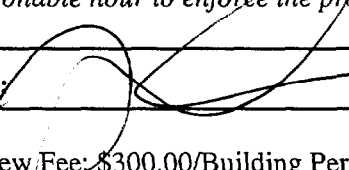
- Cross Sections w/Framing details (including porches, decks w/ railings, and accessory structures)
 - Floor Plans & Elevations
 - Window and door schedules
 - Foundation plans with required drainage and damp proofing
- Electrical and plumbing layout. Mechanical drawings for any specialized equipment such as furnaces, chimneys, gas equipment, HVAC equipment (air handling) or other types of work that may require special review must be included.

SEPARATE PERMITS ARE REQUIRED FOR INTERNAL & EXTERNAL PLUMBING, HVAC AND ELECTRICAL INSTALLATIONS

- All construction must be conducted in compliance with the 1999 B.O.C.A. Building Code as amended by Section 6-Art II.
- All plumbing must be conducted in compliance with the State of Maine Plumbing Code.
- All Electrical Installation must comply with the 1999 National Electrical Code as amended by Section 6-Art III.
- HVAC (Heating, Ventilation and Air Conditioning) installation must comply with the 1993 BOCA Mechanical Code.

Certification

I hereby certify that I am the Owner of record of the named property, or that the proposed work is authorized by the owner of record and that I have been authorized by the owner to make this application as his/her authorized agent. I agree to conform to all applicable laws of this jurisdiction. In addition, if a permit for work described in this application is issued, I certify that the Code Official's authorized representative shall have the authority to enter all areas covered by this permit at any reasonable hour to enforce the provisions of the codes applicable to this permit.

Signature of applicant: 	Date:
--	--------------

Minor/Minor Site Review Fee: \$300.00/Building Permit Fee: \$30.00 for the 1st \$1000.cost plus \$6.00 per \$1,000.00 construction cost thereafter.

ONE SET OF SUBMISSIONS INCLUDING CONSTRUCTION AND SITE PLAN DRAWINGS MUST BE SUBMITTED ON PAPER NO LARGER THAN 11" x 17" BEFORE ANY BUILDING PERMIT WILL BE ISSUED

BUILDING PERMIT REPORT

DATE: 2 March 2001 ADDRESS: 309 Spring Street CBL: 061-C-013

REASON FOR PERMIT: Condo Conversion

BUILDING OWNER: J. Daniel Hoffman

PERMIT APPLICANT: CONTRACTOR Owner

USE GROUP: A-3 CONSTRUCTION TYPE: 5B CONSTRUCTION COST: PERMIT FEES: \$30,000

The City's Adopted Building Code (The BOCA National Building Code/1999 with City Amendments)
The City's Adopted Mechanical Code (The BOCA National Mechanical Code/1993)

CONDITION(S) OF APPROVAL

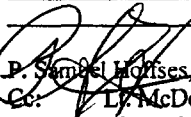
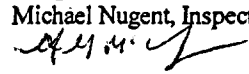
This permit is being issued with the understanding that the following conditions shall be met: #1, #19, #22, #32 #31 #30

- 1. This permit does not excuse the applicant from meeting applicable State and Federal rules and laws.
2. Before concrete for foundation is placed, approvals from the Development Review Coordinator and Inspection Services must be obtained.
3. Foundation drain shall be placed around the perimeter of a foundation that consists of gravel or crushed stone containing not more than 10 percent material that passes through a No. 4 sieve.
4. Foundations anchors shall be a minimum of 1/2" in diameter, 7" into the foundation wall, minimum of 12" from corners of foundation and a maximum 6' O.C. between bolts.
5. Waterproofing and dampproofing shall be done in accordance with Section 1813.0 of the building code.
6. Precaution must be taken to protect concrete and masonry.
7. It is strongly recommended that a registered land surveyor check all foundation forms before concrete is placed.
8. Private garages located beneath habitable rooms in occupancies in Use Group R-1, R-2, R-3 or I-1 shall be separated from adjacent interior spaces by fire partitions and floor/ceiling assembly which are constructed with not less than 1-hour fire resisting rating.
9. All chimneys and vents shall be installed and maintained as per Chapter 12 of the City's Mechanical Code.
10. Sound transmission control in residential building shall be done in accordance with Chapter 12, Section 1214.0 of the City's Building Code.
11. Guardrails & Handrails: A guardrail system is a system of building components located near the open sides of elevated walking surfaces for the purpose of minimizing the possibility of an accidental fall from the walking surface to the lower level.
12. Headroom in habitable space is a minimum of 7'6".
13. Stair construction in Use Group R-3 & R-4 is a minimum of 10" tread and 7 1/2" maximum rise.
14. The minimum headroom in all parts of a stairway shall not be less than 80 inches.
15. Every sleeping room below the fourth story in buildings of Use Groups R and I-1 shall have at least one operable window or exterior door approved for emergency egress or rescue.
16. Each apartment shall have access to two (2) separate, remote and approved means of egress.
17. All vertical openings shall be enclosed with construction having a fire rating of at least one (1) hour, including fire doors with self closure's.
18. The boiler shall be protected by enclosing with (1) hour fire rated construction including fire doors and ceiling, or by providing automatic extinguishment.

- *19. All single and multiple station smoke detectors shall be of an approved type and shall be installed in accordance with the provisions of the City's Building Code Chapter 9, Section 920.3.2 (BOCA National Building Code/1999), and NFPA 101 Chapter 18 & 19. (Smoke detectors shall be installed and maintained at the following locations):
- In the immediate vicinity of bedrooms
 - In all bedrooms
 - In each story within a dwelling unit, including basements
20. A portable fire extinguisher shall be located as per NFPA #10. They shall bear the label of an approved agency and be of an approved type. (Section 921.0)
21. The Fire Alarm System shall be installed and maintained to NFPA #72 Standard.
22. The Sprinkler System shall be installed and maintained to NFPA #13 Standard.
23. All exit signs, lights and means of egress lighting shall be done in accordance with Chapter 10 Section & Subsections 1023.0 & 1024.0 of the City's Building Code. (The BOCA National Building Code/1999)
24. Section 25 - 135 of the Municipal Code for the City of Portland states, "No person or utility shall be granted a permit to excavate or open any street or sidewalk from the time of November 15 of each year to April 15 of the following year".
25. The builder of a facility to which Section 4594-C of the Maine State Human Rights Act Title 5 MRSA refers, shall obtain a certification from a design professional that the plans commencing construction of the facility, the builder shall submit the certification the Division of Inspection Services.
26. Ventilation and access shall meet the requirements of Chapter 12 Sections 1210.0 and 1211.0 of the City's Building Code. (Crawl spaces & attics).
- *27. All electrical, plumbing and HVAC permits must be obtained by Master Licensed holders of their trade. No closing in of walls until all electrical (min. 72 hours notice) and plumbing inspections have been done.
28. All requirements must be met before a final Certificate of Occupancy is issued.
29. All building elements shall meet the fastening schedule as per Table 2305.2 of the City's Building Code (The BOCA National Building Code/1996).
30. Ventilation of spaces within a building shall be done in accordance with the City's Mechanical code (The BOCA National Mechanical Code/1993). (Chapter M-16)
31. Please read and implement the attached Land Use Zoning report requirements. *Your building is located in a Historic District. Any exterior work requires a separate permit (painting - windows pointing etc include*
32. Boring, cutting and notching shall be done in accordance with Sections 2305.3, 2305.3.1, 2305.4.4 and 2305.5.1 of the City's Building Code. *revle*
33. Bridging shall comply with Section 2305.16.
34. Glass and glazing shall meet the requirements of Chapter 24 of the building code. (Safety Glazing Section 2406.0)
35. All flashing shall comply with Section 1406.3.10.
36. All signage shall be done in accordance with Section 3102.0 signs of the City's Building Code, (The BOCA National Building Code/1999).

*37. ~~All requirements of the City's Condominium Corner 3107 regulations shall be completed with~~

#38. ~~All the Housing violations outlines in a Housing report by Tammy Munson shall be completed~~


 P. Samuel Hoopes, Building Inspector
 Co: L. McDougall, PFD
 Marge Schmuckal, Zoning Administrator
 Michael Nugent, Inspection Service Manager


PSH 10/1/00

**This permit is herewith issued, on the basis of plans submitted and conditions placed on these plans, any deviations shall require a separate approval.

***THIS PERMIT HAS BEEN ISSUED WITH THE UNDERSTANDING THAT ALL THE CONDITIONS OF THE APPROVAL SHALL BE COMPLETED. THEREFORE, BEFORE THE WORK IS COMPLETED A REVISED PLAN OR STATEMENT FROM THE PERMIT HOLDER SHALL BE SUBMITTED TO THIS OFFICE SHOWING OR EXPLAINING THAT THE CONDITIONS HAVE BEEN MET. IF THIS REQUIREMENT IS NOT RECEIVED YOUR CERTIFICATE OF OCCUPANCY SHALL BE WITHHELD. (You Shall Call for Inspections)

****ALL PLANS THAT REQUIRE A PROFESSIONAL DESIGNER'S SEAL, (AS PER SECTION 114.0 OF THE BUILDING CODE) SHALL ALSO BE PRESENTED TO THIS DIVISION ON AUTO CAD LT. 2000, DXF FORMAT OR EQUIVALENT.

*****CERTIFICATE OF OCCUPANCY FEE \$50.00



CITY OF PORTLAND

Condominium Conversion Tenant Forms

Tenant has given 30 day notice & is moving out of state 2-2 unit if owner occupied.

BUILDING ADDRESS: 309 Spring Street

NUMBER OF UNITS: 2

TENANT NAME: Dana & Megan Curtis

TENANT'S UNIT #: 1

TENANT'S TEL. #: 842 6040

TENANT'S PRESENT ANNUAL INCOME: 90k combined income ^{over income}

NUMBER OF YEARS TENANT HAS CONSECUTIVE LIVED IN BLDG: 8 months

ATTACH COPY OF TENANT NOTICE

OWNER'S NAME/ADDRESS/TEL. #: J. Daniel Hoffman
309 Spring Street Portland ME 04102 774 7771
774 0317 wk

DEVELOPER'S INFO IF DIFFERENT THAN OWNER: N/A

TYPE OF ALTERATIONS EXPECTED FOR THE CONVERSION - PLEASE DETAIL

Minor cosmetic painting etc

CONDOMINIUM CONVERSION APPLICATION
PART II

CODE COMPLIANCE:

1. Please attach copy of Notice of Intent to this application. ✓
2. Attach also a list of names of tenants or occupants to whom letters were sent. ✓
3. Please include addresses of those receiving notices of intent and dates such notice was received. (Please give apt. number wherever possible)
4. Have notices of intent been given to tenants in accordance with Chapter 608.4 of the Municipal Code entitled "Condominium Conversion Ordinance"?
yes no
5. Have relocation payments been made to eligible tenants in accordance with Chapter 608.5 of the Municipal Code? yes no N/A
6. Have relocation referrals and assistance been provided to tenants on demand?
yes no N/A

9. For each converted rental unit supply the following information on last tenants prior to conversion:

Unit Number:

(1) 2 3 4 5 6 7 8 9 10

a) Length of occupancy-

8 months

b) Age of head of household-

30

c) Number of children-

0

d) Number of persons ages 60 or over-

0

e) Will tenant purchase unit?

No

f) If not, was (or will) relocation payment (be) made?

N/A tenant gave 30 day notice
is moving to WH where he has new job

g) If moving, check destination below:

- i) Same Neighborhood-
- ii) Elsewhere in Portland-
- iii) Out of Portland-
- iv) Unknown-

THIS IS NOT A BOUNDARY SURVEY

INSPECTION OF PREMISES

I HEREBY CERTIFY TO New England Title

309 Spring Street
Portland, Maine

Job Number: 344-35

Inspection Date: 12-13-99

Scale: 1" = 20'

First Financial and its Title Insurer:

The monumentation is in harmony with current deed description.

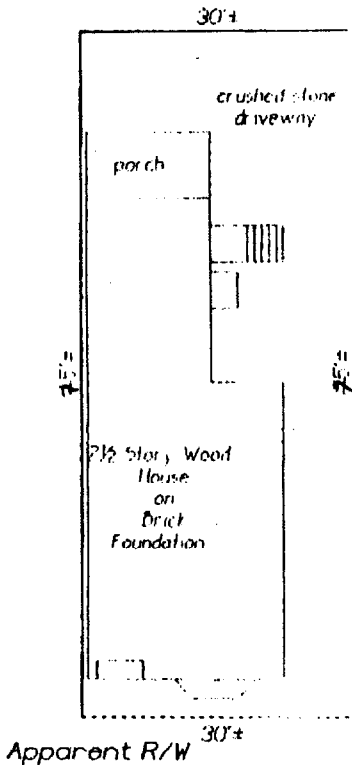
The building setbacks are in conformity with town zoning requirements.

The dwelling does not appear to fall within the special flood hazard zone as delineated by the Federal Emergency Management Agency.

The land does not appear to fall within the special flood hazard zone as indicated on community-panel # 230051 0013 B

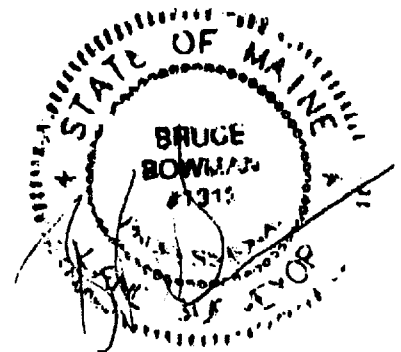
BUYER: J. Daniel Hoffman

SELLER: Julie Dean Evans



Emery Street
(bituminous)

Spring Street
(bituminous)



THIS PROPERTY IS SUBJECT TO ALL RIGHTS AND EASEMENTS OF RECORD. THOSE THAT ARE EVIDENT ARE SHOWN.

THIS PLAN MIGHT NOT REVEAL CONFLICTS WITH ABUTTING DEEDS.

BRUCE R. BOWMAN, INC.
P.O. Box 12 A
Cumberland, Maine 04021
Phone: (207) 829-3959
Fax: (207) 829-3522



PLAN BOOK _____ PAGE _____ LOT _____
DEED BOOK 12652 PAGE 122 COUNTY Cumberland

THIS PLAN IS NOT FOR RECORDING Drawn by: *Juh*

J. Daniel Hoffman
309 Spring Street, Apt 2
Portland, ME 04102

February 13, 2001

Dana and Megan Curtis
309 Spring Street, Apt 1
Portland, ME 04102

Re: 309 Spring Street, Portland, Maine

Dear Dana and Megan:

This letter will serve as notice to you of our intent to convert our property at 309 Spring Street, Portland, Maine from rental units to condominium units. In doing this we are required to follow the City of Portland's land use ordinance Article VII. on Condominium Conversion. The following information spells out the guidelines for the "Protection of Tenants" as described in Section 14-568 and Section 14-569.

The developer shall give to each existing tenant written notice of intent to convert at least one-hundred and twenty (120) days before the tenant is required by the developer to vacate. If a tenant has been in possession of any unit within the same building for more than four (4) consecutive years, the notice shall be increased by thirty (30) additional days for each additional year, or fraction thereof, to a maximum of two hundred and forty (240) additional days. The notice shall set forth the rights under these sections and contain the following statement: If you do not buy your apartment, the developer of this project is required by law to assist you in finding another place to live and in determining your eligibility for relocation payments. If you have any questions about your rights under the law, or complaints about the way you have been treated by the developer, you may contact the Building Inspection Division, Department of Planning and Urban Development, City of Portland, 389 Congress Street, Portland, Maine 04101 (telephone: 775-5451)."

No tenant may be required by a developer to vacate without having been given notice as required herein, except for reasons specified in the applicable law of forcible entry and detainer, and in accordance with the procedures thereof. The terms of tenancy, including rent, may not be altered during the notice period, except as otherwise expressly provided in the preexisting written lease. If, within one hundred and twenty (120) days after a tenant is required by a developer to vacate, the developer records a declaration of condominium without having given notice as required herein, the developer shall be presumed to have converted in violation of this article.

Option to Purchase. For a sixty-day (60) period following the giving of notice as required by this ordinance, the developer shall grant to the tenant an exclusive and irrevocable option to purchase their unit. This option may not be assigned. If the tenant does not purchase or contract to purchase their unit during the sixty (60) day option period, the developer may not convey or

offer to purchase their unit during the following one hundred and eighty (180) days at a price or on terms more favorable than the price or terms previously offered to the tenant, unless the most favorable price or terms are first offered exclusively and irrevocable to the tenant for an additional sixty (60) day period.

Relocation Payments. If the tenant does not purchase the unit, the developer shall, before the tenant is required by the developer to vacate, make a cash payment to the tenant in an amount equal to the amount of rent paid by the tenant for the immediately preceding two (2) months: provided that this requirement shall not apply to any tenant whose gross income exceeds eight percent (80%) of the median income of the Portland SMSA, adjusted for family size, as determined by the U.S. Department of Housing and Urban Development at the time the notice is given as required in Section 14-568(a). Additionally, the developer shall, upon demand, provide assistance to the tenant in the form of referrals to other reasonable accommodations and in determining the tenant's eligibility for relocation payments as provided herein.

Eight percent (80%) Median Income of Portland SMSA guideline:

1 Person	2 Person	3 Person
\$27,450	\$31,350	\$36,300

When we offer the units in your building for sale to the public, our asking price for your unit (#1) will be \$150,000.00. We are offering the existing tenants a discount from the price to the public and we will sell you your unit for \$140,000.00. We will be listing the units for sale with Ed Gardner, a real estate broker, , and if you are interested in discussing financing arrangements or any other purchase details with him, we will arrange for a meeting with him.

Our plan at this time is to begin in early April (after the sixty (60) day purchase option period is up) to having public showings (showing to be with a minimum of twenty-four (24) hours notice). If your unit becomes under contract to be purchased, we will give you a minimum of thirty (30) days notice to vacate (from the first day of the month) before your vacating.

We realize you will have many questions and concerns about this process. Please feel free to talk with us about them and we will do whatever we can to answer them.

Sincerely,

J. Daniel Hoffman

JDH/jph



CITY OF PORTLAND

Condominium Conversions

The permit fee is \$25.00 per unit. There is an additional fee for any building alterations.

Condo conversions are not a change of use, they are a change of ownership. It concerns the ownership of building areas not land. Subdivision is not involved. Only the legal number of units may be condominiumized. Any illegal units shall be removed or made legal by proper permitting.

The purpose of this ordinance is to protect existing tenants and to ensure that converted housing is safe and decent.

Notice of intent to convert: All tenants shall be given a minimum of 120 days before the tenant is required to vacate. A tenant of more than 4 consecutive years shall have the minimum notice period increased 30 days for each additional year to a maximum of 240 additional days.

0-4 years = 120 day notice	9 years = 270 day notice
5 years = 150 day notice	10 years = 300 day notice
6 years = 180day notice	11 years = 330 day notice
7 years = 210 day notice	12+ years = 360 day notice – (maximum)
8 years = 240 day notice	

60 days after their notice, the tenant has an exclusive an irrevocable option to purchase the unit that the tenant possesses. For the next 180 days, the developer/owner can not offer a more favorable price or terms to any other person unless the same terms are offered to the original tenant.

Relocation payments: If the tenant does not purchase, the developer shall (before the tenant vacates) make a cash payment to the tenant in the amount of rent for the proceeding two (2) months only if the tenant meets the current 80% of the low/mode income, adjusted for family size, as given to the City of Portland by the Federal Government. Additionally, the developer shall provide other assistance to the tenant in the form of reasonable accommodations, referrals, and determining tenant eligibility.

PLEASE READ SPECIFIC ORDINANCE FOR EXACT INFORMATION

Condominium Conversion Permit Application, continued

PART III

PROJECT DATA

1. Assessor's reference, Chart, Block; Lot: 061-C-13

2. Number of units before conversion:
___ units with 1 bedroom;
2 units with 2 bedrooms;
___ units with 3 or more bedrooms;

3. Monthly rent (range)
(specify with or without util.)
\$900/w out util.
(I live in 1st unit)
Owner

4. Number of units after conversion:
___ units with 1 bedroom;
2 units with 2 bedrooms;
___ units with 3 or more bedrooms;

5. Purchase Price (range)
\$150,000

6. Length of time building owned by applicant? 16 months

7. Are any building improvements, renovations, or modifications being made associated with this conversion that require a Building, Plumbing, Electrical, or Heating Permit
Yes ___ No (Please circle applicable permit type.)

8. Type and cost of building improvements associated with this conversion that do not require permits:

\$ ___ exterior walls, windows, doors, roof

\$ ___ insulation

\$ ___ interior cosmetic (wall/floor/refinishing, etc.)

\$ other (specify) Some minimal cosmetic work
including painting kitchen & carpets
back stairs
___ none

061-C-013

**SAMUEL GILKEY HOUSE CONDOMINIUM
309 Spring Street, Portland, Maine
A Condominium**

PUBLIC OFFERING STATEMENT

I. Description of the Condominium and the Units

Samuel Gilkey House is located on approximately .5 acres of land at 309 Spring Street in Portland, Maine (the "Property"). It is proposed to consist of one (1) building with two (2) condominium units (the "Units") in the building. Each Unit is an individual Residential Unit.

The first floor Unit contains approximately 900 sq. ft. of living area consisting of one (1) bedroom with closets, a kitchen and dining area, as well as a living room. The second floor Unit contains approximately 1,200 sq. ft. of living area consisting of two (2) bedroom with closets, a kitchen and dining area, as well as a living room

In addition to owning his or her Unit, each individual Owner owns a specified undivided interest in the Common Elements. This is referred to as the "Percentage Interest." The ownership of this Percentage Interest gives each Owner the right, subject to the terms of Chapter 31 of Title 33 of the Maine Revised Statutes Annotated (the "Condominium Act"), the Declaration, the ByLaws and the Plats and Plans, to use and participate in the control of the Common Elements (through membership in the Association). Included in the Common Elements shall be the open space area as shown on the Plats and Plans. A summary description of the Common Elements can be found in Article III of this Statement.

Some portions of the Common Elements are designated as "Limited Common Elements." Each Unit will have appurtenant to it as a Limited Common Element those items specified in the Declaration. The Limited Common Elements are for the exclusive use of the Owner to whose Unit the Limited Common Element is assigned by the Declaration and the Plats and Plans, the Declarant or the Association.

Units 1-2 are substantially constructed, and any renovations or improvements to the Units will be completed within one (1) year of the date hereof.

II. The Maximum Number of Units; Sales to Investors

The maximum number of Units will be 2.

The Declarant does not intend to retain any Units for rental by Declarant, however, any or all Units owned by Declarant pending sale may be offered for rent to the general public.

III. Description of the Significant Features of the Declaration, Bylaws and Other Important Documents.

A. The Declaration

The Condominium shall be created by the Declarant recording a Declaration ("The Declaration") and the Plat and Plan in the Cumberland County Registry of Deeds. A copy of the Declaration and the Plat and

Plan, effective as of the date hereof, are attached as **Exhibit A** (the "Condominium Documents"). The following is a brief narrative description of the significant features of the Declaration.

Article 1 provides for the submission of the Property as a Condominium under the Condominium Act and states the name and address of the Condominium.

Article 2 contains the definitions of certain terms used in the Condominium Documents. Article 2 also incorporates the provisions of the Condominium Act (33 M.R.S.A. § 1601-101, *et. seq.*), and states that those Acts' provisions apply to the operation and government of the Condominium except (where permitted by the Condominium Act) to the extent contrary provisions are found in the Condominium Documents.

Articles 3 and 4 of the Declaration state that the Condominium shall consist of 2 Units, and describe the boundaries of the Units, the Common Elements, and Limited Common Elements. All portions of the homes which are not contained within a Unit and which are not designated as Limited Common Elements are deemed to be Common Elements. Common Elements will be maintained by the Samuel Gilkey Condominium Association (the "Association") on behalf of all Owners, and the cost of such maintenance will be shared by all Owners according to their Percentage Interests. All maintenance, repair and replacement to the Common Elements, will be included in the Common Expenses.

Article 5 of the Declaration describes the maintenance responsibilities of the Association and the Owners. The Owners are responsible for the maintenance and upkeep of their respective Units and Limited Common Elements. The Association, or the Association acting through a managing agent, is responsible for the maintenance and upkeep of the Common Elements.

Article 6 of the Declaration establishes the Percentage Interests of the Units in the Common Elements, the Common Expense liability and the voting rights of Owners. The Percentage Interest for each Unit is determined by dividing the Unit Percentage Interest by the number of Units. Each Owner will have one (1) vote in the Association for each Unit to permit equality of voting power among Unit Owners.

Article 7 of the Declaration sets forth the Association's right to employ a property management firm to act as Managing Agent to oversee daily operation of the Condominium and the allocation of maintenance responsibilities. The Managing Agent, or the Association through the Executive Board in the absence of a Managing Agent, will keep the Common Elements properly maintained and is authorized to replace or repair any Limited Common Elements. The Managing Agent will also coordinate operation and management of the Units. Fees and charges for Managing Agent services are a Common Expenses.

Article 8 of the Declaration lists the various easements to which the Condominium or certain portions of the Condominium are subject. It also reserves to the Declarant the right to maintain models, signs and management offices on the Property. (For more information regarding encumbrances to which the Condominium is subject, see Section VII of this Statement.)

Article 9 of the Declaration imposes various restrictions on the use of the Units and various other portions of the Condominium. For example, all Units are restricted to residential uses, and Owners are barred from conducting any activity which unreasonably interferes with the quiet enjoyment of adjacent Units. There are restrictions against pets and repairs of Units by Owners.

Article 10 of the Declaration allows the Declarant to reserve certain rights with respect to the development of the Property and describes what those rights are. (For more information regarding development rights reserved by the Declarant, see Section XX of this Statement.)

Article 11 of the Declaration provides that all present and future owners, lessees, occupants, mortgagees and holders of Land Installment Contracts ("Contract Holders") of Units in the Condominium are subject to the Condominium Documents, and provides for a procedure to be followed in the event of condemnation of all or part of the Common Elements.

Article 12 of the Declaration describes the makeup of the Executive Board of the Association. The Executive Board consists of three (3) members and, initially, the Declarant will appoint the members of the Executive Board. This Article also provides for the transition from the Declarant appointed Executive Board to an Executive Board controlled by the Owners (for more information regarding this transition see Section XXI of this Statement). Article 12 also sets forth the procedure to be followed to resolve any inconsistency among the various Condominium Documents and to amend the Condominium Documents, and grants to the Executive Board and any aggrieved Owner the power to abate or enjoin any violations of the Condominium Documents by Owners, tenants of Owners or the Association.

Article 13 of the Declaration provides for a limitation on the liability of the members, officers and employees of the Executive Board and provides for the indemnification of members of the Executive Board against all expenses and liabilities which they may incur in the performance of their duties, except in circumstances involving willful misconduct or gross negligence. Other sections in Article 13 provide for the defense of claims against the Association, a disclaimer of bailee liability of the Association, the members of the Executive Board and of any Owner for personal property stored on the Common Elements.

Article 14 deals with the liability of Owners to pay all Common Expense assessments allocated to their Units and provides the procedures to be followed to establish reserves, fix assessments and collect assessments in the event the Owner fails to pay them.

Article 15 sets forth the rights of Contract Holders and of lenders who provide mortgages or other financing to purchasers of Units in the Condominium. There are no restrictions on the type of financing; however, lenders and Contract Holders must register with the Association in order to receive notices. Under Article 15.2 and Article 15.3 of the Declaration, mortgagees, Contract Holders, insurers and guarantors of mortgages on the Units are entitled to receive certain notices and are given certain rights.

Article 16 of the Declaration outlines the types and amounts of insurance which the Association is required to obtain and the various provisions governing such insurance (For more information regarding insurance, see Section XIV of this Statement.)

Article 17 provides that the Declarant may assign the rights it has reserved to others.

Article 18 outlines the procedure for amendments of the Declaration. With certain exceptions, the Declaration may be amended by vote or agreement of the Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated. In certain cases, amendments to the Declaration must be approved by certain mortgagees of Units representing at least fifty-one percent (51%) of the votes of Units that are subject to mortgages held by those mortgagees.

Article 19 provides the procedure for termination of the Condominium. The Condominium may be terminated only by agreement of the Owners to which eighty percent (80%) of the votes in the Association are allocated, and in certain cases, such termination must be approved by certain mortgagees of Units to which sixty-seven percent (67%) of the votes in the Association allocated to Units subject to mortgages held by those mortgagees are allocated. Otherwise, termination of the Condominium will be governed by the provisions of the Condominium Act.

Article 20 appoints the Managing Agent, if any, to be the Attorney in Fact for each Owner in certain instances regarding personal property, certain matters concerning the Corner Brook Commons Owners Association, and the management of the Condominium.

Article 21 sets out several general provisions dealing with the construction and application of the Declaration.

Article 22 provides guidelines for giving notice to Unit Owners of matters affecting the Condominium.

B. ByLaws of the Association

The operation and administration of the Association are governed by the ByLaws. A copy of the ByLaws effective as of the date of delivery of this Public Offering Statement is attached to this Statement as **Exhibit B**.

Article 1 of the ByLaws set out several general provisions dealing with the application and construction of the ByLaws and the location of the Association office.

Article 2 of the ByLaws provide that all Owners in the Condominium are members of the Association. Article 2 also sets forth the time, purpose and procedure for annual and special meetings of the Association. The Association is required to conduct meetings at least annually, and at the annual meeting the Treasurer of the Association is required to present an annual financial report for the preceding fiscal year and the projected budget for the current fiscal year.

Article 3 provides for an Executive Board of three (3) natural persons. It also describes the time, purpose and procedures for meetings of the Executive Board, and sets forth procedures to be followed in the event Executive Board members resign or positions on the Executive Board become vacant. Article 3 also sets forth requirements governing the validity of contracts with interested Executive Board members, and permits the Executive Board to enter into a management contract for the professional management of the Condominium.

Article 4 contains provisions governing the election of officers of the Association by the Executive Board and enumerates the duties of those officers.

Article 5 describes the procedure for establishing budgets and the ratification thereof by the Owners. It also sets forth the obligation of Owners to pay Assessments for Common Expenses. Under Article 5.8, the Association, by a two-thirds (2/3) vote may reject any capital expenditure or borrowing approved by the Board, except during the period during which the Declarant may appoint all of the members of the Executive Board.

Article 6 sets forth the procedure for restoration and repair to the Buildings or other parts of the Condominium if damaged or destroyed.

Article 7 sets forth the procedure for amending the ByLaws.

Article 8 contains general provisions applicable to the ByLaws.

Article 9 describes the seal of the Association.

C. Rules and Regulations

The ByLaws provide that the Executive Board may promulgate rules and regulations governing the details of the use and operation of the Condominium. A copy of the Rules and Regulations effective as of the date of this public offering statement is attached to this Statement as **Exhibit D**. These Rules and Regulations generally regulate the Owners' use of the Units and the Common Elements so as to minimize disruption and interference by one Owner with the rights of others. They further provide that Common Elements may not be obstructed, and they regulate the cleanliness, appearance, and maintenance of both the Units and the Common Elements. They also regulate noise-making by owners and other interference with the rights of the owners. The regulations also cover the keeping of animals by owners and the leasing of units. Included within the Rules and Regulations are the procedures for submitting complaints and enforcing the Rules and Regulations. The Executive Board occasionally develops polices which may also impact Owners, but which are not codified into the Rules & Regulations.

D. Contracts and Leases to be signed by purchasers at closings, Contracts or Leases that May Extend Beyond Period of Declarant Control.

At closings purchasers are required to sign a Purchase and Sale Contract and those documents required regularly to obtain the financing of a Unit. A Copy of a Purchase and Sale Contract, effective as of the date hereof, is attached as **Exhibit E**.

At the time of purchase there may be in place a contract with a Managing Agent. The Association through the Executive Board has the right to employ a professional experienced Managing Agent who shall oversee the daily operation of the Condominium; provided, however, no agreement for such professional management of the Condominium will exceed a term of three years but may be renewed upon consent of the Association. Such agreement shall be cancelable by either party without cause and without a termination fee upon not less than sixty (60) days nor more than ninety (90) days written notice and shall be cancelable by the Executive Board with cause upon not less than thirty (30) days written notice. Any agreement for professional management negotiated by the Declarant shall meet the same requirements for agreements negotiated by the Association and cannot exceed one year but may be renewed upon consent of the Association.

IV. Projected Budget and Current Balance Sheet

The Executive Board of the Association, or the Declarant, has prepared a proposed budget for the 12 month period beginning January 1, 2001 and ending December 31, 2001. A copy of the currently projected budget for the Association is included in this Public Offering Statement as **Exhibit F**.

The budget has been prepared based upon what the Declarant believes to be the best current estimates of future costs based on information currently available, and maintenance costs of similar properties. The budget establishes a reserve for future capital expenditures for repair and replacement. There are no other reserves.

V. Declarant Services

There are no services the Declarant currently provides not reflected in the budget or expenses currently paid which the Declarant expects may become at any future time a Common Expense to the Association.

VI. Initial or Special Fees Due From the Purchaser at Closing

The Purchaser will not be required to pay any initial or special fee at the closing for any Unit purchased. The Purchaser will be required to pay the standard settlement costs as described in the Purchase and Sale Contract and the purchaser's prorated share of any Common Expense Assessment paid by the Declarant.

VII. Liens, Defects and Encumbrances Affecting the Title to the Condominium and Units

The Condominium and Units are subject to the terms of the Declaration, as recorded, the conditions shown on the Plats and Plans, as recorded, the ByLaws and any Rules and Regulations issued, as each of these may be amended from time to time. In addition, the condominium is subject to the following:

(a) Statutory easements granted by the Condominium Act, including (i) the easement provided by Section 1602-114 of the Condominium Act, which provides that Unit or Common Element is subject to a valid easement to the extent that any other Unit or Common Element encroaches upon it; (ii) the provisions of Section 1602-115 of the Condominium Act which allows the Declarant to maintain sales offices, management offices and models in the Condominium (such right being set forth in Article 8.1 of the Declaration); and, (iii) the easement provided in Section 1602-116 of the Condominium Act, which allows the Declarant an easement through the Common Elements, and, if necessary, through portions of the Limited Common Elements, as may be reasonably necessary to facilitate the completion of the Condominium, to exercise any Development Right or Special Declarant Right reserved by the Declarant in Article 10 of the Declaration and elsewhere in the Condominium Documents.

(d) Unrecorded easements, discrepancies, conflicts in boundary lines, shortages of area and encroachments which an accurate and complete survey of the Condominium as built, would disclose.

(e) Easements and restrictions described in Article 8 of the Declaration including the following:

(1) The Units and Common Elements are subject to easements in favor of the Declarant, other owners, and appropriate utility service companies and governmental agencies. Further, the Executive Board shall have the right and power to convey permits, licenses and easements over the Common Elements for the installments, maintenance, repair and replacement of utility equipment, roads, for the protection of the natural, scenic and open space values of the Property, and for other purposes necessary for the proper operation of the Condominium;

(2) Those portions of the Common Elements not located within the buildings in which the Units are located are subject to an easement in favor of the Declarant to maintain and correct drainage of surface water;

(3) The Common Elements and Units are subject to an easement in favor of the Declarant for the purposes of construction, reconstruction, maintenance, renovation, repair, replacement or correction of the Units or Common Elements;

(4) The Common Elements (not including the Limited Common Elements) are subject to an easement in favor of the Owners, their invitees, employees, tenants and servants, the Association and the agents and employees of the Association for access through each portion of the Common Elements, subject to the requirements and charges imposed by the Executive Board;

(5) The Common Elements are subject to an easement in favor of the Association, its agents, employees and independent contractors for the purpose of inspection, upkeep, maintenance, repair and replacement of the Common Elements;

(6) The Units and the Limited Common Elements are subject to an easement in favor of the Association, its agents, employees, and independent contractors for inspection of the Units and Limited

Common Elements and Property, for inspection, maintenance, repair and replacement of the Common Elements or the Limited Common Elements and Property situated in or accessible from such Units or Limited Common Elements and for the correction of emergency conditions;

(7) The Units and the Limited Common Elements are subject to an easement in favor of the Owner benefited and the Association, its agents, employees and independent contractors for the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, electrical, telephone, telegraph and other communication systems and all other utility lines which are part of the Common Elements and pass through a portion of one or more Units;

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

(9) The Common Elements are subject to an easement in favor of the benefited Units (a) for installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, heating and air conditioning systems, electrical, telephone and other communication wiring and cables and all other utility lines and conduits which are part of or exclusively serve as a single Unit and which pass across or through a portion of the Common Elements; (b) for installation, repair, maintenance, use, removal and replacement of utilities located on the Common Elements, or of overhead lighting fixtures, electrical receptacles and light fixtures located in a portion of the ceiling, wall or floor adjacent to the Unit; (c) for driving and removing nails, screws, bolts and the like into the Unit-side surface of walls, ceilings and floors which are part of the Common Elements; and (d) for the maintenance of the encroachment of any lighting devices, outlets, medicine cabinets, exhaust fans, ventilation ducts, registers, grilles, and similar fixtures which serve only one Unit but which encroach in to any part of any Common Element or Limited Common Element on the date the Declaration is recorded or any amendment thereto is recorded;

(10) The Units and the Limited Common Elements are subject to an easement in favor of the Association, its agents, employees, and independent contractors for inspection of the Units and Limited Common Elements and Property, for inspection, maintenance, repair and replacement of the Common Elements or the Limited Common Elements and Property situated in or accessible from such Units or Limited Common Elements and for the correction of emergency conditions.

(11) The Units and the Limited Common Elements are subject to an easement in favor of the Owner benefited and the Association, its agents, employees and independent contractors for the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, electrical, telephone, telegraph and other communication systems and all other utility lines which are part of the Common Elements and pass through a portion of one or more Units;

(12) The Units and the Limited Common Elements are subject to an easement in favor of the Owner benefited and the Association, its agents, employees, and independent contractors for the purpose of affixing and removing carpeting, parquet flooring and other floor coverings and for the purpose of affixing and removing paint, wallpaper, other decorative material, pictures, mirrors and other decorative articles and for otherwise decorating, cleaning and maintaining such surface of the floors, walls and ceilings.

VIII. Financing Offered Or Arranged by the Declarant.

The Declarant may offer financing to qualified buyers. The financing terms will vary based upon the credit history of the buyer. A Purchaser must execute a Promissory Note for Declarant's benefit the terms of which include the amount of interest to be charged and the amount of years for repayment. A down payment is required, however, the amount may vary. There is no prepayment penalty. The loan shall be secured by a first or second mortgage on the Unit granted to the Declarant.

IX. Warranties

With respect to the Units being sold and the Common Elements appurtenant thereto, the Condominium Act provides as follows:

§ 1604-112. Express warranties of quality.

(a) Express warranties made by any seller to a purchaser of a unit, if relied upon by the purchaser, are only created as follows:

(1) Any written affirmation of fact or promise which relates to the unit, its use, or rights appurtenant thereto, area improvements to the condominium that would directly benefit the unit, or the right to use or have the benefit of facilities not located in the condominium, creates an express warranty that the unit and related rights and uses will conform to the affirmation or promise;

(2) Any model or description of the physical characteristics of the condominium, including plans and specifications of or for improvements, creates an express warranty that the condominium will substantially conform to the model or description;

(3) Any written description of the quantity or extent of the real estate comprising the condominium, including plats or surveys, creates an express warranty that the condominium will conform to the description, subject to customary tolerances; and,

(4) A provision that a buyer may put a unit only to a specified use is an express warranty that the specified use is lawful.

(b) Neither formal words, such as "warranty" or "guarantee", nor a specific intention to make a warranty, are necessary to create an express warranty of quality, but a statement purporting to be merely an opinion or commendation of the real estate or its value does not create a warranty.

(c) Any conveyance of a Unit transfers to the purchaser all express warranties of quality made by previous sellers.

§ 1604-113. Implied warranties of quality.

(a) A declarant and any person in the business of selling real estate for his own account warrants that a unit will be in at least as good condition at the earlier of the time of the conveyance or delivery of possession as it was at the time of contracting, reasonable wear and tear excepted.

(b) A declarant and any person in the business of selling real estate for his own account impliedly warrants that a unit and the common elements in the condominium are suitable for the ordinary uses of real estate of its type and that any improvements made or contracted for by him, or made by any person before the creation of the condominium, will be:

(1) Free from defective materials; and,

(2) Constructed in accordance with applicable law, according to sound engineering and construction standards and in a workmanlike manner. Construction complying with the National Building Code and Code Administrators (BOCA) Basic Building Code or equivalent applicable local building code, if any, shall be deemed to satisfy such sound engineering or construction standards.

(c) In addition, a declarant warrants to a purchaser from him of a unit that may be used for residential use that an existing use, continuation of which is contemplated by the parties, does not violate applicable law at the earlier of the time of conveyance or delivery of possession.

(d) Warranties imposed by this section may be excluded or modified as specified in section 1604-114.

(e) For purposes of this section, improvements made or contracted for by an affiliate of a declarant, section 1601-103, paragraph (1), are made or contracted for by the declarant.

(f) Any conveyance of a unit transfers to the purchaser all of the Declarant's implied warranties of quality.

§ 1604-114. Exclusion or modification of implied warranties of quality.

(a) Except as limited by subsection (b) with respect to a purchaser of a unit that may be used for residential use, implied warranties of quality:

(1) May be excluded or modified by agreement of the parties; and,

(2) Are excluded by expressions of disclaimer, such as "as is", "with all faults", or other language which in common understanding calls the buyer's attention to the exclusion of warranties.

(b) With respect to a purchaser of a unit that may be occupied for residential use, no general disclaimer of implied warranties of quality is effective, but a declarant may disclaim liability in an instrument signed by the purchaser, for a specified defect or specified failure to comply with applicable law, if the defect or failure entered into and became a part of the basis of the bargain.

§ 1604-115. Statute of limitations for warranties

(a) A judicial proceeding for breach of any obligation arising under section 1604-112 or 1604-113 must be commenced within 6 years after the cause of action accrues, but the parties may agree to reduce the period of limitation to not less than 2 years. With respect to a unit that may be occupied for residential use, an agreement to reduce the period of limitation must be evidenced by a separate instrument executed by the purchaser.

(b) Subject to subsection (c), a cause of action for breach of warranty of quality, regardless of the purchaser's lack of knowledge of the breach, accrues:

(1) As to a unit, at the time the purchaser to whom the warranty is first made enters into possession if a possessory interest was conveyed or at the time of acceptance of the instrument of conveyance if a nonpossessory interest was conveyed; and

(2) As to each common element, at the time the common element is completed or, if later:
(i) As to a common element which may be added to the condominium or portion thereof, at the time the first unit therein is conveyed to a bona fide purchaser; or

(ii) As to a common element within any other portion of the condominium, at the time the first unit in the condominium is conveyed to a bona fide purchaser.

(c) If a warranty of quality explicitly extends to future performance or duration of any improvement or component of the condominium, the cause of action accrues at the time the breach is discovered or at the end of the period for which the warranty explicitly extends, whichever is earlier.

X. Right to Cancel Purchase (Limitations of Warranties).

The Declarant shall provide a purchaser of a Unit with a copy of this Public Offering Statement and all amendments thereto before the execution of a contract for sale. Unless prior to the execution of a contract for sale, a purchaser acknowledges in writing receipt and review of such offering statement, the purchaser, upon written notice to the Declarant, may cancel the contract at any time prior to conveyance of the Unit, unless the purchaser shall, subsequently, expressly and in writing waive such right to cancel after having received and reviewed such offering statement.

If the Purchaser elects to cancel, he or she may do so by hand delivering a notice thereof or by mailing the notice by prepaid United States mail to the Declarant. The cancellation shall be without penalty and any deposit made by the Purchaser shall be promptly refunded in its entirety.

Once a purchaser accepts the conveyance of a Unit, he may not cancel the contract.

XI. Unsatisfied Judgments, Pending Legal Proceedings.

As of the date of delivery of this Statement, there are no judgments against the Association, nor is the Association a party to any pending litigation. The Declarant has no actual knowledge of any pending litigation that would be of any significance to the Condominium or the Property.

XII. Escrow of Deposits.

Any deposit made in connection with the purchase or reservation of a Unit from the Declarant shall be placed in escrow by Declarant and held either in this State or in the state where the Unit is located in an account designated solely for that purpose by a licensed title insurance company, an attorney, a licensed real estate broker or an institution whose accounts are insured by a governmental agency or instrumentality until the deposit is: (1) delivered to the Declarant at closing; (2) delivered to the Declarant because of purchaser's default under a contract to purchase the unit; or (3) refunded to the purchaser.

XIII. Restraints on Transfers.

Section 1604-102 of the Condominium Act prohibits the Declarant from offering any interest in a Unit until the Declarant has prepared and delivered to a Purchaser a current Public Offering Statement.

The Condominium Act further provides that no part of the Common Elements may be sold except in conjunction with the sale of an interest in a Unit; provided, however, the Act does permit the sale of Common Elements or portions thereof by the Association upon the required vote of the members. No conditions are placed on this right of the Association by the Declaration.

The Declaration imposes the following restrictions on use of an Owner's Unit.

(a) The Units (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) are restricted to residential use.

(b) No Owner may obstruct the Common Elements in any way.

(c) No Owner may carry on any practice, or permit any practice to be carried on, which unreasonably interferes with the quiet enjoyment of the occupants of any other Unit. The Property is to be maintained in a clean and sanitary condition, and no Owner may place any garbage, trash or rubbish anywhere in the Property other than in his own Unit and in or on such parts of the Common Elements as may be designated for such purpose by the Executive Board.

(d) No Unit shall be used, occupied or kept in a manner which in any way increases the fire insurance premiums for the Property without the prior written permission of the Executive Board.

(e) No Owner of any Unit (other than the Declarant in connection with its marketing and sale of the Units) may erect any sign on or in his Unit or any Limited Common Element which is visible from outside his Unit or from the Common Elements without in each instance having obtained the prior written permission of the Executive Board.

(f) No pets, including animals, birds or fish, shall be kept or allowed to remain on any part of the Property without the written consent of the Executive Board.

(g) The Executive Board may from time to time promulgate reasonable Rules and Regulations, not in conflict with the provisions of the Declaration, concerning the use and enjoyment of the Property. Copies of the then current Rules and Regulations and any amendments thereto shall be furnished to all Owners by the Association promptly after the adoption of such Rules and Regulations and any amendments thereto.

(h) Except as otherwise provided herein, no Unit shall be altered, remodeled or renovated unless such alteration, remodeling or renovation shall be approved in writing by a majority vote of the Executive Board of the Association. Any such approval shall identify the alteration, remodeling or renovation to be done in reasonable detail and shall establish a budget therefor. All such alterations, remodeling or renovation shall be conducted by the Managing Agent.

(i) All repairs to a Unit required in order to maintain the Unit in the manner required by subparagraph (c) shall be made by the Managing Agent. No Owner shall make such repairs.

(j) No Owner shall cause any material to be furnished to his Unit or any labor to be performed therein or thereon except in the manner set forth in sub-paragraph (h) and (i) above.

The Declarant shall have the right to operate any Units owned by the Declarant as a rental project. An Owner, other than the Declarant, may sell or lease his or her Unit, however, the Executive Board may prescribe a form of lease or specific provisions.

The Rules and Regulations attached to this Statement as **Exhibit D** further restrict the Owners' use of the Common Elements and of the Units.

XIV. Insurance.

Article 16 of the Declaration sets forth the provisions concerning the types and amounts of insurance coverage to be provided by the Association. The Property will be insured by a policy of fire and property damage insurance in an amount equal to one hundred percent (100%) of the current replacement cost of the Condominium, including the individual Units, at the time the insurance is purchased and at each renewal date. The premium for this insurance will be paid by the Association. Each Owner will pay his share as part of his Assessment for Common Expenses. This policy will insure all physical improvements and fixtures within each Unit in existence on the date of closing. Personal property of the Owner will not be insured. It will be the individual responsibility of the Owners to insure their personal property and liability insurance to cover claims arising out of the use or ownership of their Units. Owners are advised to consult the Executive Board or the Managing Agent before purchasing their own insurance.

The Association will also carry a liability insurance policy on behalf of the Association and all Owners to insure them against liability arising out of the ownership or use of the Common Elements, worker's compensation insurance, directors and officers insurance, flood insurance, if applicable and available, covering anyone who either handles or is responsible for funds held or administered by the Association. The cost of maintaining each of such insurance policies and bonds shall be a Common Expense.

The liability policy will not insure Owners against liability arising from an accident or injury occurring within their Unit or from their own negligence.

Insurance proceeds under the fire and property damage insurance policy will be paid to the Association or an insurance trustee, if there is an insurance trust agreement in effect.

XV. Fees on the Use of Common Elements; Financial Arrangements for Improvements.

There are no current or expected fees or charges to be paid by Owners for the use of Common Elements and other facilities related to the Condominium other than the assessments for management of the Condominium.

XVI. Unusual and Material Circumstances, Features and Characteristics, Zoning and Land use Requirements Affecting the Condominium

A. *Pre-Construction Sales.* The Declarant may sell Units on a pre-construction basis. If one year from the date of execution of the Purchase Contract, construction of the Purchaser's specified Unit has not been completed for reasons other than those beyond Declarant's control, the Purchaser may at his option receive a full refund of all deposits made under his or her Contract.

B. *Zoning and Land Use Requirements.* The Condominium is located in the Residential Zoning District, established by the Zoning Ordinance of the Town of Windham. The Town of Windham granted final approval, as indicated on the Plan, to develop the subdivision in which the Condominium is located.

XVII. Common Expense Assessments.

The projected Common Expense Assessments for each Unit are set forth in the annual budget, a copy of which is attached to this Statement as Exhibit F. The assessments do not vary seasonally but will change each year as the annual budget is approved by the Association.

XVIII. Owner's Liability for Real Estate Taxes, Assessments and Other Charges.

By statute, a municipality must separately assess and tax individual Units with each Owner therefore liable only for real estate taxes, municipal assessments and other municipal charges against his or her own Unit, with no liability for such obligations against other Units. Payment of such taxes, assessments, and charges shall be included in the Common Expense Assessment unless the owner is charged a special Assessment or an Assessment for Limited Common Expenses as authorized by Article 14 of the Declaration. Collection of such taxes is done by the Association.

XIX. Liens for Assessments and Other Claims

All sums assessed by the Association constitute the personal liability only of the Owner thereby assessed. The Condominium Act provides a lien process by which the Association can perfect liens for the non-payment of assessments and foreclose them through a judicial proceeding. That liability constitutes a lien only against that Owner's Unit.

In addition, other liens such as judgment liens against the Association run against the Units and not the common elements. No other property of an Owner is subject to a lien of a judgment creditor of the Association.

XX. Development Rights Reserved by the Declarant

In addition to the easement rights reserved in Article 8 of the Declaration, the Declarant reserves to itself and for the benefit of its successors and assigns the right until the construction, marketing and sale of all Units are completed including any future Units which may be created under Article 10 of the Declaration to:

- (a) connect with and make use of utility lines, wires, pipes and conduits located on the Property for construction and sales purposes, provided that the Declarant shall be responsible for the cost of services so used;
- (b) use the Common Elements for ingress and egress, for the repair and construction of Units and Common Elements including the movement and temporary storage of construction materials and equipment, and for the installation of signs and lighting for sales and promotional purposes;
- (c) exercise any and all development rights as are now allowed or in the future may be allowed by the Condominium Act;
- (d) complete all contemplated improvements on the Plats and Plans;
- (e) relocate any improvements shown on the Plats and Plans and construct additional Common Element improvements;
- (f) maintain models and a sales office;
- (g) exercise the easements reserved to it in the Declaration;
- (g) make the Condominium part of a larger condominium;
- (h) make the Condominium subject to a master association;
- (i) appoint or remove any officer or Executive Board member during any period of Declarant control of the Association set forth in Article 10 of the Declaration; and
- (j) exercise any other Special Declarant Rights as are now allowed or in the future may be allowed by the Condominium Act.

In addition, the Declarant reserves the right, but not the obligation until seven (7) years from the date of the recording of the Declaration to create up to two (2) Additional Units, and Limited Common Elements appurtenant to such Units. Upon the addition of such additional Units, which may occur in any number of stages and in such order as the Declarant determines, or not at all, they shall be fully integrated into the Condominium as if this Declaration had been originally executed and recorded containing the additional Units. All such future Units and Limited Common Elements and the buildings and other

improvements constructed in connection therewith shall be consistent with the initial Units in terms of the quality of construction, general architectural style and principal materials, provided that the Declarant may substitute construction materials and techniques of equal or better quality. Upon the addition of any such Additional Units to the Condominium, the Percentage Interest and Common Expense liability of all Units shall be reallocated in accordance with the formula set forth in Article 6, Section 10.2(b) and Exhibit B of the Declaration, and as more particularly set forth in the amendments adding the Units.

The exercise of these Development Rights shall be in accordance with and governed by the provisions of the Condominium Act, including Section 1602-110.

Any Limited Common Elements created pursuant to any Development Right reserved will be of the same general types and sizes as the Limited Common Elements within other parts of the Condominium.

The proportion of Limited Common Elements to Units created pursuant to any Development Right reserved by the Declarant are intended to be approximately equal to the proportion existing within other parts of the condominium.

All restrictions in the Declaration affecting use, occupancy, and alienation of Units will apply to any Units of the same type created pursuant to any Development Right reserved by the Declarant.

The assurances made in this section do not apply in the event that any Development Right is not exercised by the Declarant.

XXI. The Owners Association

The Condominium Act provides for the self-governing of the Condominium by an Owners Association, in this instance called the Samuel Gilkey Condominium Association.

The Association is organized as a non-profit condominium corporation under Maine law. The ByLaws provide that the powers and responsibilities of the Association are delegated to the Condominium's Executive Board, some of which in turn may be sub-delegated to the Managing Agent. The Executive Board has the power and responsibility in administering the Condominium to, among other things:

- (a) Prepare the annual budget;
- (b) Make and collect assessments against the Owners for Common Expenses;
- (c) Provide for the upkeep, maintenance and care of Common Elements;
- (d) Designate, hire and dismiss the personnel necessary for the maintenance of the Condominium;
- (e) Make rules and regulations concerning the use of the Condominium;
- (f) Establish a bank account on behalf of the Association;
- (g) Make alterations to the Condominium;
- (h) Enforce by legal means the provisions of the Condominium instruments;
- (i) Obtain necessary insurance;

- (j) Pay the cost of services rendered to the Condominium; and
- (k) Keep the books of account of the Condominium;

The Declaration describes the makeup of the Executive Board of the Association. The Executive Board consists of three (3) members elected by Owners, except that the Declarant will initially appoint the members of the Executive Board in accordance with Article 12 of the Declaration.

Not later than the earlier of (i) 60 days after the conveyance by the Declarant to Owners other than the Declarant of seventy-five percent of the Units, including any additional Units which may be added to the Condominium, or (ii) seven years following conveyance of the first Unit to an Owner other than the Declarant, all members of the Executive Board appointed by the Declarant shall resign and the Owners (including the Declarant to the extent of Units owned by the Declarant) shall elect new members of the Executive Board in accordance with the By-Laws of the Association.

NO PERSON HAS BEEN AUTHORIZED BY THE DECLARANT TO MAKE ANY STATEMENT, REPRESENTATION OR WARRANTY NOT SPECIFICALLY CONTAINED HEREIN; AND NOTHING IN THIS PUBLIC OFFERING STATEMENT MAY BE CHANGED OR MODIFIED ORALLY.

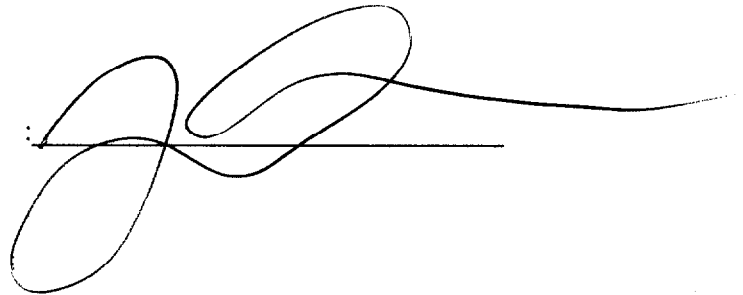
ANY INFORMATION OR DATA ABOUT THE CONDOMINIUM WHICH IS NOT INCLUDED IN THIS PUBLIC OFFERING STATEMENT SHOULD NOT AND MUST NOT BE RELIED UPON.

IN WITNESS WHEREOF, J. Daniel Hoffman has caused this instrument to be sealed with his signature this day of the month of April, 2001.

SIGNED, SEALED AND DELIVERED

In the presence of:

Janiel P. Hoffman

A large, stylized handwritten signature in black ink, appearing to read "Janiel P. Hoffman", written over a horizontal line.

**DECLARATION OF CONDOMINIUM
SAMUEL GILKEY HOUSE CONDOMINIUM
309 Spring Street, Portland, Maine**

ARTICLE 1

SUBMISSION

Section 1.1. Submission of Property. J. Daniel Hoffman ("Declarant"), owner in fee simple of the land described in Exhibit A annexed hereto, located within the City of Portland, Cumberland County, Maine (the "Land"), hereby submits the Land, together with all improvements, easements, rights and appurtenances thereunto belonging (the "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" or "Act") and hereby creates with respect to the Property a condominium, to be known as "**Samuel Gilkey House Condominium**" (the "Condominium"). The Property is shown on the Plan recorded on _____, 2001, in the Cumberland County Registry of Deeds in Plan Book _____, Page _____ identified as follows: "Samuel Gilkey Condominium House," dated _____, 2001, as amended (the "Plan").

Section 1.2. Name and Address of Condominium. The name of the Condominium is "Samuel Gilkey House Condominium" The address of the Condominium is 309 Spring Street, Portland, Maine 04102. The name of the unit owners association is the "Samuel Gilkey House Condominium Association" (the "Association") and its address is 309 Spring Street, Portland, Maine 04102.

ARTICLE 2

DEFINITIONS

Section 2.1. Terms Defined in the Act. Capitalized terms are defined herein or in the Plats and Plans, otherwise they shall have the meanings specified or used in the Condominium Act. In the case of conflict between the meanings specified or used in the Act, those meanings specified or used in the Condominium Act shall control.

Section 2.2. Terms Specifically Defined in this Declaration. In addition to the terms hereinabove defined, the following terms shall have the following meanings in this Declaration, the Bylaws, and Plats and Plans:

(a) "Additional Units" means the Units which may be, added by the Declarant to the Condominium in accordance with Section 10.2 of this Declaration.

(b) "Assessment" means the Owner's share of the anticipated Common Expenses, allocated by Percentage Interest, for the Association's fiscal year as reflected in the budget adopted by the Executive Board for such year.

(c) "Association" means the Homeowners Association of the Condominium, which is known as the Samuel Gilkey House Condominium Association.

(d) "Buildings" (or in the singular, a "Building") means any residential, commercial, service or recreational structure or other improvement now or hereafter constructed on the Property.

(e) "Bylaws" means the document having that name and providing for the governance of the Association, pursuant to Section 1603-106 of the Condominium Act, as such document may be amended from time to time.

(f) "Common Elements" (or in the singular, a "Common Element") means those parts of the Property other than the Units as described either in the Condominium Act as being Common Elements or described herein as being Common Elements.

(g) "Common Expenses" means expenditures made by or financial liabilities of the Association together with any allocations to reserves.

(h) "Condominium" means the Condominium described in Section 1.1 above.

(i) "Condominium Documents" means the Declaration, Plats and Plans, Bylaws and Rules and Regulations.

(j) "Declarant" means J. Daniel Hoffman, his successors and assigns.

(k) "Declaration" means this document, as the same may be amended from time to time.

(l) "Development Rights" means those rights defined in Section 1601-103(11) of the Condominium Act, as it may be amended from time to time, including, but not limited to, those rights which the Declarant has reserved to itself to add real estate to the Condominium, to create Units, Common Elements or Limited Common Elements within the Condominium, to subdivide Units or, convert Units into Common Elements, or to withdraw any Real Estate, Units, or Property from the Condominium.

(m) "Eligible Mortgage Holder" means the holder of a recorded first mortgage on a Unit, or the holder of a recorded or unrecorded Land Installment Contract, 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, which notice shall state the mortgagee's name and address, the Unit Owner's name and address, and the identifying number of the Unit, and shall state that the mortgage is a recorded first mortgage. Such notice shall be deemed to have been given reasonably prior to the proposed actions described in Section 15.2 if sent at the time notice thereof is given to the Unit Owners.

(n) "Executive Board" means the Executive Board of the Association.

(o) "Insurance Trust Agreement" means that certain agreement, if any, between the Association and the Insurance Trustee providing for the management and disbursement of insurance proceeds in accordance with Section 16.3 hereof.

(p) "Insurance Trustee" means the entity responsible for the management and disbursement of insurance proceeds pursuant to the Insurance Trust Agreement, if any.

(q) "Land Installment Contract" means a contract under which the Declarant or an Owner agrees to sell or otherwise convey a Unit or other real property interest in a Unit or any portion thereof to a buyer and that buyer agrees to pay the purchase price in subsequent payments and the Declarant or Owner retains title to the Unit as security for the buyer's obligation under the Contract. The Declarant or Owner may assign its rights under the Contract to any third party.

(r) "Limited Common Elements" (or in the singular, a "Limited Common Element") means those parts of the Common Elements allocated for the exclusive use of one or more but fewer than all of the Units, as described either in the Condominium Act as being Limited Common Elements or described herein or in the Condominium Documents as being Limited Common Elements. In the event of any discrepancy between the Condominium Act and Condominium Documents, the terms of the Condominium Documents shall control with respect to Limited Common Elements.

(s) "Limited Common Expenses" mean: (a) the Common Expenses associated with the maintenance, repair or replacement of a Limited Common Element which shall be assessed against the Unit to which that Limited Common Element is assigned, in proportion to the relative Common Expense liabilities as between themselves, as the Executive Board may periodically define; and (b) the Common Expenses for services benefiting fewer than all the Units, which are assessed exclusively against the Units benefited in accordance with the use of such services as permitted by to Section 1603-115(c) of the Condominium Act.

(t) "Manager" or "Managing Agent" means the agent of the management company appointed by the Association to manage the Condominium.

(u) "Mortgagee" means the holder of any recorded mortgage encumbering one or more of the Units or the holder of a recorded or unrecorded Land Installment Contract.

- (v) "Owner" means the record owner or owners of a Unit but does not include a person or entity having an interest in a Unit solely as security for an obligation.
- (w) "Percentage Interest" means the undivided interest in the Common Elements appurtenant to a Unit, as set forth on **Exhibit B** attached hereto, as the same may be amended from time to time.
- (x) "Property" means the Property described in Section 1.1 above.
- (y) "Plats and Plans" means the Plats and Plans recorded in the Cumberland County Registry of Deeds, as such may be amended from time to time.
- (z) "Record" means to record in the Cumberland County Registry of Deeds.
- (aa) "Rules and Regulations" means such rules and regulations as are promulgated by the Declarant or the Executive Board from time to time with respect to the use of all or any portion of the Property.
- (bb) "Special Assessment" means an Owner's share of any assessment made by the Executive Board in addition to the Assessment.
- (cc) "Special Declarant Rights" means those rights defined in Section 1601-103 (25) of the Condominium Act, as it may be amended from time to time, including, but not limited to, those rights the Declarant has reserved to itself to complete improvements, to maintain sales offices, to use easement through Common Elements for the purpose of making improvements within the Condominium, and to appoint or remove any officer of the Association during any period of Declarant control.
- (dd) "Unit" means a physical portion of the Condominium created by this Declaration or any amendment thereto and designated for separate ownership or occupancy, the boundaries of which are described in Article 3.

Section 2.3. Provisions of the Condominium Act. The provisions of the Condominium Act shall apply to and govern the operation and governance of the Condominium, except to the extent that contrary provisions, not prohibited by the Act, are contained in one or more of the Condominium Documents.

ARTICLE 3

UNIT BOUNDARIES

Section 3.1. Units. This Declaration creates two (2) residential condominium units on the Land designated as Units 1-2, as shown on the Plan, which is the maximum number of units. The condominium building contains two (2) condominium units. Attached as **Exhibit B** hereto is a list of all Units, their identifying numbers, common element interest, common expense liability and vote appurtenant to each unit.

Section 3.2. Unit Boundaries. The boundary lines of each Unit are as shown on the Plats and Plans and shall conform with unit boundaries as described in the Act to the extent not described herein.

(a) The upper and lower (horizontal) boundaries of each level of each Unit shall be the following boundaries extended to the intersection with the vertical (perimeter) boundaries: (i) Upper Boundary: the plane of the ceiling of each level of the Unit; (ii) Lower Boundary: the horizontal plane of the top surface of the undecorated floor or undecorated concrete floor slab of each level, as applicable.

(b) The vertical (perimeter) boundaries of each Unit shall be the walls bounding the Unit and adjacent to either an adjoining Unit or the exterior walls of the Building extended to the intersections with each other and with the upper and lower boundaries.

(c) Boundary lines shall also be the Unit-side surface of the walls and partitions of the Buildings which enclose such Unit and separate it from adjoining Units, if any, or Common Elements, including the thickness of the finish material such as plaster or drywall, and the exterior surface of doors, windows and

storm windows, and glass walls, and their frames, sills and thresholds.

(d) Each Unit's identifying number is shown on the Plats and Plans and on **Exhibit B**.

Section 3.3. Relocation of Unit Boundaries. Relocation of boundaries between Units will be permitted subject to compliance with the provisions therefor in Section 1602-112 of the Condominium Act and subject to compliance with any conditions, restrictions or requirements imposed by the Executive Board. The cost for preparation and recordation of any documents required for the relocation of boundaries between Units shall be chargeable to the Units involved as a Special Assessment. Subdivision of Units is not permitted.

ARTICLE 4

DESCRIPTION AND ALLOCATION OF COMMON ELEMENTS, LIMITED COMMON ELEMENTS AND LIMITED COMMON PROPERTY

Section 4.1. Description of Common Elements. Common Elements shall consist of all of the Property except the individual Units, and shall include the land, buildings, foundations, roofs, outside walls, pipes, ducts, electrical wiring and conduits, public and private utility lines, floors and ceilings (other than the portion of the floors and ceilings which constitute a part of the Units in accordance with Section 1602-102(1) of the Condominium Act), perimeter walls of Units (other than the portion of walls which constitute a part of the Units in accordance with Section 1602-102(1) of the Condominium Act), structural parts of the buildings, including structural columns, girders, beams and supports, and easements as set forth in **Exhibit A** for parking, access, and utilities; and in addition, all other parts of the Property necessary and convenient to its existence, maintenance and safety, normally in common use as defined in the Condominium Act, except such parts of the Property as may be specifically excepted or reserved herein or in any exhibit attached hereto. As provided in Section 1602-102(2) of the Condominium Act, any wires, ducts, pipes, or other fixtures located within a Unit but serving another Unit or Units are part of the Common Elements. Each Owner shall have the right to use the Common Elements in common with all other Owners, as may be required for the purposes of ingress and egress to and use, occupancy and enjoyment of the respective Owners and guests, tenants, and other authorized occupants, licensees, and visitors of the Owner. The use of the Common Elements and the rights of the Owners with respect thereto shall be subject to and governed by the provisions of the Act and Condominium Documents. Without limitation, the Common Elements shall specifically include the following:

- (a) **Grounds.** The land, lawns, trees, any forested areas, unit driveways, unit walkways, signage, and any common facilities or storage buildings.
- (b) **Systems & Utilities.** Sewer Pump Station and Sanitary sewer to each unit, if any, electric distribution to each unit meter, water distribution to each unit master valve, storm and unit drainage system, water lines servicing more than one unit (in foundation, basement, and exterior walls), sewer lines up to unit outlet (in foundation, basement, and exterior walls), electrical wiring from meter and serving more than one unit (in foundation and exterior walls), master electrical panel, laundry piping and valves, life safety equipment (excluding smoke detectors);
- (c) **Interior Structure & Fixtures.** Sheetrock (interior of exterior walls), interior sub flooring (sub floor sheathing and wood, and sub floor concrete); and
- (d) **Exterior Structure & Fixtures.** Roofing (all roof framing and covering), chimneys and flues, exterior walls (framing, insulation, sheathing, and clapboards, including unit

party walls), studs, joists, any load bearing portions of the buildings, shutters, attics (framing, floor, and insulation), foundation walls, all floor slabs, exterior foundation drains, interior foundation drains, front and rear steps and railings, garage slab floors and attic floors, sun rooms (roofing, walls, foundation), dormers (roofing and walls, but excluding new dormer construction), and garage doors.

(e) Other. All other parts of the property necessary or convenient to its existence, maintenance and safety or normally in common use, except as otherwise expressly provided.

Section 4.2. Description of Limited Common Elements. Limited Common Elements shall mean those portions of the Buildings defined as such pursuant to Sections 1602-102(2) and (4) of the Condominium Act or as identified and designated as Limited Common Elements on the Plats and Plans, or by Section 4.3 hereof. Those portions of the Limited Common Elements serving only the Unit above, below or adjacent to such Limited Common Element, as the case may be, are Limited Common Elements allocated only to the Unit which they serve.

Section 4.3. Specified Limited Common Elements. Without limitation, the following portions of the Buildings or the Property are hereby designated as Limited Common Elements: Any shutters, awnings, window boxes, any individual unit mailboxes, doorsteps, stoops, steps, porches, balconies, patios, decks, parking spaces, basement storage areas, and flues and all exterior doors, and windows or other fixtures designed to serve a single unit but located outside a unit's boundaries are limited common elements allocated exclusively to that unit. Additionally, as more particularly shown on the Plats and Plans, certain limited common elements are hereby designated to the following Units as described below:

(a) Unit 1: Two car parking spaces as shown on the plan

(b) Unit 2: Two car parking spaces and second floor porch and laundry area on as shown on the Plan.

Section 4.4. Locations of Common and Limited Common Elements. The locations of the Common Elements and Limited Common Elements are shown on the Plats and Plans. Pursuant to Section 1602-102(4) of the Condominium Act, a shutter, awning, window box, doorstep, stoop, balcony, porch, deck, or patio, if any, shown adjacent to a Unit is a Limited Common Element appurtenant to that Unit.

Section 4.5. Reserved Common Elements. The Executive Board shall have the power in its discretion from time to time to grant revocable licenses in designated Common Elements to the Association or to any Owners and to establish a reasonable charge to such Owners for the use and maintenance thereof. Such designation by the Executive Board shall not be construed as a sale or disposition of the Common Elements.

Section 4.6. Alteration of Common Elements by the Declarant. The Declarant reserves the right to modify, alter, remove or improve 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 expiration of the applicable warranty period.

Section 4.7. Allocation of Parking Spaces. The Declarant reserves the right, until the construction, marketing and sale of all Units is completed, including any future Units which may be added to the Condominium pursuant to Section 10.2 of this Declaration, to allocate to particular Units as Limited Common Elements any parking spaces shown on the Plats and Plans. Such right shall be deemed a Development Right and shall be subject to the terms and conditions set forth in Article 10 of this

Declaration. After the expiration of such Development Right pursuant to Article 10 of this Declaration, the Executive Board shall have the power in its discretion from time to time to so allocate any such parking spaces.

ARTICLE 5

MAINTENANCE RESPONSIBILITIES

Section 5.1. Maintenance Responsibilities. Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the foregoing boundary descriptions, the Units and Common Elements shall be maintained and repaired by each unit Owner and by the Association in accordance with the provisions of Section 1603-107 of the Act, except as expressly set forth to the contrary herein.

Section 5.2 Maintenance of Limited Common Elements. The maintenance, repair and replacement of Limited Common Elements created, if any, shall be the responsibility of and at the expense of the Association.

Section 5.3 Maintenance of Common Elements. The Association, or the Managing Agent of the Association in accordance with Article 7, shall be responsible for the maintenance, repair and replacement (unless, if in the opinion of the Board of Directors such expense was necessitated by the negligence, misuse or neglect of a unit Owner) of all of the Common Elements whether located inside or outside of the Units, the cost of which shall be charged to the unit Owners as a Common Expense except as otherwise provided herein with regard to Limited Common Elements. The maintenance, repair and replacement of Common Elements located within a Unit, for which the unit Owner is not responsible, to the extent required for the functioning of or for connecting utilities to the Property and Units, shall be furnished by the Association as part of the Common Expenses.

Section 5.4 Maintenance of Unit. Each unit Owner shall keep and maintain his Unit including the building, equipment, appliances and appurtenances in good order, condition and repair and in a clean and sanitary condition, whether such maintenance and repair shall be structural or non-structural, 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 Unit. No unit Owner shall sweep or throw, or permit to be swept or thrown, from his 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 failure or neglect to make any of the repairs required by this Article. Each unit Owner shall perform his responsibility in such manner as shall not unreasonably disturb or interfere with the other unit Owners. Each unit Owner shall promptly report to the Executive Board or the managing agent any defect or need for repairs for which the Association is responsible. No unit Owner shall change the exterior color of his or her Unit nor alter the exterior materials or structure without the written approval of the Board of Directors. All exterior maintenance shall be undertaken so as to maintain the general character and quality of the condominium. No work shall be undertaken without all necessary State and local permits and approvals, and copies of all such permits and approvals shall be given to the Association.

Section 5.5 Liability of Owner. Each unit Owner shall be liable for, and the Association shall have a lien against his Unit for, the expense of maintenance, repair or replacement of any portion of another Unit or the Common Elements, including Limited Common Elements, of 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 guests, employees, agents, lessees, or their pets, and the Association shall have the right to cure, correct, maintain, repair or replace any damage or disrepair resulting from such act of neglect or carelessness. The Association shall also have the right to perform maintenance required of a unit Owner

under Section 5.4, but not performed by the unit Owner and the unit Owner shall be liable for and the Association shall have a lien against the Unit for the expense of such maintenance. 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 6

ALLOCATION OF PERCENTAGE INTERESTS, COMMON EXPENSES AND VOTING RIGHTS

Section 6.1. Percentage Interests. Attached as **Exhibit B** hereto is a list of all Units by their identifying number and the Percentage Interest appurtenant to each Unit within each such Unit, together with an explanation of the formula by which such Percentage Interest is determined.

Section 6.2. Common Expenses. The liability of each Unit for the Common Expenses of the Condominium on **Exhibit B**, and as such shall be determined by the same formula by which the shall be the same percentage share as the Percentage Interest set forth Percentage Interest is determined.

Section 6.3. Allocation of Owners' Voting Rights. Each Owner of a Unit shall be entitled to vote as described on **Exhibit B**. If a Unit is owned by more than one person or entity, the voting interest shall not be divided and the vote for the Unit shall be cast by only one of the Owners as determined by a majority of the Owners of such Unit.

ARTICLE 7

MANAGEMENT

Section 7.1. Managing Agent. The Association shall have the right to employ a professional experienced property management firm to act as Managing Agent to oversee the daily operation of the Condominium in accordance with the provisions of the Act and the Declaration; provided, however, that no agreement for such professional management of the Condominium may exceed a term of three (3) years but may be renewed upon consent of the Association. Such agreement shall be cancelable by either party without cause and without a termination fee upon not less than sixty (60) days nor more than ninety (90) days written notice and shall be cancelable by the Executive Board with cause upon not less than thirty (30) days written notice. Any agreement for professional management negotiated by the Declarant shall meet the requirements of this Article 7 for such agreements negotiated by the Association and shall not exceed one (1) year, but may be renewed upon consent of the Association.

Section 7.2. Maintenance Responsibilities. The Managing Agent, or the Association through the Executive Board in the absence of a Managing Agent, shall be responsible for maintenance, repair and replacement of the Common Elements and Common Property including, but not limited to, the Limited Common Elements. The cost of the provision of such services shall be a Common Expense.

ARTICLE 8

EASEMENTS

Section 8.1. Additional Easements. In addition to the easements provided for by the Act, the following easements are hereby created:

(a) All Units shall be subject to an easement in favor of the Declarant pursuant to Section 1602-115 of the Condominium Act. The Declarant further reserves the right to maintain on the Property such advertising signs 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. Prior to assignment as Limited Common Elements, the Declarant shall have the right to restrict the use of certain Common Element parking areas for sales purposes and to use such areas for sales purposes. Further, the Declarant shall have the right to erect temporary offices on any Common Element parking areas for models, sales, management, customer service and similar purposes. This easement shall continue until the Declarant has conveyed all Units in the Condominium to Owners other than the Declarant.

(b) The Units and Common Elements shall be, and hereby are, made subject to easements in favor of the Declarant, other Owners, appropriate utility and service companies, cable television companies and governmental agencies or authorities for such utility and service lines and equipment as may be necessary or desirable to serve any portion of the Property. The easements created by this Section 8.1(b) shall include, without limitation, rights of the Declarant, any Owner 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, drainage ditches and pump stations, telephone wires and equipment, television equipment and facilities (cable or otherwise), electrical wires, conduits, and equipment and ducts and vents over, under, through along and on the Units and Common Elements. Notwithstanding the foregoing provisions of this Section 8.1(b), any such easement through a Unit shall be located either in, substantially the same location as such facilities or similar, facilities existed at the time of first conveyance of a Unit in the Unit by the Declarant or so as not to materially or unreasonably interfere with the use, occupancy, or quiet enjoyment of the Unit by its occupants. With respect to any utility lines or equipment serving only the Condominium and located upon the Common Elements, the Executive Board shall have the right and power to dedicate and convey title to the same to any private or public utility company. The Executive Board shall also have the right and power to convey permits, licenses and easements over the Common Elements for the installation, maintenance, repair and replacement of utility poles, lines, wires and other equipment to any private or public utility company. In addition, the Executive Board shall have the right to grant permits, licenses and easements over the Common Elements for the building and, maintenance of roads, for the protection of the natural, scenic and open space values of the Property, and for other purposes necessary for the proper operation the Condominium.

(c) The Declarant reserves for as long as it is entitled to exercise any Development Right an easement on, over and under those portions of the Common Elements not located within a Building for the purpose of maintaining and/or correcting drainage of surface water in order to maintain reasonable standards of health, safety and appearance. The easement created by this Section 8.1(c) expressly includes the right to cut any trees, bushes, or shrubbery, to grade the soil, or to take any other action reasonably determined to be necessary. The Declarant or the Association, as the case may be, shall restore the affected property as closely to its original condition as is practicable.

(d) The Common Elements (other than the Limited Common Elements) shall be, and hereby are made, subject to an easement in favor of the Owners and their invitees, employees, tenants and servants, the Association and the agents and employees of the Association for access, egress and ingress over, through and across each portion thereof, pursuant to such requirements and subject to such charges as the Executive Board may from time to time prescribe; provided that nothing contained herein shall create any access easement in favor of Owners with respect to such portions of the Common Elements which are not needed in order to gain access to one or more Units and as to which the Executive Board may from time to time determine it to be necessary or desirable to limit or control access by Owners or the occupants of Units, or both, including, by way of illustration and not limitation, machinery and equipment rooms, and

any management agent's office, provided, however, that every Owner shall have an unrestricted right of ingress and egress to his Unit for his specified Period of Use. Until the Declarant conveys the last Unit to an Owner other than Declarant, the Declarant shall have the right to restrict access by owners to management and sales offices and areas located on or in any Common Element.

(e) The Common Elements (including, but not limited to, the Limited Common Elements) and Units are subject to an easement in favor of the Declarant for the purposes of construction, reconstruction, maintenance, repair, renovation, replacement or correction of the Units or Common Elements.

(f) The Common Elements (including, but not limited to, the Limited Common Elements) shall be and hereby are made subject to an easement in favor of the Association and the agents, employees and independent contractors thereof for the purpose of the inspection, upkeep, maintenance, repair and replacement of the Common Elements, and Property (including, but not limited to the Limited Common Elements and Property).

(g) The Common Elements (including, but not limited to, the Limited Common Elements) shall be and hereby are made subject to the following easements in favor of the Units benefited:

(1) For the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, heating and air conditioning systems, electrical, telephone and other communication wiring and cables and all other utility lines and conduits which are part of or exclusively serve a single Unit and which pass across or through a portion of the Common Elements;

(2) For the installation, repair, maintenance, use, removal and/or replacement of overhead lighting fixtures, electrical receptacles and the like which are located in a portion of the ceiling, wall or floor adjacent to a Unit which is a part of the Common Elements; provided that the installation, repair, maintenance, use, removal or replacement of such fixtures, receptacles and the like does not unreasonably interfere with the common use of any part of the Common Elements or impair or structurally weaken the Buildings;

(3) For driving and removing nails, screws, bolts and the like into the Unit-side surface of walls, ceilings and floors which are part of the Common Elements; provided that such action will, not unreasonably interfere with the common use of any part of the Common Elements or impair or structurally weaken the Buildings; and

(4) For the maintenance or the encroachment of any lighting devices, outlets, medicine cabinets, exhaust fans, ventilation ducts, registers, grilles and similar fixtures which serve only one Unit but which encroach into any part of any Common Element or Limited Common Element on the date this Declaration is recorded or any amendment hereof is recorded.

(h) To the extent necessary, each Unit shall have an easement for structural support over every other Unit in the Building in which it is located, the Common Elements and the Limited Common Elements, and each Unit and the Common Elements shall be subject to an easement for structural support in favor of every other Unit in that particular Building, the Common Elements and the Limited Common Elements, if any.

(i) The Units and the Limited Common Elements are hereby made subject to the following easements:

(1) In favor of the Association and its agents, employees and independent contractors, (i) for inspection of the Units and Limited Common Elements in order to verify the performance by Owners of all items of maintenance and repair for which they are responsible, (ii) for inspection, maintenance, repair and replacement of the Common Elements and Property or the Limited Common Elements and Property situated in or accessible from such Units or Limited Common Elements or both, (iii) for correction of

emergency conditions in one or more Units or Limited Common Elements, or both, or casualties to the Common Elements and Property, the Limited Common Elements and Property and/or the Units, and (iv) to do any other work reasonably necessary for the proper maintenance of the Condominium, it being understood and agreed that the Association and its agents, employees and independent contractors shall take reasonable steps to minimize any interference with an Owner's use of his Unit resulting from the Association's exercise of any rights it may have pursuant to this Section 8.1(i)(1) and the following Section 8.1(i)(2) or both;

(2) In favor of the Owner benefited thereby and the Association and its agents, employees and independent contractors, for the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, electrical, telephone, telegraph or other communication systems and all other utility lines and conduits which are part of the Common Elements and which pass across or through a portion of one or more Units.

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

(k) All easements, rights and restrictions described and mentioned in this Declaration are easements appurtenant, running with the land and the Property, including by way of illustration but not limitation the Units and the Common Elements, and (except as expressly may be otherwise provided herein or in the instrument creating the same) shall continue in full force and effect until the termination of this Declaration.

Section 8.2. Reservation of Easement Rights. Until the construction, marketing and sale of all Units is completed, including any future Units which may be created under Section 10.2 of this Declaration, the Declarant reserves the right to grant to any third party any license or easement in, on, over or through the Property, in addition to and not in limitation of those set forth above, which license or easement is determined by the Declarant, in its reasonable judgment, to be necessary for the development or improvement of the Property. Any such license or easement granted hereunder may be recorded by the Declarant at its sole cost and expense. The Association, at the request of the Declarant, shall execute and deliver in recordable form any instrument or document necessary or appropriate to confirm the grant of such license or easement.

Section 8.3. Additional Easements, Covenants, Restrictions. The Property is also subject to any easements and restriction as provided on the Plan;

ARTICLE 9

RESTRICTIONS ON USE, SALE AND LEASE OF UNITS AND/OR UNITS

Section 9.1. The following restrictions shall apply to the use of the Condominium:

(a) Residential Use. The Units, Lots, and Common Elements (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) are restricted to residential use. The Units may not be used for any other purposes by the Owner or any future Owner. No present or future owner of any Unit shall permit his Unit to be used or occupied for

any purpose other than as a single family residence.

(b) Obstruction of Common Elements. No Owner may obstruct the Common Elements in any way. No Owner may store anything in or on the Common Elements without the prior written consent of the Executive Board.

(c) Quiet Enjoyment. No Owner may carry on any practice, or permit any practice to be carried on, which unreasonably interferes with the quiet enjoyment of the occupants of any other Unit. The Property is to be maintained in a clean and sanitary condition, and no Owner may place any garbage, trash or rubbish anywhere in the Property other than in his own Unit and in or on such parts of the Common Elements as may be designated for such purpose by the Executive Board.

(d) Fire Hazards. No Unit shall be used, occupied or kept in a manner that in any way increases the fire insurance premiums for the property without the prior written permission of the Executive Board.

(e) Signs. No Owner (other than the Declarant in connection with its marketing and sale of the Units) may erect any sign on or in his Unit or any Limited Common Element which is visible from outside his Unit or from the Common Elements, without in each instance having obtained the prior written permission of the Executive Board.

(f) Pets and Animals. No animal, other than common household pets with the consent of the Board, shall be kept or maintained on the property, nor shall common household pets be kept, bred or maintained for commercial purposes on the Property. Owners are responsible for immediate clean-up of pet waste. Unless otherwise permitted by the Board, authorized pets shall not be permitted outside of Units unless they are accompanied by an adult person and carried or leashed. The Board of Directors may make further provisions in the Rules for the control and regulation of household pets in the Condominium. The owner of a unit where a pet is kept or maintained shall be responsible and may be assessed by the Board of Directors for all damages to the property resulting from the maintenance or conduct of said pet, and any costs incurred by the Association in enforcing the Rules prescribed or to be prescribed by the Board of Directors for the control and regulation of pets in the Condominium and each such owner shall be deemed to indemnify and hold the Board harmless against such loss or liability resulting from said pet.

(g) Rules and Regulations. The Executive Board shall promulgate reasonable Rules and Regulations, not in conflict with the provisions of this Declaration, concerning the use and enjoyment of the Property. Copies of the then current Rules and Regulations and any amendments thereto shall be furnished to all Owners by the Association promptly after the adoption of such Rules and Regulations and any amendments thereto.

(h) Alterations to Units. Except as otherwise provided herein, no Unit shall be substantially altered, remodeled or renovated unless such alteration, remodeling or renovation shall be approved by a majority vote of the Executive Board of the Association. Executive Board approval shall not be required for minor alterations or renovations, such as interior painting, carpet installation, or similar work.

(i) Labor, Mechanic's Liens. No Owner shall cause any material to be furnished to his Unit or any labor to be performed therein or thereon except in the manner set forth in subparagraph (h) and (i) above. Each Owner shall indemnify and hold the other Owners of his Unit harmless against any loss, damage or claim arising out of his breach of the provisions of this Section 9.1, including but not limited to the costs of removing any unauthorized improvements, any repairing and restoring the Unit to substantially its condition prior to such alteration, remodeling, renovation or repair and the cost of removing, bonding, defending or paying any mechanic's or materialmen's liens.

Section 9.2. Sale and Lease of Units.

(a) The Declarant shall have the right to operate any Units owned by the Declarant as a rental project. The Declarant may establish and maintain in the Units and Common Elements, all offices, signs and other accoutrements normally used in the operation of, such rental properties in the sole discretion of the Declarant. Such operation shall be for the benefit of the Declarant and neither the Association nor any Owner (other than the Declarant) shall have any right or interest in the profits or losses thereof.

(b) There shall be no mandatory rental program offered to the Owners by Declarant, Managing Agent or any third parties. An Owner other than the Declarant may rent his Unit, although the Executive Board may prescribe by resolution a form of lease or specific provisions to be included in any lease of a Unit owned by a party other than the Declarant, and thereafter no Owner other than the Declarant shall execute a lease of his Unit which is not in compliance with such resolution. Each tenant and lease shall be subject to the covenants, restrictions and conditions set forth in the Declaration.

(c) This Section 9.2. shall not be deemed or construed to impair a Mortgagee's right to foreclose, accept a deed in lieu of foreclosure or sell or lease a Unit so acquired by the Mortgagee.

ARTICLE 10

DEVELOPMENT RIGHTS AND SPECIAL DECLARANT RIGHTS

Section 10.1. General Development Rights. In addition to the easement rights reserved in Article 8, the Declarant reserves to itself and for the benefit of its successors and assigns the right:

(a) Until the construction, marketing and sale of all Units is completed, including any future Units which may be created under Section 10.2 of this Declaration, to connect with and make use of utility lines, wires, pipes and conduits located on the Property for construction and sales purposes, provided that the Declarant shall be responsible for the cost of services so used;

(b) Until the construction, marketing and sale of all Units is completed, including any future Units which may be created under Section 10.2 of this Declaration, to use the Common Elements for ingress and egress, for the repair and construction of Units and Common Elements including the movement and temporary storage of construction materials and equipment, and for the installation of signs and lighting for sales and promotional purposes;

(c) Until the construction, marketing and sale of all Units is completed, including any future Units which may be created under Section 10.2 of this Declaration, to subdivide or convert Units into Common Elements, to withdraw Units or real estate from the Condominium and any and all other Development Rights as are now allowed or in the future may be allowed by the Condominium Act; and

(d) Until the construction, marketing and sale of all Units is completed, including any future Units which may be created under Section 10.2 of this Declaration, to complete all improvements shown on the Plats and Plans, to relocate any improvements shown on the Plats and Plans, construct additional Common Element improvements on any part of the Property, to exercise the Development Rights set forth herein, to maintain models and sales offices and to exercise the easements as set forth in Article 8 hereof, to make the Condominium part of a larger condominium, to make the Condominium subject to a master association, to appoint or remove any officer or Executive Board member during any period of Declarant control of the Association and any and all other Special Declarant Rights as are now allowed or in the future may be allowed by the Condominium Act. The real estate subject to these Development

Rights and Special Declarant Rights is all of the Property, except those portions lying within the boundaries of declared Units and upon which declared Units are located.

Section 10.2. Exercise of Rights. The exercise of the Development Rights and Special Declarant Rights reserved herein shall be in accordance with and governed by the provisions of the Condominium Act, including without limitation Section 1602-110 of the Act.

Section 10.3. Amendment. This Article 10 shall not be amended without the written consent of the Declarant duly recorded in the Cumberland County Registry of Deeds.

ARTICLE 11

UNITS SUBJECT TO CONDOMINIUM DOCUMENTS, EMINENT DOMAIN

Section 11.1. Applicability of Condominium Documents. Each present and future Owner, tenant, occupant and Mortgagee of a Unit therein shall be subject to and shall comply with the provisions of the Act, and with the covenants, conditions and restrictions as set forth in the Condominium Documents and the deed to such Unit; provided that nothing contained herein shall impose upon any tenant of a Unit or Mortgagee any obligation which the Act or one or more of such documents, or both, make applicable only to Owners (including, without limitation, the obligation to pay assessments for Common Expenses). The acceptance of a deed or mortgage to any Unit therein, or the entering into of a lease or the entering into occupancy of any Unit therein shall constitute an agreement that the provisions of the Act and the covenants, conditions and restrictions set forth in the Condominium Documents and the deed to such Unit therein are accepted and ratified by such grantee, Mortgagee or tenant. All of such provisions shall 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, conveyance, mortgage, contract or lease thereof. The Association and any aggrieved Owner shall have a right of action against Owners who fail to comply with the provisions of the Condominium Documents, the Act, or with decisions made by the Association or the Executive Board. Aggrieved Owners shall have similar rights of action against the Association.

Section 11.2. Eminent Domain. Whenever all or part of the Common Elements shall be taken, injured or destroyed by eminent domain, each Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto, provided, however, that the Association shall officially, represent the Owners in such proceedings. In any proceedings for the determination of damages, such damages shall be determined for such taking, injury or destruction as a whole and not for each Owner's interest therein and any award for such damages shall be payable to the Association for the benefit of the Owners and Mortgagees. Notwithstanding the foregoing, if the Association elects to distribute such award of damages to the Owners, any amount payable to an Owner shall be paid instead to the Owner's Mortgagee upon the written request of such Mortgagee to an officer of the Executive Board.

ARTICLE 12

EXECUTIVE BOARD OF THE ASSOCIATION

Section 12.1. Members.

(a) The initial Executive Board shall consist of three (3) members. The members of the initial Executive Board shall be appointed, removed and replaced from time to time by the Declarant without the necessity of obtaining resignations. The Declarant-appointed members of the Executive Board, which

may include the Declarant, shall be replaced with Owners in accordance with the provisions of paragraph (b) of this Section 12.1.

(b) Not later than the earlier of (i) sixty (60) days after the conveyance of 75% of the Units to Owners other than the Declarant or (ii) seven (7) years following conveyance of the first Unit to an Owner other than the Declarant, all members of the Executive Board appointed by the Declarant shall resign and the Owners (including the Declarant to the extent of any Units owned by the Declarant at that time) shall elect new members of the Executive Board in accordance with the Bylaws.

(c) The Executive Board shall possess all of the duties; and powers granted to the Executive Board by the Act.

Section 12.2. Disputes. In the event of any dispute or disagreement between any Owners relating to the Property, or any questions of interpretation or application of the provisions of the Condominium Documents, the determination thereof by the Executive Board shall be final and binding on each and all such Owners. The Executive Board shall have the authority to seek a declaratory judgment or other appropriate judicial relief in order to assist it in carrying out its responsibilities under this Section 12.2. All costs of obtaining such a judgment shall be borne by the disputants, or in the absence of disputants, by the Association as a Common Expense.

Section 12.3. Abating and Enjoining Violations by Owners. The violation of any Rules and Regulations adopted by the Executive Board, the breach of any provision contained in the Bylaws or the breach of any provision of this Declaration or the Act by any Owner or tenant of such Owner, shall give the Executive Board the right, in addition to any other rights to which it may be entitled, to enjoin, abate or remedy by appropriate legal proceedings, either by law or in equity, the continuance of any such breach.

ARTICLE 13

LIMITATION OF LIABILITY

Section 13.1. Limited Liability of the Executive Board. The Executive Board, and its members in their capacity as members, officers and employees:

(a) Shall not 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 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 Buildings, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or the Executive Board;

(b) Shall not be liable to the Owners or any mortgagees as a result of the performance of the Executive Board members' duties for any mistakes of judgment, negligence or otherwise, except for the Executive Board members' own willful misconduct or gross negligence;

(c) Shall have no personal liability in contract to an Owner, any mortgagee, 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;

(d) Shall not be liable to an Owner, or such Owner's tenants, employees, agents, customers or

guests, for loss or damage caused by theft of or damage to personal property left by such Owner or his tenants, employees, agents, customers or guests in a Unit, or in or on the Common Elements or Limited Common Elements, except for the Executive Board members' own willful misconduct or gross negligence;

(e) Shall have no personal liability in tort to an Owner, any mortgagee, or any other person or entity, direct or imputed, by virtue of acts performed by or for them, except for the Executive Board members' own willful misconduct or gross negligence in the performance of their duties; and

(f) Shall have no 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, except for the Executive Board members' own willful misconduct or gross negligence.

Section 13.2. Indemnification. Each member of the Executive Board in his capacity as an Executive Board member, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being or having been a member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not he 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 duties or any other standard imposed by the Condominium Act; 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 is then an Executive Board member) approves such settlement and reimbursement as being in the best interests of the Association. The indemnification by the Owners set forth in this Section 13.2 shall be paid by the Association on behalf of the Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Executive Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Owners or otherwise.

Section 13.3. Joint and Several Liability of Owners and Lessees. Each Owner shall be jointly and severally liable with any tenants of the Unit owned by such Owner for all liabilities arising out of the ownership, occupancy, use, misuse, or condition of any Unit or any portion of the Common Elements or Limited Common Elements.

Section 13.4. Defense of Claims. Complaints filed in any State or Federal court brought against the Association, the Executive Board or the officers, employees or agents thereof 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 Owners and the holders of any mortgages and such complaints shall be defended by the Association. The Owners and the holders of mortgages shall have no right to participate other than through the Association in such defense. Complaints of a nature specified in Section 13.3 hereof against one or more but less than all Owners shall be defended by such Owners who are defendants themselves and such Owners shall promptly give written notice of the institution of any such suit to the association and to the holders of any mortgages encumbering such Units.

ARTICLE 14

ASSESSMENTS: LIABILITY OF OWNERS

Section 14.1. Power to Assess. The Association, acting through the Executive Board in accordance with the Bylaws, shall have the power to fix and determine, from time to time, the sums necessary and

adequate to provide for the Common Expenses, including, but not limited to such amounts as are necessary for the maintenance, repair and replacement of the Common Elements and Limited Common Elements as set forth in Section 7.2 hereof, such amounts as are necessary for uncollectible Assessments, budget deficits; such expenses as are necessary for the Association's share of any common expenses for any master association which the Association may now or hereafter be a member of; such reserves as are hereinafter described and such additional reserves as the Executive Board shall deem necessary or prudent, and such other expenses as are specifically provided for in the Condominium Act, this Declaration or the Bylaws. The Association shall establish an adequate reserve fund for maintenance, repair and replacement of those Common Elements, Limited Common Elements and Limited Common Property for which the Association is responsible which are anticipated to require replacement, repair or maintenance on a periodic basis, and to cover any deductible amount for insurance policies maintained by the Association. The reserve fund shall be funded as a part of the Common Expenses.

Section 14.2. Assessments for Limited Common Expenses. The Association, acting through the Executive Board in accordance with the Bylaws and as circumstances may reasonably require, shall assess Limited Common Expenses as follows: (i) If a Limited Common Expense only benefits a single Unit, that Limited Common Expense may be assessed solely against the Unit benefited, as the Executive Board shall determine; (ii) If a Limited Common Expense benefits more than a single Unit, that Limited Common Expense may be assessed solely against all the Units benefited in proportion to the relative Common Expense liabilities of such Units as between themselves, as the Executive Board may periodically determine, as those Common Expense Liabilities may be changed as provided in Section 6.2 and **Exhibit B**; and (iii) If a Limited Common Expense is associated with the maintenance, repair or replacement of a Limited Common Element or Property, that Limited Common Expense may be assessed solely against all the Units to which that Limited Common Element or Property is allocated in proportion to the relative Common Expense liabilities of such Units as between themselves, as the Executive Board shall determine, or as those Common Expense liabilities may be changed as provided in Section 6.2 and **Exhibit B**.

Section 14.3. Special Assessments. If the cash requirement estimated at the beginning of any fiscal year shall prove to be insufficient to cover the actual Common Expenses for such fiscal year for any reason (including by way of illustration and not limitation, any Owner's non-payment of his Assessment or municipal assessments not yet assessed), the Executive Board shall have the power, at any time it deems necessary and proper, to levy one or more Special Assessments against each Owner. Special Assessments shall be due and payable in the manner and on the date set forth in the notice thereof.

Section 14.4. Payment of Assessments. Each Owner, including the Declarant to the extent it is the owner of any unsold Units, shall pay all Assessments levied by the Association. Liability for such assessments shall be determined in accordance with the formula set forth in **Exhibit B** hereto. Penalties for delinquent assessments shall be set forth in the Rules and Regulations of the Condominium.

Section 14.5. Failure to Fix New Assessments. If the Executive Board shall fail to fix new Assessments for Common Expenses for the subsequent fiscal year before the expiration of any fiscal year, the Owners shall continue to pay the same sums they were paying for such Assessments during the fiscal year just ended and such sum shall be deemed to be the new Assessments for the succeeding fiscal year. If the Executive Board shall change the Assessment at a later date, the difference between the new Assessment, if greater, and the previous year's Assessment up to the effective date of the new Assessment shall be treated as if it were a Special Assessment under Section 14.2 hereof; thereafter each Owner shall pay the new Assessment. In the event the new Assessment is less than the previous year's Assessment, in the sole discretion of the Executive Board, the excess either shall be refunded to the Owners, credited against future Assessments or retained by the Association for reserves.

Section 14.6. Exemption by Waiver. No Owner may exempt himself from liability for the Common Expenses by waiver of the enjoyment of the right to use any of the Common Elements or by the abandonment of his Unit or otherwise.

Section 14.7. Personal Liability of Owners. All sums assessed by the Association as an Assessment, Special Assessment or Assessment for Limited Common Expenses shall constitute the personal liability of the Owner of the Unit so assessed and also, until fully paid, shall constitute a lien against such Unit pursuant to Section 1603-116 of the Condominium Act. The Association shall take action for failure to pay any assessment or other charges pursuant to Section 1603-116 of the Condominium Act. The delinquent Owner shall be obligated to pay (a) all expenses of the Executive Board, including reasonable attorneys' fees and costs, incurred in the collection of the delinquent assessment by legal proceedings or otherwise, and (b) any amounts paid by the Executive Board for taxes or on account of superior liens or otherwise to protect its lien, which expenses and amounts, together with accrued interest, shall be deemed to constitute part of the delinquent assessment and shall be collectible as such.

Section 14.8. Liability of Purchaser of Unit for Unpaid Assessments. Upon the voluntary sale, conveyance or any other voluntary transfer of a Unit or any interest therein, the grantee thereof shall not be personally liable with the grantor thereof for all unpaid Assessments for Common Expenses, special assessments, Limited Common Expenses, which are a charge against the Unit as of the date of consummation of the sale, conveyance or transfer, unless such grantee agrees to assume the obligation therefor. A lien against the Unit so purchased for Assessments imposed pursuant to this Declaration or the Condominium Act shall not be affected by such sale, conveyance or other transfer, however.

Section 14.9. Subordination of Certain Charges. Any Assessments or any fees, charges, late charges, fines and interest that may be levied by the Association pursuant to Section 1603-102 of the Condominium Act or otherwise shall be subordinate to any first mortgage lien recorded before the due date of the Assessment or the due date of the first installment payable on the Assessment.

Section 14.10. Surplus. The Budget of the Association shall set forth general Common Expenses. Any amounts accumulated from assessments for Common Expenses in excess of the amount required for actual Common Expenses and reserves for future Common Expenses, unless otherwise directed by the Executive Board, in its sole discretion, shall be credited to each Owner, such credit to be applied to the next Assessments of Common Expenses due from said Owners under the current fiscal year's budget, and thereafter until exhausted, or retained by the Association for reserves.

ARTICLE 15

RIGHTS OF MORTGAGEES, CONTRACT HOLDERS, INSURERS AND GUARANTORS:

Section 15.1. Subject to Declaration. Whether or not it expressly so states, any mortgage which constitutes a lien against a Unit and an obligation secured thereby shall provide generally that the mortgage and the rights and obligations of the parties thereto shall be subject to the terms and conditions of the Act, the Declaration, the Plats and Plans and any Rules and Regulations.

Section 15.2. Rights of Eligible Mortgage Holders. (a) The Association shall send reasonable prior written notice by prepaid United States mail to Eligible Mortgage Holders of the consideration by the Association of the following proposed actions:

- (1) The termination of the Condominium pursuant to Section 1602-118 of the Condominium Act;
- (2) A change in the allocated interest of a Unit or Unit, a change in the boundaries of a Unit or a subdivision of a Unit;

- (3) The merger or consolidation of the Condominium with another condominium;
- (4) The conveyance or subjection to a security interest of any portion of the Common Elements;
- (5) The proposed use of any proceeds of hazard insurance required to be maintained by the Association under, Section 1603-113(a) of the Condominium Act, or of any condemnation proceeds, for purposes other than the repair or restoration of the damaged property;
- (6) The adoption of any proposed budget by the Executive Board and of the date of the scheduled Owners' meeting to consider ratification thereof. A summary of the proposed budget shall accompany this notice;
- (7) Any default in the performance or payment by an Owner of any obligations under the Declaration, including, without limitation, default in the payment of Common Expense liabilities;

(b) In the event of any proposed actions described in subsection (a), paragraphs (1), (2), (3), (4), or (5) hereinabove, an Eligible Mortgage Holder shall have the right, but not the obligation, in place of the Owner to cast the votes allocated to that Unit or give or withhold any consent required of the Owner for such action by delivering written notice to the Association with a copy to the 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. Failure of the Eligible Mortgage Holder to so exercise such rights shall constitute a waiver thereof and shall not preclude the Owner from exercising such right. In the event of any default described in subsection (a), paragraph (7), the Eligible, Mortgage Holder shall have the right, but not the obligation, to cure such default.

(c) In addition, an Eligible Mortgage Holder or its representative shall have the right to attend Association and Executive Board meetings for the purposes of discussing the matters described in subsection (a), paragraphs (1) through (6).

Section 15.3. Liability for Use and Charges. Any Mortgagee who obtains title to a Unit pursuant to the remedies provided in a mortgage for foreclosure of such mortgage or a deed in lieu of foreclosure shall not be liable for such Owner's unpaid assessments or charges which accrue prior to the acquisition of title to such Unit by the Mortgagee, except to the extent otherwise provided for in either of the Act and except to the extent that such Mortgagee is liable as an Owner for the payment of such unpaid assessment or charge that is assessed against the Mortgagee as a result of all Owners being reassessed for the aggregate amount of such deficiency.

Section 15.4. Condemnation Rights. No provision of this Declaration shall give an Owner, or any other party, priority over any rights of the Mortgagee of a Unit pursuant to its mortgage in the case of a distribution to such Owner of insurance proceeds or condemnation award for loss to or a taking of one or more Units and/or Common Elements.

Section 15.5. Books and Records. Any Mortgagee shall have the right exercisable by written notice to the Executive Board, to examine the books and records of the Association and to require that it be provided with a copy of each annual report of the Association and other financial data of the Association reasonably requested by such Mortgagee.

ARTICLE 16

INSURANCE

Section 16.1. Types and Amounts. The Association shall maintain as a Common Expense and to the extent reasonably available, the following types and amounts of insurance:

- (a) Property insurance insuring against all risks of direct physical loss normally covered by the

standard extended coverage endorsement and commonly insured against, including those covered by the standard "all risk" endorsement, or such other fire and casualty insurance as the Executive Board may determine provides equal or greater protection for the Owners and their Mortgagees, if any, in each case complying with the applicable requirements of Section 16.2 hereof. The insurance maintained by the Association shall cover the Common Elements and Limited Common Elements and building service equipment and common equipment, fixtures, property and supplies owned by the Association, and shall exclude any Unit Owner's personal property and appliances. The amount of any such hazard insurance obtained pursuant to this paragraph (a) shall be equal to one hundred percent (100%) of the current replacement cost of the Condominium, including the individual Units, at the time the insurance is purchased and at each renewal date without deduction for depreciation, exclusive of land, foundations, excavation and other items normally excluded from coverage. Such hazard insurance policy may, at the option of the Association, contain a "deductible" provision in an amount not to exceed the lesser of \$10,000 or one percent (1%) of the policy face amount. Funds to cover this deductible amount shall be included in the Association's reserve fund. The named insured under the policy shall be "Samuel Gilkey House Condominium Association, for the use and benefit of the individual owners", or a specified authorized representative of the Association, including but not limited to any Insurance Trustee, and the Association or its representative, as the case may be, shall be designated to represent the Owners in any proceedings, negotiations or settlements under such policy. The "loss payable" clause of such policy shall show the Association or the, Insurance Trustee, if any, as a trustee for each Owner and each Mortgagee of a Unit. Such policy shall also contain a standard mortgage clause naming separately the Mortgagees of the Units, their successors and assigns. If the Executive Board fails within sixty (60) days after the date of an insured loss to initiate a claim for damages recoverable under the policy or policies obtained pursuant to this paragraph (a), any Mortgagee may initiate such a claim on behalf of the Association.

(b) Comprehensive Liability Insurance, including medical payments insurance, complying with the requirements of Section 16.2 hereof, insuring the Owners, in their capacity as Owners and Association members and any managing agent retained by the Association, against any liability to the public or to other Owners, their tenants or invitees, relating in any way to the ownership and/or use of the Common Elements, Limited Common Elements, and any other areas under the supervision of the Association and any part thereof. Such insurance policy shall contain a "severability of interest endorsement" or equivalent, coverage which precludes the insurer from denying the claim of an Owner because of the negligent acts of the Association or another Owner. Such insurance shall include coverage for bodily injury and property damage that results from the operation, maintenance or use of the Common Elements and Limited Common Elements, any liability resulting from lawsuits related to employment contracts in which the Association is a party, water damage liability, liability for non-owned and hired automobiles, liability for property of others, and such other risks as are customarily covered in similar projects. The amount of such liability insurance shall be at least \$1,000,000.00 for bodily injury and property damage for any single occurrence. The scope and amount of coverage of all liability insurance policies shall be reviewed at least once each year by the Executive Board and may be changed in its discretion provided that such policies shall continue to comply with the requirements of this Section and Section 16.2 hereof. To the extent reasonably available, Mortgagees shall be named, upon their written request, as additional insureds under the Association's liability policy or policies.

(c) Such worker's compensation insurance as applicable laws may require.

(d) Insurance to satisfy the indemnification obligation of the Association and all Owners set out in Section 13.2 hereof if and to the extent available, including but not limited to insurance coverage commonly referred to as "Directors and Officers Insurance."

(e) If at any time it is determined that all or any part of the Property lies within a special flood

hazard area, a master or blanket policy of flood insurance covering the Property, including but not limited to, all Common Elements and Limited Common Elements and property, the Units and all improvements, fixtures and appliances contained within the Unit or the value thereof, and building service equipment and common equipment, fixtures, personal property and supplies owned by the Association, but excluding any improvements or appliances subsequently added by a Owner and all other personal property of the Owner. The amount of any such flood insurance obtained pursuant to this paragraph (e) shall be equal to the lesser of one hundred percent (100%) of the insurable value of the property insured or the maximum coverage available under the appropriate National Flood Insurance Administration program. Such flood insurance policy may, at the option of the Association, contain a "deductible" provision in an amount not to exceed the lesser of \$5,000 or one percent (1%) of the policy face amount. Funds to cover this amount shall be included in the Association reserve fund.

Section 16.2. Required Provisions. Insurance obtained by the Association shall be in accordance with the following provisions:

(a) All policies shall be written with a company authorized to do business in the State of Maine and, for the hazard insurance policy described in Section 16.1(a) hereof, such company must hold a general policy holder's rating of at least "A" by Best's Insurance Reports, or by an equivalent rating bureau should Best's Insurance Reports cease to be issued.

(b) Exclusive authority to adjust losses under policies hereafter in force on the Property shall be vested in the Executive Board or its authorized representative.

(c) Each Owner may obtain additional insurance at his own expense; provided, however, that: (1) such policies shall not be invalidated by the waivers of subrogation required to be contained in policies required by this Declaration; and (2) no Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the Association may realize under any insurance policy which the Association may have in force on the Property at any particular time.

(d) Any Owner who obtains individual insurance policies covering any portion of the Property other than personal property belonging to such owner shall be required to file a copy of such individual policy or policies with the Association within thirty (30) days after purchase of such insurance.

(e) With respect to the insurance policies described in subsection (a) and (b) of Section 16.1 issued to the Association, and covering all or any part of the Property, the Association shall cause such policies to provide that: (1) Each Owner is an insured person under such policies with respect to liability arising out of his ownership of an undivided interest in the Common Elements or membership in the Association; (2) The insurer waives its right to subrogation under the policy against any Owner or members of his household; (3) No act or omission by any Owner, unless acting within the scope of his authority on behalf of the Association will void such policies or be a condition to recovery under such policies or prejudice the coverage under such policies in any way; (4) If at the time of a loss under such policies there is other insurance in the name of a Owner covering the same risk covered by the policy, the Association's policy provides primary insurance; (5) The liability of the insurer shall not be affected by, and the insurer shall not claim, any right of set-off, counterclaim, apportionment, proration, or contribution by reason of any other insurance obtained by or for any Owner; (6) The insurer shall be relieved from no liability for loss occurring while the hazard to the Property is increased, whether or not within the knowledge or control of the Executive Board, or because of any breach of warranty or condition or any other act or neglect by the Executive Board or any Owner or any other person under either of them; (7) Such policies may not be cancelled nor may coverage thereunder be substantially changed (whether or not requested by the Executive Board) except by the insurer giving at least thirty (30) days prior written notice thereof to the Executive Board, the Insurance Trustee, if any, Owners, and

every other party in interest who shall have requested such notice of the insurer; and (8) The insurer will recognize any Insurance Trust Agreement entered into by the Association.

Section 16.3. Insurance Trustee and Power of Attorney. Notwithstanding any of the provisions and requirements of this Article relating to property or liability insurance, the Executive Board may designate as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any Insurance Trust Agreement or any successor to such trustee (hereinafter referred to as the "Insurance Trustee"), who shall have the exclusive authority to negotiate losses under any policy, providing such property or liability insurance.

Section 16.4. Repair of Damage or Destruction to Condominium. The repair or replacement of any damaged or destroyed portion of the Condominium shall be done in accordance with and governed by the provisions of Sections 1603-113(e) and (h) of the Condominium Act.

Section 16.5. Additional Insurance. Nothing in this Declaration shall be construed to limit the authority of the Executive Board to obtain additional insurance which it deems advisable.

ARTICLE 17

ASSIGNABILITY OF DECLARANT'S RIGHTS

The Declarant may assign any or all of its rights or privileges reserved or established by this Declaration or the Act in accordance with the provisions of the applicable Act.

ARTICLE 18

AMENDMENT OF DECLARATION

Pursuant to Section 1602-117 of the Condominium Act and except as provided herein for amendments which may be executed by the Declarant, the Association or certain Owners, this Declaration may be amended only by vote or agreement of owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated. In addition, approval of amendments of a material nature must be obtained from Eligible Mortgage Holders representing at least 51% of the votes of Units that are subject to mortgages held by Eligible Mortgage Holders. A change to any of the following, except where such change may be effected by the Declarant, the Association or certain Owners under the Act or this Declaration, would be considered as material:

- (a) voting rights;
- (b) assessments, assessment liens, or subordination of assessment liens;
- (c) reserves for maintenance, repair and replacement of Common Elements;
- (d) responsibility for maintenance and repairs;
- (e) reallocation of interests in the Common or Limited Common Elements, or rights to their use;
- (f) boundaries of any Unit;
- (g) convertibility of Units into Common Elements or Common Elements into Units;
- (h) expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominium;
- (i) insurance or fidelity bonds;
- (j) leasing of Units;
- (k) imposition of any restrictions on an Owner's right to sell or transfer his or her Unit;

- (l) a decision by the Association to establish self management when professional management had been required previously by an Eligible Mortgage Holder;
- (m) restoration or repair of the Condominium (after a hazard damage or partial condemnation) in a manner other than that specified in the Condominium Documents;
- (n) any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs; or
- (o) any provisions that expressly benefit holders, insurers or guarantors of mortgages on the Units.

If the amendment is not of such a material nature, such as the correction of a technical error or the clarification of a statement, the approval of an Eligible Mortgage Holder may be assumed when that eligible Mortgage Holder has failed to submit response to any written proposal for an amendment within thirty (30) days after the proposal is made.

ARTICLE 19

TERMINATION

The Condominium may be terminated only by agreement of the Owners of Units to which eighty percent (80%) of the votes in the Association are allocated; provided, however, that if the Condominium is being terminated for reasons other than substantial destruction or condemnation of the Condominium, the termination of the Condominium must also be approved by Eligible Mortgage Holders of Units to which at least sixty-seven percent (67%) of the votes of Units subject to mortgages held by Eligible Mortgage Holders are allocated. Termination of the Condominium will be governed by the provisions of Section 1602-118 of the Condominium Act.

ARTICLE 20

ATTORNEY IN FACT

Each Owner by his acceptance of the deed or other conveyance vesting in him a Unit does hereby constitute and appoint the Managing Agent acting from time to time with full power of substitution, as his true and lawful attorney in his name, place and stead to:

(a) Deal with, for and in the best interest of such Owner upon damage to or destruction of any personal property in his Unit; and

(b) To enter into all agreements which the Managing Agent is authorized to enter into pursuant to the terms of this Declaration and which the Managing Agent in its discretion may believe are necessary and proper to carry out the agent's responsibilities and duties.

Each Owner stipulates and agrees that the Power of Attorney created by this Article 20 is coupled with an interest. The action of the Managing Agent in settling any claim for damage to any personal property shall be binding upon each Owner in the absence of fraud or clear mistake.

ARTICLE 21

GENERAL PROVISIONS

Section 20.1. Headings. The headings used in this Declaration and the table of contents are inserted solely as a matter of convenience for the readers of this Declaration and shall not be relied upon or used in construing the effect or meaning of any of the provisions of this Declaration.

Section 20.2. Severability. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion hereof unless such deletions shall destroy the uniform plan of development and operation of the Condominium which this Declaration is intended to create.

Section 20.3. Applicable Law. This Declaration shall be governed and construed according to the laws of the State of Maine.

Section 20.4. Interpretation. The provisions of this Declaration shall be liberally construed in order to effect Declarant's desire to create a uniform plan for development and operation of the Condominium.

Section 20.5. Effective Date. This Declaration shall become effective when it and the Plats and Plans have been recorded.

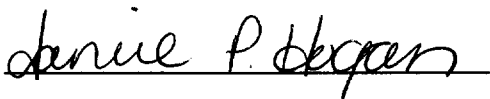
Section 20.6. Notices. Unless otherwise provided by the Condominium Documents, all notices and other communications required or permitted to be given under or in connection with this Declaration shall be in writing and shall be deemed given when delivered in person or on the third business day after the day on which mailed by regular U.S. mail, postage prepaid, addressed to the address maintained in the register of current addresses established by the Association.

Section 20.7. Exhibits. All exhibits attached to this Declaration are hereby made a part of this Declaration.

Section 20.8. Pronouns. Wherever used, the singular number shall include the plural, the plural the singular and the use of any gender shall include all genders.

IN WITNESS WHEREOF, J. Daniel Hoffman has caused this instrument to be sealed, thereunto duly authorized, this ____ day of the month of April, 2001.

SIGNED, SEALED AND DELIVERED
In the presence of:



J. Daniel Hoffman

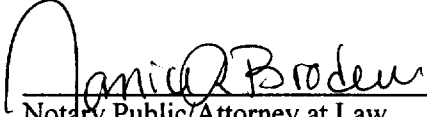
By: 
Name: J. Daniel Hoffman

STATE OF MAINE
COUNTY: Combsland, ss

April
~~March~~ 17, 2001

Then personally appeared the above-named J. Daniel Hoffman and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of said company.

Before me,



Notary Public/Attorney at Law
Name: JANICE R. BRODEUR
Notary Public, Maine
Commission Expires: My Commission Expires December 5, 2002

EXHIBIT B

PERCENTAGE INTERESTS IN COMMON ELEMENTS AND PERCENTAGE OF COMMON EXPENSE LIABILITY

<u>UNIT</u>	Unit Percentage Interest and % of Common <u>Expense Liability</u>	<u>VOTE</u>
1	47%	1
2	53%	1

SCHEDULED MAINTENANCE

Work

Sand and Paint House

Term

Every 6 years beginning on or before October 2001
(2001 paint work to be paid for by declarant either
directly or by up to \$6,000 contribution with any
balance to be paid by special assesment divided
equally between each unit owner)

BYLAWS
OF
SAMUEL GILKEY HOUSE CONDOMINIUM ASSOCIATION

309 Spring Street, Portland, Maine

ARTICLE 1
INTRODUCTORY PROVISIONS

Section 1.1. Applicability. These Bylaws ("Bylaws") shall relate solely to the property called Samuel Gilkey Condominium Association located at 309 Spring Street, Portland, Maine (the "Property"), more fully described in the Declaration of Condominium dated April __, 2001, and Plats and Plans attached thereto (collectively, the "Declaration"), to be recorded in the Cumberland County Registry of Deeds.

Section 1.2. Definitions. The capitalized terms used herein without definition shall have the same definitions as such terms have in the Declaration and the Maine Condominium Act, 33 M.R.S.A. §§1601-101 et seq. (the "Condominium Act" or "Act"). Unless otherwise provided, in the event of inconsistencies in definitions among the Declaration and the Condominium Act, the Declaration shall control.

Section 1.3. Compliance. Pursuant to the provisions of the Condominium Act, every Owner and all persons entitled to occupy a Unit shall comply with these Bylaws.

Section 1.4. Name and Office. The name of the Condominium is "Samuel Gilkey House Condominium". The address of the Condominium is 309 Spring Street, Portland, Maine 04102. The name of the Condominium association is the "Samuel Gilkey House Condominium Association" (the "Association") and its address is 309 Spring Street, Portland, Maine 04102. The office of the Condominium and the Association and the Executive Board shall be located at the Property of at such other place as may be designed from time to time by the Executive Board.

Section 1.5. Incorporation of Statutory Law. Except as expressly provided herein, in the Declaration, or in the Act, the Association shall be governed by the provisions of any applicable statute of the State of Maine.

ARTICLE 2
THE ASSOCIATION

Section 2.1. Membership. The Association is a Maine corporation, all the members of which are the owners of Units in the Property. The Declarant, being the initial owner of all Units, initially shall constitute all of the members of the Association. A person shall automatically become a member of the Association at the time he records the legal title instrument to his Unit in the Cumberland County Registry of Deeds, and he shall continue to be a member so long as he continues to hold title to such Unit. An Owner shall not be permitted to resign from membership in the Association prior to the time when he transfers title to his Unit to another. No membership may be transferred in any way except as appurtenant to the transfer of title to the Unit to which that membership pertains. Transfer of membership shall be automatic upon recordation of transfer of title, but the Association may treat the prior Owner as the

member for all purposes until satisfactory evidence of the recording of the instrument transferring title shall be presented to the Secretary of the Executive Board. The date of recordation of an instrument of conveyance in the Cumberland County Registry of Deeds shall be determinative of all disputes concerning the date of transfer of title to any Unit or Units. A mortgage conveyance of any Unit, however, shall not operate to transfer membership until the mortgage is foreclosed or the Unit sold in lieu of foreclosure.

Section 2.2. Meetings. Meetings of the Association shall be conducted in accordance with the following:

(a) Annual Meetings.

(1) Owners shall hold Annual Meetings for the purposes stated in Section 2.2. (a) (2) hereof (the "Annual Meeting"). The Annual Meeting of the Owners shall be held on the first Saturday in December of each year, unless otherwise determined by the Association.

(2) The purpose of the Annual Meeting of the Association shall be to elect the members of the Executive Board unless the Executive Board is under the period of Declarant control pursuant to Section 12.1 of the Declaration, or unless such action is being taken pursuant to the provisions of Section 2.2. (b) hereof or Section 3.5. hereof, and to conduct such other business as may be required or permitted by law, the Declaration or these Bylaws to be done by a vote of Owners. The Treasurer of the Executive Board shall present at each Annual Meeting a financial report of the receipts and Common Expenses for the Association's immediately preceding fiscal year, itemized receipts and expenditures, the allocation thereof to each Owner, and any changes expected for the present fiscal year. A copy of such financial report shall be sent to each Owner not less than five (5) days prior to the Annual Meeting.

(b) Special Meetings.

(1) The President shall call a special meeting of the Association if so directed by resolution of the Executive Board or upon petition signed and presented to the Secretary by Owners entitled to cast at least seventy-five percent (75%) of the votes in the Association. The notice of any special meeting shall state the time, the place and purpose thereof. Such meetings shall be held within forty-five (45) days after receipt by the President of said resolution or petition; provided, however, if the purpose includes the consideration of the rejection of a capital expenditure pursuant to Section 5.8. hereof, such meeting shall be held within fifteen (15) days after receipt by the President of said resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.

(2) Within sixty (60) days after the date of which all members of the Executive Board must resign pursuant to Section 12.1 of the Declaration, a special meeting of the Association shall be held at which all of the members of the Executive Board shall resign, and the Owners, including the Declarant if the Declarant owns one or more Units, shall thereupon elect successor members of the Executive Board to act in the place of those resigning. The candidate receiving the highest number of votes shall be elected to a term of three (3) years, the second highest to a term of two (2) years and the lowest for a term on one (1) year. Thereafter, successor members shall be elected to a term of two (2) years.

(c) Notice. Notices to Owners of meetings of the Association or meetings of the Executive Board which Owners who are not Executive Board members are entitled or invited to attend pursuant to Section 3.3. (e) hereof shall be delivered either by hand or by prepaid U.S. mail to the mailing address designated in writing by the Owner to the Managing Agent or, in the absence of a Managing Agent, the Executive Board. If a notice sent to Owners pursuant to the foregoing sentence includes an item on the proposed agenda which would require the approval of Eligible Mortgage Holders pursuant to Section 15.2

of the Declaration, a copy of such notice will also be sent to the Eligible Mortgage Holders. All such notices shall be delivered to all Owners (and Eligible Mortgage Holders, if applicable) not less than ten (10) nor more than sixty (60) days in advance of the date of the meeting to which the notice relates and shall state the date, 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. The Secretary of the Executive Board shall cause all such notices to be delivered as aforesaid. Notice sent by mail shall be deemed to have been delivered on the second day after the date of mailing, in the case of mailed notices or the date of deposit in the Owner's (or if applicable, in the Eligible Mortgage Holder's) mailbox in the case of hand delivery. No subject may be dealt with at any Annual Meeting or special meeting of the Association, unless the notice for such meeting stated that such subject would be discussed at such meeting.

(d) Quorum. Except as set forth below, the presence in person or by proxy of Owners to which at least fifty percent (50%) of the total votes in the Association are allocated at the commencement of a meeting shall constitute a quorum at that meeting of the Association. If a quorum is not present, Owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time not less than forty-eight (48) hours after the time for which the original meeting was called. If a meeting is adjourned, the quorum at such second meeting shall be deemed present throughout any meeting of the Association if Owners to which at least fifty percent (50%) of the total votes in the Association are allocated are present in person or by proxy at the beginning of the meeting.

(e) Voting.

(i) Each Unit shall vote in accordance with Exhibit B attached to the Declaration, and each Owner shall be entitled to cast the such vote allocated to his Unit as set forth in the Declaration. When the ownership of a Unit is in more than one person, the person who shall be entitled to cast the vote of such Unit shall be the person owning such Unit who is present. If more than one person owing such Unit is present, than such vote shall be cast only in accordance with the majority in interest of the Owners pursuant to Section 1603-110 of the Condominium Act. There shall be deemed to be majority agreement if any one of the multiple Owners casts the votes 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. Subject to the requirement of the Condominium Act, wherever the approval or disapproval of an Owner is required by the Condominium Act, the Declaration or these Bylaws, such approval or disapproval shall be made only by the person who would be entitled to cast the vote of such Unit at any meeting of the Association.

(ii) Except with respect to the election of members of the Executive Board and except where a greater number is required by the Condominium Act, the Declaration or by these Bylaws, the approval of the Owners to which more than fifty percent (50%) of the aggregate votes in the Condominium are allocated voting in person or by proxy at one time at a duly convened meeting at which a quorum is present (50% of quorum) is required to adopt decisions at any meeting of the Association. In all elections for Executive Board members, each Owner shall be entitled to cast for each vacancy to be filled at such election the number of votes allocated to the Unit or Units owned by such Owner. Those candidates for election receiving the greatest number of votes cast in such elections shall be elected. If the Declarant owns or holds title to one or more Units, the Declarant shall have the right to any meeting of the Association to cast the votes to which such Unit or Unit owned by the Association may be cast. There shall be no cumulative or class voting or splitting of votes.

(iii) Notwithstanding anything to the contrary herein, during the period of Declarant control pursuant to Section 12.1 of the Declaration, the Annual Meetings and any Special Meetings of the Members shall be held only for the purpose of ratifying the budget, and no other matters shall be voted upon by Members during such period.

(f) Proxies. A vote may be cast in person or by proxy. If a Unit is owned by more than one person, each Owner of the Unit may vote through a duly executed proxy. Such proxy may be granted by any Owner only in favor of another Owner, the holder of a mortgage on a Unit or the Declarant. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only by actual receipt by the person presiding over the meeting of written notice of revocation from the grantor of the proxy. No proxy shall be valid for a period in excess of one year after the execution thereof. A proxy is void if it is not dated or purports to be revocable without notice.

(g) Actions of Association without a Meeting. Any action required or permitted to be taken by a vote of the Association may be taken without a meeting if all Owners shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the proceedings of the Association.

(h) Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a Minute Book all resolutions adopted at the meeting as well as keep a record of all transactions occurring at the meeting. The President may appoint a person to serve as parliamentarian at any meeting of the Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration or these Bylaws. All votes shall be tallied by tellers appointed by the President.

Section 2.3. Copies of Association Documents. The Association shall have current copies of the Declaration, these Bylaws, the Rules and Regulations and any other rules concerning the Property as well as its own books, records and financial statements available for inspection by Owners. These documents shall be available during normal business hours.

ARTICLE 3

EXECUTIVE BOARD

Section 3.1. Composition. The affairs of the Association shall be governed by the Executive Board. The Executive Board shall consist of three (3) natural individuals, all of whom shall be Owners or designees of the Declarant.

Section 3.2. Election and Term of Office.

(a) At the Annual Meeting of the Association, subject to Section 12.1 of the Declaration, the election of members of the Executive Board whose terms have expired shall be held. The term of office of any Executive Board member to be elected (except as may be set forth in Section 2.2. (b) (2), and Section 3.5. hereof) shall be fixed at one (1) year. The members of the Executive Board shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal or resignation. An Executive Board member may serve an unlimited number of terms and may succeed himself.

(b) Persons qualified to be members of the Executive Board may be nominated for election only as follows:

(1) Any Owner may submit to the Secretary at least thirty (30) days before the meeting at which the election is to be held a nominating petition signed by Owners to which at least twenty percent 20% of the votes in the Association are allocated, together with the statement that the person

nominated is willing to serve on the Executive Board and a biographical sketch of the nominee. The Secretary shall mail or hand deliver copies of the submitted items to every Owner together with the notice of such meeting; and

(2) Nominations may be submitted from the floor at a meeting at which the election is held for each vacancy on the Executive Board for which no more than one person has been nominated by petition.

Section 3.3. Meetings. Meetings of the Executive Board shall be conducted in accordance with the following:

(a) Time and Location. The Executive Board shall hold an annual meeting within ten (10) days following the Annual Meeting of the Association for the purpose of electing officers, as more fully set forth in Article 4 hereof, and for any other purpose which may be required or permitted by law, the Declaration or these Bylaws to be done by a vote of the Executive Board. The Executive Board shall hold meetings at the call of the President or upon request to the President by at least a majority of the members of the Executive Board; provided however that:

(1) In any event, the Executive Board shall meet at least three (3) times each fiscal year (in addition to the annual meeting of the Executive Board), unless all members of the Executive Board shall waive such requirements as to a particular meeting or meetings;

(2) The first such Executive Board meeting shall be held promptly after the date on which the Declaration is recorded;

(3) There shall be a meeting of the Executive Board on or before the first day of the eleventh month of each fiscal year for the purpose of adopting the budget of the Association for the next following fiscal year of the Association; and

(4) The President shall call any Executive Board meeting requested by a majority of the members of the Executive Board for a date occurring not less than five (5) nor more than twenty (20) days after the receipt of such request.

The President shall designate the time and location of Executive Board meetings. No business shall be transacted at Executive Board meetings other than as specified in the notice thereof.

(b) Notice. Not less than forty-eight (48) hours prior to the time of any Executive Board meeting, a written notice stating the date, time and place of such meeting shall be delivered, either by hand or by mail or telegram, to each Executive Board member at the address given to the Executive Board by such Executive Board member for such purpose. Any Executive Board member may waive notice of a meeting or consent to any action of the Executive Board without a meeting. An Executive Board member's attendance at a meeting shall constitute his waiver of notice of such meeting.

(c) Quorum of the Executive Board. At all meetings of the Executive Board a majority of the members shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute a decision of the Executive Board. 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. One or more members of the Executive Board may participate in and be counted for quorum purposes at any meeting by means of conference telephone or similar

communications equipment by means of which all persons participating in the meeting can hear each other.

(d) Voting. Each Executive Board member shall be entitled to cast one vote. A vote of the majority of the members of the Executive Board present at any meeting at which a quorum is present shall bind the Executive Board for all purposes unless otherwise provided in the Declaration or these Bylaws.

(e) Organization. Executive Board meetings may be held under such reasonable rules consistent with these Bylaws as the Executive Board may determine. The Executive Board is hereby entitled to promulgate such rules. Except for the meeting to approve the budget of the Association referred to in this Section 3.3. (e), Owners who are not Executive Board members shall have no right to attend Executive Board meetings but the Executive Board may, in its sole discretion, elect to allow such Owners to attend a particular meeting or meetings. If the Executive Board does elect to allow Owners who are not Executive Board members to attend a particular meeting or meetings, the Secretary shall give prior notice in the manner provided in Section 2.2. (c) hereof, to all Owners of each meeting at which Owners are entitled or invited to be present; provided, however, that the failure to give such notice shall neither invalidate any actions taken by the Executive Board at such meeting nor impose any liability on the Executive Board or its officers and /or members for the failure to give such notice. All Owners shall have the right to attend and be heard, but not the right to vote, at the Executive Board meeting at which the fiscal year budget of the Association shall be presented to the Executive Board for adoption. The Secretary of the Executive Board shall give Owners notice of such meeting, accompanied by a copy of the proposed budget, in the manner provided in Section 2.2. (c) hereof.

(f) Conduct of Meetings. The President shall preside over all meetings of the Executive Board and the Secretary shall keep a Minute Book of the Executive Board meetings, recording therein all resolutions adopted by the Executive Board and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meeting of the Executive Board if and to the extent such Rules are not in conflict with the Declaration or these Bylaws.

(g) Action without a meeting. Any action by the Executive Board required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Executive Board shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Executive Board.

Section 3.4. Resignation and Removal. Except with respect to members designated by Declarant, at any regular or special meeting of the Association duly called, any one or more of the members of the Executive Board may be removed with or without cause by Owners entitled to cast a majority of all votes in the Association and a successor may then and there be elected to fill the vacancy thus created. Any Owner proposing removal of a Board member shall give notice thereof to the Secretary. Any member whose removal has been proposed by an Owner shall be given at least ten (10) days' notice by the Secretary of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to his Unit. The Declarant shall have the right to remove and replace any and all members appointed by the Declarant at any time and from time to time until the required resignation date specified in Section 12.1 of the Declaration.

Section 3.5. Vacancies. Any vacancy or vacancies on the Executive Board, whether caused by resignation, removal, death, adjudication of, incompetency, or an increase in size of the Executive Board, shall be filled by the Executive Board with an interim appointee who shall serve until the next Annual Meeting of the Association at which time such vacancy may be filled by the vote of the Owners to which

more than fifty percent (50%) of the votes in the Association are allocated voting in person or by proxy at any one time at a duly conveyed meeting at which a quorum is present (50 % of quorum), provided, however, that the Declarant shall have the right to fill any vacancy created by the resignation, death, or adjudication of , incompetency of a member who had been appointed by the Declarant and had not been elected by the Owners. If the vacancy results from removal by the Association, the election of a new member or members may be held at the same meeting where such removal takes place and notice of a petition for removal shall be considered notice of an election to fill each vacancy so caused. The vote of Owners to which more than fifty percent (50%) of the votes present at such meeting in person or by proxy (50% of Quorum) shall cause the postponement of the election to a later date, but if such vacancy is not filled within sixty (60) days after it occurs, the Executive Board shall promptly thereafter elect a replacement.

Section 3.6. Compensation. No member of the Executive Board shall receive compensation for performing his duties as a member of the Executive Board unless such compensation is expressly authorized or approved by a vote of Owners to which more than fifty percent (50%) of the votes in the Association are allocated, at any Annual or special meeting of the Association. Executive Board Members shall be entitled to reimbursement for all reasonable expenses they incur in carrying out their duties.

Section 3.7. Validity of Contracts with Interested Executive Board Members. No contract or other transaction between the Association and one or more of its Executive Board members or between the Association and any corporation, firm or association in which one or more of the Executive Board members are directors or officers, or are financially interested, shall be void or voidable because such Executive Board member or members are present at any meeting of the Executive Board which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

(a) The fact that an Executive Board member is also such a director or officer or has such financial interest is disclosed or known to the Executive Board and is noted in the minutes thereof, and the Executive Board authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Executive Board Member or members; or

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

Section 3.8. Inclusion of Interested Executive Board Members in a Quorum. Any Executive Board member holding such director or officer position or having such financial interest in another corporation, firm or association may be counted in determining the presence of a quorum at a meeting of the Executive Board or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 3.7. hereof.

Section 3.9. Powers of the Executive Board.

(a) Enumeration. The Executive Board shall have all of the powers and duties granted by the Condominium Act and the laws governing nonprofit corporations or both.

(b) Limitation. Nothing in this Section or elsewhere in these Bylaws shall be considered to grant to the Executive Board or to the officers of the Association any powers or duties which, by law, are possessed by Owners. Unless otherwise provided herein or in the Condominium Act or in the Declaration, the Executive Board, unless under the period of Declarant control pursuant to Section 12.1 of

the Declaration, shall comply with the instructions of Owners to which more than two-thirds (2/3) of the votes in the Association are allocated present in person or by proxy, as expressed in the resolution duly adopted at any Annual or special meeting of the Owners.

(c) Delegation of Powers; Managing Agent. The Executive Board may employ for the Condominium a Managing Agent at a compensation established by the Executive Board. The Managing Agent shall perform such duties and services as the Executive Board shall authorize, including, but not limited to all of the duties listed in the Declaration and these Bylaws; provided, however, where a Managing Agent does not have the power to act under the Declaration or these Bylaws, the Managing Agent may act as an advisor or in an advisory capacity to the Executive Board. The Executive Board may delegate to the Managing Agent all of the powers granted to the Executive Board by the Condominium Act, the Declaration and these Bylaws other than the following powers: (i) to adopt an annual budget and any amendment thereto or to assess Common Expenses; (ii) to designate repeal or amend rules and regulations; (iii) to designate signatories on Association bank accounts; (iv) to borrow money on behalf of the Association; (v) to acquire mortgages on Units; and (vi) to assign Common Elements as Limited Common Elements. Any contract with the Managing Agent must provide that it shall be cancelable by either party without cause and without a termination fee upon not less than sixty (60) days nor more than ninety (90) days written notice and shall be cancelable by the Executive Board with cause upon not less than thirty (30) days written notice. Any such contract negotiated by the Declarant shall meet all requirements of this Section 3.9. (c) for contracts negotiated by the Association and shall not exceed one year but may be renewed upon consent of the Association.

ARTICLE 4

OFFICERS

Section 4.1. Election. Subject to Article 12 of the Declaration, at the first meeting of the Executive Board, and at every Annual Meeting of the Executive Board thereafter the Executive Board members, if a quorum is present, shall elect Executive Board officers of the Association for the following year, such officers to serve for a one year term and until their respective successors are elected. The officers to be elected are: President, Secretary, Treasurer and such other officers as the Executive Board shall determine. Each officer may serve an unlimited number of terms so long as such member or officer continues to be reelected to the Executive Board. Any member may hold two offices simultaneously, except that the President shall not hold any other office.

Section 4.2. Duties. The duties of the officers shall be as follows:

(a) President. The President shall be the chief executive officer of the Association and the chairperson of the Executive Board. The President shall be responsible for implementing the decisions of the Executive Board and in that capacity shall direct, supervise, coordinate and have general control over the affairs of the Association and the Executive Board, subject to the limitations of the laws of the State of Maine, the Condominium Documents and the actions of the Executive Board. The President shall have the power to sign checks and other documents on behalf of the Association and the Executive Board, or both, with or without the signatures of any other officers as may be determined by the Executive Board. The President shall preside at all meetings of either body at which he is in attendance and shall be a member of all committees. If the President is absent from such meetings the senior officer of the Association present at such meeting shall preside, and in the absence of any officer, the body holding the meeting shall elect a person to preside. If the Executive Board so provides, the President also shall have any or all of the powers and duties ordinarily attributable to the chief executive officer of a corporation domiciled in Maine.

(b) **Secretary.** Unless otherwise determined by the Executive Board, the Secretary shall keep or cause to be kept all records (or copies thereof if the original documents are not available to the Association) of the Association and the Executive Board shall have the authority to affix the seal of the Association to any documents requiring such seal. The Secretary shall give or cause to be given all notices as required by law, the Declaration or these Bylaws, shall take and keep or cause to be taken and kept minutes of all meetings of the Association, the Executive Board and all committees, and shall take and keep or cause to be taken and kept at the Association's office a record of the names and addresses of all Owners as well as copies of the Declaration, the Plats and Plans, these Bylaws and the Rules and Regulations, all of which shall be available at the office of the Association for inspection by Owners or prospective Owners during normal business hours and for distribution to them at such reasonable charges (if any) as may be set from time to time by the Executive Board. The Secretary shall keep or cause to be kept the register of Eligible Mortgage Holders. The Secretary shall also perform all duties and have such other powers as are ordinarily attributable to the Secretary of a corporation domiciled in Maine.

(c) **Treasurer.** Unless otherwise determined by the Executive Board, the Treasurer shall have the charge and custody of, and be responsible for, all funds and securities of the Association, shall deposit or cause to be deposited all such funds in depositories as the Executive Board may direct, shall keep or cause to be kept correct and complete accounts and records of all financial transactions of the Association and the Executive Board and shall submit or cause to be submitted to the Executive Board and the Association such reports thereof as the Condominium Act, the Declaration, the Executive Board, or these Bylaws may from time to time require. Such records shall include, without limitation, chronological listings of all receipts and expenditures on account of the Common Elements, Limited Common Elements, and each Unit, the amount of each assessment for Common Expenses and expenses accessible to individual Units, if any, and the amount paid and the amounts due on such assessments. Such records shall specify and itemize the maintenance, repair and replacement expenses relating to the Common Elements and the Limited Common Elements and any other expenses incurred by the Association. The foregoing financial records shall be kept at the Association's office and shall be available there for inspection by Owners or prospective Owners during normal business hours. The Treasurer shall, upon request, provide any person who shall have entered into a written agreement to purchase a Unit with a written statement of the information required to be provided by the Association pursuant to Sections 1603-116 (h) and 1604-108 (b) of the Condominium Act. The Treasurer shall also perform such duties and have such powers as are ordinarily attributable to the Treasurer of a corporation domiciled in Maine.

Section 4.3. Compensation. The officers of the Executive Board shall serve without compensation for their services in such capacity unless such compensation is expressly authorized or approved by a vote of Owners to which more than fifty percent (50%) of the votes in the Association are allocated to any Annual or special meeting of the Association. Officers of the Executive Board shall be entitled to reimbursement for all reasonable expenses they incur in carrying out their duties.

Section 4.4. Resignation and Removal. Any officer may resign at any time by written notice to the Executive Board, such resignation to become effective at the next Executive Board meeting. Any officer who ceases to be a member of the Executive Board for any reason also shall be deemed to have resigned or been removed, ipso facto, from any Executive Board office he may have held. Any officer may be removed from his office at any time by a majority vote of the Executive Board whenever in the judgment of the Executive Board members the interests of the Association will be best served thereby, or by the vote of the Association with or without cause, in the same manner as set forth for the removal of Executive Board members in Section 3.4. hereof.

Section 4.5. Vacancies. Vacancies caused by resignation or removal of officers or the creation of new officers may be filled by a majority vote of the Executive Board members, if the vacancy resulted from action of the Executive Board. If, however, the vacancy resulted from action by the Association,

such vacancy shall be filled in the same manner as set forth in Section 3.5. hereof for filling Executive Board vacancies.

ARTICLE 5

COMMON EXPENSES; BUDGETS

Section 5.1. Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by the Executive Board; provided, however, that the first fiscal year shall begin upon the recordation of the Declaration and end on December 31 of the same year.

Section 5.2. Preparation and Approval of Budget.

(a) Adoption. On or before the first day of December of each year (or sixty (60) days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall adopt an annual budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements, Limited Common Elements, and Limited Common Property, in accordance with Article 14 of the Declaration, and those parts of the Units as to which it is the responsibility of the Executive Board to maintain, repair and replace; and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses or Limited Common Expenses by the Condominium Act, the Declaration, these Bylaws or a resolution of the Association and which will be required during the ensuing fiscal year for management and administrative expenses; the cost of such utilities as may be furnished by the Association; the amount of such reserves as shall be reasonably established by the Executive Board including operating contingency reserves for expenses both unanticipated and extraordinary and reserves for periodic maintenance, repair and replacement of the Common Elements, Limited Common Elements, and Limited Common Property; and such other expenses of the Association as may be approved by the Executive Board including operating deficiencies, if any, for prior periods.

(b) Available for Inspection. On or before the next succeeding fifth day of December (or fifty-five (55) days before the beginning of the fiscal year, if the fiscal year is other than the calendar year), the Executive Board shall make available for inspection at the Association office the budget and a summary of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses. Such budget shall constitute the basis for determining each Owner's assessments for Common Expenses of the Association.

(c) Ratification of Budget. The Executive Board shall set and notice a date for a meeting of the Owners to consider ratification of such budget not less than ten (10) days nor more than thirty (30) days after mailing of such budget and summary. The meeting set by the Board for such ratification may coincide with the annual meeting as described in Section 2.2 (a). Unless at that meeting a majority of all the Owners of all Units reject such budget, such budget is ratified, whether or not a quorum is present. In the event such proposed budget is rejected, the budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Executive Board.

(d) Reasonable Efforts. The Executive Board, shall make reasonable efforts to meet the deadlines set forth above, but compliance with such deadlines shall not be a condition precedent to the effectiveness of any budget.

Section 5.3. Assessment and Payment of Common Expenses.

(a) **Common Expenses.** The Executive Board shall calculate the Assessments for Common Expenses against each Unit by dividing the total amount of the estimated funds required for the operation of the Property set forth in the budget adopted by the Executive Board for the fiscal year in question by the number of Units in the Condominium. Such assessments shall be due and payable in accordance with the Rules and Regulations of the Condominium and, in any event, prior to an Owner's occupancy of his or her Unit and shall be a lien against each Owner's Unit as provided in the Condominium Act or in the Declaration.

Within ninety (90) days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Owner and to each record holder of a first mortgage or a Land Installment Contract on a Unit who has registered an address with the Secretary and requested to receive the accounting, an itemized accounting of the Common Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves. Any net shortage with regard to Common Expenses, after application of such reserves as the Executive Board may determine, shall be assessed promptly against the Owners in equal shares and shall be payable as a Special Assessment, in such manner as the Executive Board may determine.

(b) **Reserves.** Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against reserves for working capital, operations, contingencies, and replacements. If the reserves are deemed to be inadequate for any reason, including non-payment of any Owner's assessments, the Executive Board may at any time levy further assessments for Common Expenses which shall be assessed against the Owners or in accordance with their Percentage Interests and shall be payable as a special assessment, in such manner as the Executive Board may determine.

Section 5.4. Further Assessments. The Executive Board shall serve notice on all Owners of any further assessments pursuant to Sections 5.3. (a), or 5.3. (c) or otherwise as permitted or required by the Condominium Act, the Declaration and these Bylaws by a statement in writing giving the amount and reasons therefor, and such further assessments, unless otherwise specified in the notice, shall become effective ten (10) days after the delivery of such notice of further assessments. All Owners so assessed shall be obligated to pay the amount of such further assessments. Such assessments shall be a lien as of the effective date set forth in the preceding Sections 5.3. (a) and 5.3. (c).

Section 5.5. Initial Budget. At or prior to the time assessment of Common Expenses commences, the Executive Board shall adopt the budget, as described in this Article 5, for the period commencing on the date of the recording of the Declaration in the Cumberland County Registry of Deeds and ending on the last day of the fiscal year during which such commencement date occurs. Assessments shall be levied and become a lien against the Owners during such period as is provided in Section 5.3. above.

Section 5.6. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Executive Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of an Owner's obligation to pay his allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Owner shall continue to pay each Assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

Section 5.7. Accounts; Audits. All sums collected by the Executive Board with respect to assessments against the Owners or from any other source may be commingled into a single fund, except that the portion of the assessment allocated to property taxes, for both real and personal property, shall be deposited and maintained in an escrow account pursuant to 33 M.R.S.A. §593(5). All books and records

of the Association shall be kept in accordance with good and accepted accounting practices and the same shall be audited at least once each year by an independent accountant retained by the Executive Board. The Association shall make an audited statement for the preceding fiscal year available to any holder, insurer or guarantor of a first Mortgage secured by a Unit who submits a written request therefor to the Association.

Section 5.8. Limitations on Expenditures and Borrowing. Anything herein to the contrary notwithstanding, the Association, by a vote of more than two-thirds (2/3) of all votes in the Association present, may reject any capital expenditure or borrowing approved by the Executive Board, within thirty (30) days after approval by the Executive Board; provided, however, that this Section shall not apply to the Executive Board so long as a majority of its members are appointed by the Declarant pursuant to Section 10.1 of the Declaration.

Section 5.9. Statement of Common Expenses. The Executive Board shall promptly provide any Owner, contract purchaser or proposed Mortgagee so requesting the same in writing with a written statement of all unpaid assessments for Common Expenses and Limited Common Expenses, if any, due from such Owner. The Executive Board may impose a reasonable charge for the preparation of such statement to cover the cost of its preparation, to the extent permitted by the Condominium Act.

ARTICLE 6

REPAIR OR RECONSTRUCTION

Section 6.1. Restoration of Property Out of Common Expense Fund. Damage to or destruction of the Buildings shall be promptly repaired and restored by the Association in accordance with the provisions of Article 7 of the Declaration, Sections 1603-113 (e) and (h) of the Condominium Act, as the same may be amended from time to time. The Executive Board shall be responsible for accomplishing the full repair or reconstruction which shall be paid out of the Common Expense fund. The disbursement of funds for such repair or reconstruction shall, at the option of the Executive Board, be made only as the work progresses upon approval of a qualified architect who shall have furnished a description satisfactory to the Executive Board of the costs involved and the services and materials to be furnished by the contractors, subcontractors and materialmen. Owners may apply the proceeds from their individual property insurance policies, if any, to the share of such Common Expenses as may be assessed to them. The Executive Board shall be responsible for restoring the Property only to substantially the same condition as it was immediately prior to the damage. If any physical changes are made to any restored Unit or the Common Elements, or any combination of them, which renders inaccurate the Plats and Plans which are then of record, the Executive Board shall record amended Plats and Plans showing such changes.

ARTICLE 7

AMENDMENTS TO BYLAWS

Section 7.1. General Requirements; Consent of Declarant or Holders or Mortgages; Curative Amendments to Bylaws. Except as otherwise provided in any one or more of these Bylaws, the Declaration or the Condominium Act, these Bylaws may not be amended during Declarant's period of control pursuant to the Declaration unless it consents to said amendment. If the Declarant consents, then the Bylaws may be amended by the vote of the Owners entitled to cast a majority of the votes in the Association, cast in person or by proxy at a meeting duly held in accordance with the provisions of these Bylaws; provided, however that if such amendment shall make any change which would have a material effect upon any rights, privileges, powers and options of the Declarant, such amendment shall require the

joinder of the Declarant; and further provided that no amendment seeking (i) to abandon, encumber, sell or transfer any portion of the Common Elements, or (ii) to abandon or terminate the condominium form of ownership of the Property except as otherwise provided in the Declaration, shall be effective without the prior written approval of all Mortgagees holding mortgages and all holders of Land Installment Contracts encumbering the Units. Notwithstanding the foregoing, amendments of a material nature must be approved by Owners entitled to cast at least sixty-seven percent (67%) of the total allocated votes in the Association and by Eligible Mortgage Holders representing at least fifty-one percent (51%) of the votes of Units subject to mortgages held by Eligible Mortgage Holders. A change to any of the following, except where such change may be effected by the Declarant, the Association or certain Owners under the Declaration or the Condominium Act, would be considered material:

- (a) voting rights;
- (b) assessments, assessment liens, or subordination of assessment liens;
- (c) reserves for maintenance, repair and replacement of Common Elements;
- (d) responsibility for maintenance and repairs;
- (e) reallocation of interests in the Common or Limited Common Elements, or rights to their use;
- (f) boundaries of any Unit;
- (g) convertibility of Units into Common Elements or Common Elements into Units;
- (h) expansion or contraction of the Condominium; or the addition, annexation or withdrawal of property to or from the Condominium;
- (i) insurance;
- (j) leasing of Units;
- (k) imposition of any restrictions on an Owner's right to sell or transfer his or her Unit;
- (l) a decision by the Association to establish self-management when professional management had been required previously by an Eligible Mortgage Holder;
- (m) restoration or repair of the Condominium (after a hazard damage or partial condemnation) in a manner other than that specified in the Condominium Documents;
- (n) any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs; or
- (o) any provisions that expressly benefit holders, insurers or guarantors of mortgages on the

Units.

If the amendment is not of such a material nature, such as the correction of a technical error or the clarification of a statement, the approval of an Eligible Mortgage Holder may be assumed when that Eligible Mortgage Holder has failed to submit a response to any written proposal for an amendment within thirty (30) days after the proposal is made.

Section 7.2. Amendments to the Declaration. The Declaration may be amended pursuant to the provisions of the Condominium Act and of the Declaration. The President is empowered to prepare and execute any amendments to the Declaration on behalf of the Association and the Secretary or any Assistant Secretary is empowered to attest, seal with the Association's corporate seal and record any such amendments on behalf of the Association.

ARTICLE 8

GENERAL PROVISIONS

Section 8.1. Severability. The provisions of these Bylaws shall be deemed independent and severable and the invalidity, partial invalidity or unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision or portion thereof unless the deletion of

such invalid or unenforceable provision shall destroy the uniform plan for development and operation of the Property which the Declaration and these Bylaws are intended to create.

Section 8.2. Conflicts. The Acts and the Declaration shall control in the event of any conflict between the provisions thereof and the provisions of these Bylaws. The Act, the Declaration and these Bylaws shall control in the case of any conflict between the provisions thereof and the provisions of the Rules and Regulations.

Section 8.3. Notices. All notices or other communications required or permitted under these Bylaws shall be in writing and shall be deemed to have been given when personally delivered or on the second business day after the day on which mailed by regular U.S. mail, postage prepaid (or otherwise as the Condominium Act may permit), (a) if to an Owner at the single address which the Owner shall designate in writing and file with the Managing Agent, or Secretary if no Managing Agent, or, if no such address is designated, at the address of the Unit of such Owner, or (b) if to the Association, the Executive Board or to the Managing Agent, at the principal office of the Association and to the Managing Agent or at such other address as shall be designated by notice in writing to the Owners pursuant to this Section. If a Unit is owned by more than one person, each such person who so designates a single address in writing to the Managing Agent, or Secretary if no Managing Agent, shall be entitled to receive all notices hereunder.

Section 8.4. Headings. The headings preceding the various Sections of these Bylaws and any Table of Contents are intended solely for the convenience of readers of the Bylaws and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.

Section 8.5. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders, and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

ARTICLE 9

CORPORATE SEAL

Section 9.1. Seal. The form of the seal of the Association shall contain the name of the Association and the State of Maine.

RULES AND REGULATIONS

SAMUEL GILKEY HOUSE 309 Spring Street, Portland, Maine

The Samuel Gilkey House Condominium (the "Condominium") is a private condominium located at 309 Spring Street, Portland, Maine, consisting of 2 condominium units. The Condominium takes pride in being a quiet, safe and enjoyable place to live, where maintenance of facilities and grounds is a high priority and where the concept of condominium ownership works well.

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

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

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

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

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

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

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

1. Common Expenses. The Association shall be responsible for the payment of all common expenses which shall include, without limitation, any expenses for the maintenance, repair, renovation, alteration, improvement or replacement of the following:
 - a. Grounds. The land, driveway, parking areas, lawns, trees, any forested areas, unit walkways, signage, any common facilities or storage buildings or areas, and other common areas;
 - b. Systems & Utilities. Sanitary sewer to each unit, electric distribution to each unit meter, telephone line to each unit, cable TV line to each unit, water distribution to each unit master valve, storm and groundwater drainage system, heating equipment (heating appliances, radiators, water heaters, boilers, air intake and exhaust fittings, fuel storage, fuel lines and heating controls); and associated distribution to each unit, water and sewer lines running through and/or under foundation and masonry slabs.
 - c. Interior Structure. Any masonry floor slabs.
 - d. Exterior Structure & Fixtures. Roofing (all roof framing and covering), chimneys and flues, exterior walls (framing, insulation, sheathing and clapboard siding), including unit party walls), studs, joists, any load bearing portions of the buildings, shutters, attics (framing, floor and insulation), foundation walls, any masonry floor slabs, exterior foundation drains, interior foundation drains, privacy fencing, shrubbery, front and rear steps and railings, and dormers (roofing and walls, but excluding new dormer construction).
 - e. Other. All other parts of the property necessary or convenient to its existence, maintenance and safety or normally in common use, except as otherwise expressly provided.
2. Unit Expenses. Common expenses shall not include Unit Expenses. Each member shall be individually responsible for the payment of all Unit Expenses for the unit owned by each

respective member, which shall include, without limitation, any expenses in connection with the maintenance, repair, renovation, alteration, improvement or replacement of the following:

- a. Systems & Utilities. Pipes, lines, cables and wires serving one individual unit including all valves, junction boxes and any other related components; i.e. water lines inside of unit master valve located in both interior and exterior walls and in floors; sewer lines inside of unit outlet located in both interior walls and exterior walls and in floors; electrical wiring inside of electric meter, located in both interior and exterior walls and ceilings and in floors; master electric circuit breaker; interior television cable including incoming service terminal; interior telephone lines including incoming service terminal; internal water shutoff valves; smoke detectors; security alarms; unit dryer venting systems including piping and vents; kitchen exhaust fans; and bathroom exhaust fans;
- b. Interior Structure & Fixtures. Sheetrock on all *interior* walls; framing, and insulation; interior first floor sub-floor sheathing; interior upper floor sub floor sheathing; stair framing for all stair units; interior moldings and trim; interior doors; stair trim; wall and ceiling coverings (paint, wallpaper, furring, gypsum board and other finishing surfaces); floor coverings (carpeting and other finished flooring material including padding and additional sub-flooring); stair coverings; kitchen cabinets; built-in cabinets or fixtures; bathroom fixtures (tub, shower unit, sink, vanity and toilets); and light fixtures.
- c. Exterior Structure & Fixtures. Exterior unit doors (front, kitchen and patio doors); storm/screen doors; window and door glass; window, door and skylight frames, screens, thresholds and sills; decks (all components); building mounted light fixtures; sun room doors and windows; dormer windows; individual mailboxes; and garage storage loft and stairways; and automatic garage door openers.
- d. The unit owner is liable for all damages to the common elements of the building and to damage to personal property of other unit owners caused by failure to properly maintain the above systems, utilities, structures and fixtures which are the unit owner's responsibility.

3. Right To Peaceful Enjoyment By All Unit Owners

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

4. Guests

- a. While visiting the Condominium, guests of unit owners shall abide by all aspects of these Rules and Regulations.
- b. Unit owners are responsible for making their guests aware of these Rules and Regulations and assuring their compliance.

5. Board Approval and Notification

- a. All unit owners are required to obtain written approval by the Executive Board before undertaking any project involving additions (temporary or permanent), and alterations to their unit's interior, the limited common areas attached to their unit, and the structure of which their unit is a part. The Board shall grant approvals based on a review of a *written, detailed* proposal submitted by the unit owner and, possibly, inspection of the property and/or additional discussion with the unit owner. Owners will be notified of the Board's decision within ten days after the scheduled Board meeting following submission of the written proposal and all required information.
 - b. All unit owners are required to notify the Executive Board, in advance, of significant maintenance/replacement, upgrading projects being undertaken inside their unit and not involving structural change, doors, windows, skylights, etc. Such work includes but is not limited to: adding a security system, finishing a basement, finishing an upstairs area into a bedroom, changes in flooring, replacement of bathroom/kitchen fixtures and cabinetry. The Association needs to know for insurance purposes. Aspects of the project may require compliance with Board specifications.
 - c. Unit owners who take such actions without Board approval may be required, at their expense, to remove all unapproved changes and restore the building, common area or limited common area etc. to its original condition.
6. Alterations and Improvements Requiring Advance Written Board Approval And/Or Compliance With Board Approved Specifications
- a. Any alteration or improvement to a unit, to a limited common area or a common area which involves a change in structural integrity, structural modifications, replacement, painting, planting, decoration or the affixing of any thing permanent or temporary.
 - b. Replacement of existing exterior doors, windows, sliding patio doors, skylights, light fixtures. These products must be approved for use at the Condominium.
 - c. Replacement or addition of a Storm / Screen Door on front entrance. This must be the door approved for use at the Condominium.
 - d. Installation of a new Roof Skylight.
 - e. Installation of a dormer or modification to an existing dormer.
 - f. Installation of a door or window in a place where one does not currently exist.
 - g. Any modification or improvement to a deck. All deck modifications must comply with the Condominium's Deck Specifications, if any.
 - h. The installation of a temporary or semi-permanent screen room or awning on any part of a deck. Such additions are allowed but must be approved for use at The Condominium.
 - i. Any modifications to foundations or chimneys.
 - j. Any installation or modification of exterior mounted equipment, ducts, louvers, vents, etc.
 - k. Removal or replacement of any plant or tree located in a common area.
 - l. Addition, removal or enlargement of any garden space within a common area.
 - m. Telephone wire or cable TV wire installations that require disruption of paved or lawn surfaces, drilling of new holes in buildings or running of cables/wires on exterior of buildings.

- n. Where necessary, the Board shall grant its approval based on a review of a *written, detailed* proposal submitted by the unit owner and, possibly, inspection of the property and/or additional discussion with the unit owner. Owners will be notified of the Board's decision within ten days after the scheduled Board meeting following submission of the written proposal and all required information.
- o. Unit owners who take actions without required Board approval or use products not approved for use at The Condominium will be required, at their expense, to remove all unapproved changes or additions and restore the building, common area or limited common area etc. to its original condition.

7. Additions to Structures

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

8. Outside Contractors

- a. All contractors and tradesmen employed or engaged by a unit owner to perform work in and around the Condominium structures are required to provide proof of adequate liability insurance and Worker's Compensation Insurance as required by Maine State Law. Insurance certificates shall be provided to the homeowner and, upon request, to the Board prior to commencement of work. Insurance certificates provided by contractors shall specifically name the unit owner and the Samuel Gilkey House Condominium Association as additional insured.
- b. Any electrical, plumbing, and heating work done in a unit must be performed by experienced, reputable tradesmen licensed and certified to perform such work in the State of Maine.
- c. The Association may require any outside contractor engaged by a unit owner to execute and deliver to the Association a mechanics lien waiver in connection with any work performed by such contractor hereunder.

9. Pets

- a. Household Pets are allowed with the consent of the Executive Board. Unit owners are responsible for the behavior of their pets or their guest's pets and are liable for any property damage, personal injury or disturbance that such animals may cause. The Association shall have the right to assess the unit owner for reimbursement of related expenses and to lien the owner's property in the event of non-payment.
- b. All pets must be licensed and inoculated as required by law, and owners must comply with City of Portland ordinances regulating pets. The Condominium reserves the right to notify the Animal Control Officer if a pet owner fails to do so.
- c. No pet is allowed outside of its unit except on a leash and under the control of a responsible person.
- d. Owners are responsible for the daily removal of pet wastes from lawn or roadway common areas.

- e. Damage to common area lawns inflicted by excessive animal use or by a concentration of animal urine and other wastes may be repaired by the Association. The Association shall have the right to assess the unit owner for reimbursement of repair expense and to lien the owner's property in the event of non-payment.
- f. No animal shall be permitted to bark, meow, or make other noises as to disturb neighbor's rest or peaceful enjoyment of their unit or the common area.
- g. Unless otherwise authorized by the Executive Board, no animal may be tied or leashed outside the unit at any time, exterior pet runs of any type are not allowed at the Condominium.
- h. The Association shall have the power, if necessary, to further regulate the keeping of pets and animals including, without limitation, the express power to regulate the size and specie, to establish additional behavior requirements, and to expel any offending animals from the Condominium.

10. Children

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

11. Driveway and Parking Control

- a. Although the Condominium's driveway and parking areas are private, all accepted and legal rules of the road apply to drivers and pedestrians.
- b. Recreational vehicles, boats, campers, trailers, etc. shall not be left in a driveway or automobile parking area overnight.
- c. No vehicle repair or maintenance of any kind is allowed in any area at the Condominium.
- d. All vehicles on the premises of the Condominium are there at the owner's risk and the Association is not responsible for damages.

14. Recreational Equipment (RV's, Camper Trailers, Boats, Equipment Trailers)

- a. The Condominium has no area designated for the parking of wheeled recreational equipment and large vehicles. Parking or driving of such vehicles on lawns is prohibited.

15. Stormy Weather

- a. The Board and the snow removal contractor make every effort to insure that snow is cleared from roads, driveways, and walks as quickly as possible. Despite these efforts, there will be times that these areas may be temporarily impassable.
- b. During winter storms, vehicles should be parked in a garage or in a designated parking area.
- c. All owners/tenants should be alert to pending weather conditions and to take all necessary precautions to deal with the possibility of power outages, flooding, extreme cold, icing conditions, and heavy precipitation (rain, snow and/or sleet) which could cause damage to personal and common property.
- d. In the event of high winds, all personal property shall be secured or placed indoors. This is the responsibility of the unit owner/tenant.
- e. Installation of a generator or other auxiliary emergency heating/power devices requires the prior approval of the Board. Installation must be done by a contractor who is licensed under Maine law. The contractor must provide proof of adequate insurance as delineated in Section 5.
- f. During winter months, the unit owner is responsible for closing any interior shut-off valves for all outside faucets; clearing snow away from Monitor Heater air intake/exhaust fittings (usually on the front next to the door); clearing snow away from dryer vents if close to the ground; clearing snow away from sliding glass doors and basement bulkhead doors; **and insuring that sufficient heat is on during winter months to prevent pipe freezing and damage to your unit or others.** The unit owner is liable for building damages, damage to personal property, and damage to heating equipment caused by the failure to do the above.
- g. Unit owners who are away for extended periods of time, particularly in winter, either on vacation, work related travel or because of seasonal use of their condominium, are responsible for arranging with a neighbor, friend or contractor to have their unit checked periodically to insure that all systems are operable and no storm or cold weather damage has occurred. It is essential that a member of the Board be notified of who has this responsibility and who has access to the unit.

16. Household Trash

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

17. Video Antennas and Satellite Dishes

- a. Video antennas and satellite dishes are not to be installed on any common area, including but not limited to roofs and exterior walls.
- b. Video antennas and satellite dishes can be installed in limited common areas if you have exclusive use and safety is not compromised by the installation. "Exclusive use" means an area of the property that only you, and the persons you permit, may enter and use to the exclusion of other residents (i.e. decks). The video antenna and satellite dish must be installed wholly within the exclusive use area.
- c. A video antenna and satellite dish that extends beyond the area of exclusive use is considered to be in a common area and installation is not permitted without the prior approval of the Executive Board.
- d. Only satellite dishes that are less than one meter (39.37") in diameter are permitted to be installed at The Condominium.
- e. Installation of video antennas and satellite dishes shall be in compliance with local and state law.

18. Air Conditioners

- a. Prior to installing a window-mounted air-conditioner, the unit owner must request approval from the Executive Board.
- b. It is preferred that window air conditioners be installed in a rear or side window, not in the front of the building.
- c. If the operation of an air conditioner disturbs any neighbors, the Board retains the authority to require its removal.
- d. The air conditioner may remain in place from April through November and must be removed during the winter months.
- e. The unit owner shall be responsible for any damages to the building occurring from the installation, removal, or operation of the air conditioner.

19. General Hazards and Liability of Unit Owners

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

20. Hazardous Materials

- a. It is strongly recommended that unit owners, tenants or guests not possess or store hazardous household, gardening, and commercial substances anywhere at the

Condominium. In such cases, however, unit owners are responsible for appropriate and lawful storage, safekeeping and disposal.

- b. Owners are encouraged to dispose of all hazardous cleaning materials, paints, fertilizers and vegetation killers when their usefulness ends.
- c. Hazardous materials (including those listed above) must be disposed of by legal means at a legal disposal site and, if necessary, by trained personnel.
- d. Spills of fuel oil, kerosene, other hazardous or polluting substances inside a unit, garage or on any common or limited common area (paved or otherwise) shall be reported immediately to the Executive Board.
- e. All removal, remediation and restoration costs associated with a hazardous material spill caused by a unit owner, tenant, guest, employee, hired contractor or other representative shall be the responsibility of the unit owner.

21. Firewood

- a. Firewood should be stored inside the unit or in appropriate unit storage areas.
- b. Under no circumstances shall firewood be stored on lawns or adjacent to the building.
- c. Damage to common or limited common areas caused by firewood delivery will be repaired under the Board's supervision and all costs shall be borne by the unit owner.
- d. Unit owners who store firewood are cautioned to be sure the wood is dry, free of insects and in good condition. Damage to any element of a building from rotting firewood or insect infestation shall be repaired by the Association at the expense of the unit owner.

22. Heating Equipment and Chimneys

- a. Unit owners are responsible for insuring that individual unit Monitor or similar kerosene heaters, and other heating devices are in the proper condition to provide sufficient heat through the winter months.
- b. Unit owners who regularly burn wood or coal in stoves, etc. shall have their chimneys inspected and cleaned annually. Work shall be performed by an experienced chimney sweep. Proof that this work has been done shall be provided to the Executive Board, upon request.
- c. Unit owners with individual unit Monitor or similar kerosene heaters should be aware that if snow blocks the air intake / exhaust fitting (usually located at front of unit) or this fitting is damaged, the heater will cease to operate. The unit owner is responsible for keeping snow away from this fitting and insuring that it is not damaged.

23. Woods and Lawns

- a. All lawns and wooded areas at the Condominium are common areas and under the control of the Association.
- b. Existing trees within lawn areas cannot be pruned, removed or replaced or new ones added without permission of the Association.

- c. All personal property (equipment, games, toys, furniture, etc.) should be removed from a lawn or wooded area after its use and stored in a garage or the unit.
- d. No temporary, semi-permanent or permanent structures (tents, play equipment, screen rooms, etc.) are allowed on any common area.
- e. Lawn maintenance by anyone other than the Association's landscapers is prohibited, unless otherwise approved by the Executive Board.
- f. Maintenance of trees and other vegetation within wooded areas (i.e. cutting back of weed growth, removal of dead trees, pruning, etc.) is an ongoing concern of the Association. The work is accomplished through community workdays and through the efforts of individual owners. However, in all cases, this work must be done with the specific approval of the Executive Board. All debris generated by such efforts must be removed to an external disposal site. Unit owners who undertake such maintenance work do so at their own risk and at their own expense.

24. Ornamental Landscaping

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

25. Personal Gardens

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

only exception to this would be if the *unit purchaser* notifies the Association in writing that he/she would continue to maintain the garden bed.

- g. The Association is not responsible for replacing any personal plantings removed by the Seller of a unit from their personal garden area. These items are to be considered part of the personal property of a unit (non-permanent items) and are subject to Buyer /Seller negotiations and the terms of the Purchase and Sale Contract.

26. Exterior Decorations

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

27. Clothes Hanging Devices

- a. Only reel-type and removable rotating clotheslines may be installed in the rear of the building, away from public view. When not in use or during lawn work, removable units are to be taken out and stored and the reel units retracted.
- b. Drying clothes are not to be left on lines longer than necessary to dry.
- c. Complaints from other owners about a clothesline may result in the Board's request that it be removed.
- d. Any unit owner wishing to install an exterior clothesline must receive approval from the Board in advance of doing so.

28. Decks and Porches

- a. Decks and porches ("decks") are designated limited common areas for the specific use of the unit owner /tenant with the exception of the first floor deck which the unit two onwer has the right to use for access . The land on which decks sit is common area of the Association and under the control of the Association. .
- b. Decks at the Condominium are to remain decks and cannot be walled in, roofed over and in any way turned into a building of any kind.
- c. Repairs or modification to a deck (including enlargement) requires compliance with the Condominium's Deck Specifications and advance approval of specific plans by the Executive Board.
- d. Unit owners/tenants are responsible for regularly clearing their decks of snow to prevent damage to the deck and to the adjoining building structure.
- e. Decks shall not be considered additional storage space for the unit owner's personal property.
- f. Decks and the personal property used in the enjoyment of the deck shall be kept in a neat and orderly condition at all times.
- g. Only portable or semi-permanent awnings and screen rooms authorized by the Board can be installed on a deck. Authorization is required prior to installation.

- h. Hot tubs or any similar devices are not allowed on any common or limited common area.

29. Mailboxes

- a. Mailboxes are the property of the unit owner. Replacements must be white, black or gray in color, meet USPS requirements and shall otherwise be consistent in shape, size, appearance, and color.
- b. No additional newspaper or mail receptacles are allowed.

30. Signs

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

31. Tag Sales

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

32. Solicitation

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

33. Information and Emergency Contact

- a. Information related to any changes in occupancy (rental or seasonal) or unit ownership, changes in mortgage holders, changes in insurance policies or agents, and significant interior alterations shall be reported promptly to the Board. Such information shall also be furnished when specifically requested by the Board.
- b. All unit owners shall provide to the Board, upon request or on an annual basis, the name, address and phone numbers of all persons who have emergency access to the unit.
- c. Unit owners who are away for extended periods of time, either on vacation or because of seasonal use of their condominium unit, are responsible for arranging with a neighbor, friend or contractor to have their unit checked periodically to insure that all systems are operable and no damage has occurred. It is essential that a member of the Board be notified as to the person(s) who have this responsibility and who has access to the unit.

34. Insurance

- a. Each condominium owner and tenant is responsible for obtaining insurance coverage for personal property and liability.

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

35. Access to Units For Repair and Emergency

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

36. Short-Term or Long-Term Rental of Condominium Units

- a. Unit owners who wish to rent their property must use a standard lease form, approved by the Executive Board, specifying all the terms of the lease and must require tenants to show proof of contents insurance.
- b. Unit owners must not suspend their own condominium owner's insurance policy during the period of rental.
- c. Unit owners who rent their property to another for any period of time must obtain a written acknowledgment from the tenant that they have been given a copy of the Condominium's Rules and Regulations and that they will abide by them during the period of their residence. A copy of this statement must be given to the Executive Board prior to occupancy.
- d. Regardless of the terms of rental, the timely payment of unit monthly fees and special assessments during the rental period remains the responsibility of the unit owner. In the event of non-payment, regardless of who should be making payments, the unit

owner is ultimately responsible and will be assessed late charges and is subject to liens and other collection expense.

37. Procedures

- a. Emergencies (i.e. structural, plumbing, hazardous spills, life safety matters) should be communicated to a Board member immediately.
- b. Work requests, suggestions or complaints to the Board should be submitted in writing. Requests for hearings on any issue shall be submitted in the same manner.
- c. Any phone contact with a Board member shall only be made during reasonable hours of the day.
- d. A group of unit owners seeking to make a joint work request, suggestion or complaint should designate a spokesperson for communications with the Board.

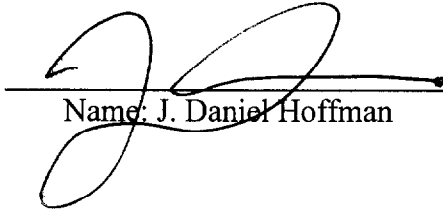
39. Violations of Rules and Policies Including Financial Obligations

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

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

The Executive Board of the Condominium promulgated the preceding Rules and Regulations for the safety, well-being and convenience of all unit owners. The Board has the responsibility, under the Declaration, for the efficient administration of Condominium affairs and it is, indeed, their duty and authority to interpret and enforce the Condominium Declaration, By-Laws and Rules and Regulations.

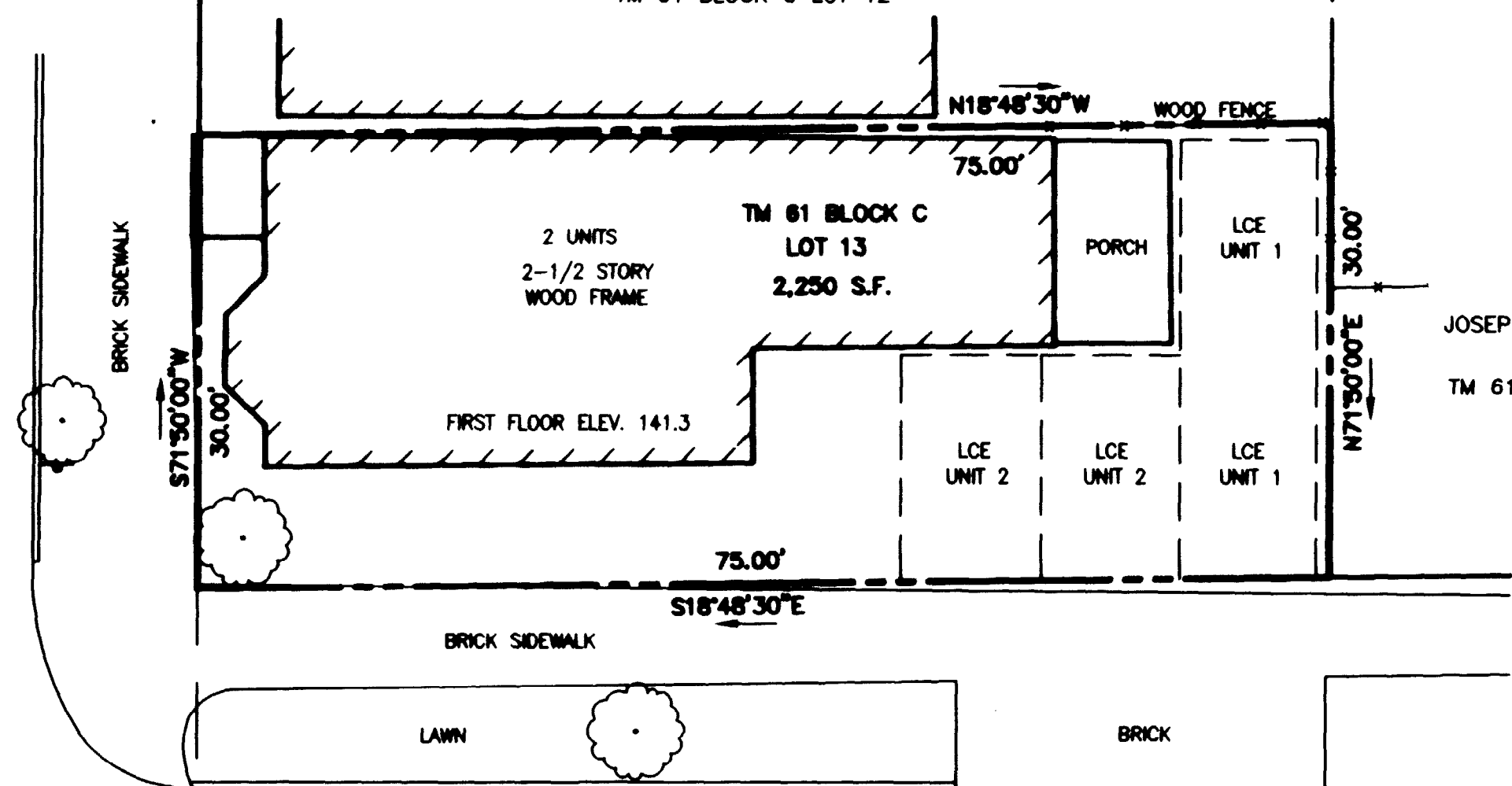
These Rules and Regulations were unanimously approved by the Executive Board at a special meeting on ~~March~~ April 12, 2001.



Name: J. Daniel Hoffman

SPRING STREET
(PUBLIC - 49.5' WIDE)

N/F
ELIZABETH C. HINES
TM 61 BLOCK C LOT 12

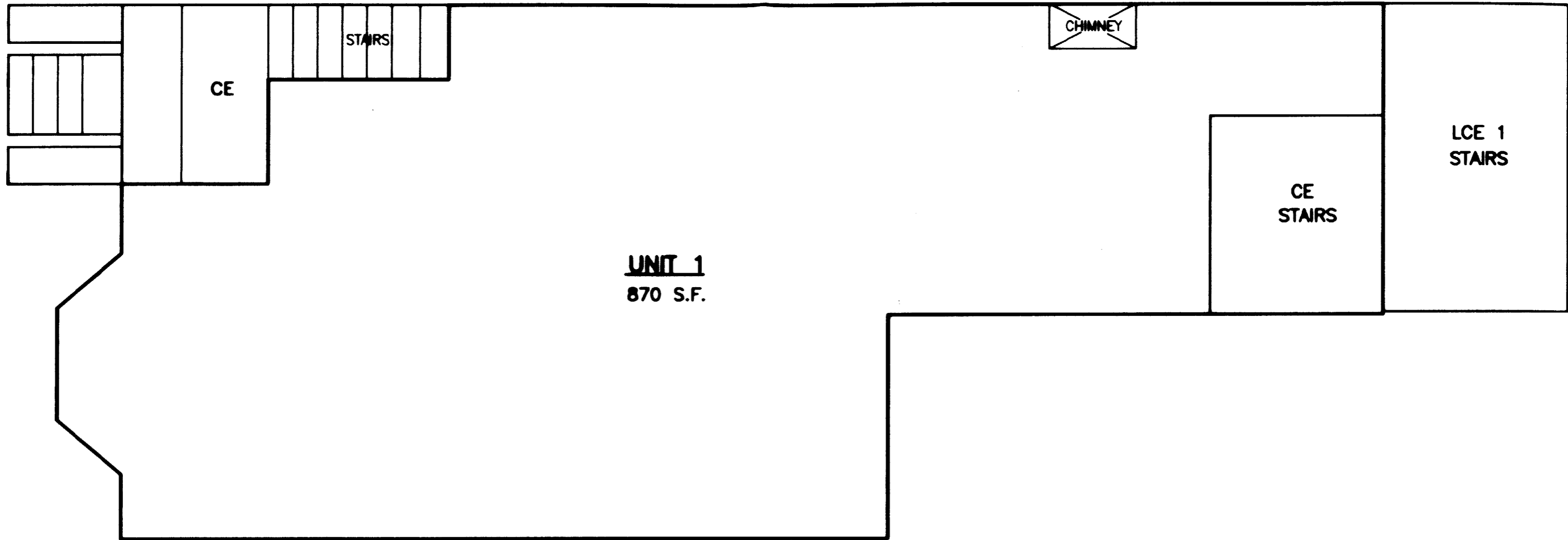


N/F
JOSEPH C. & PATRICIA W.
BENZING
TM 61 BLOCK C LOT 14

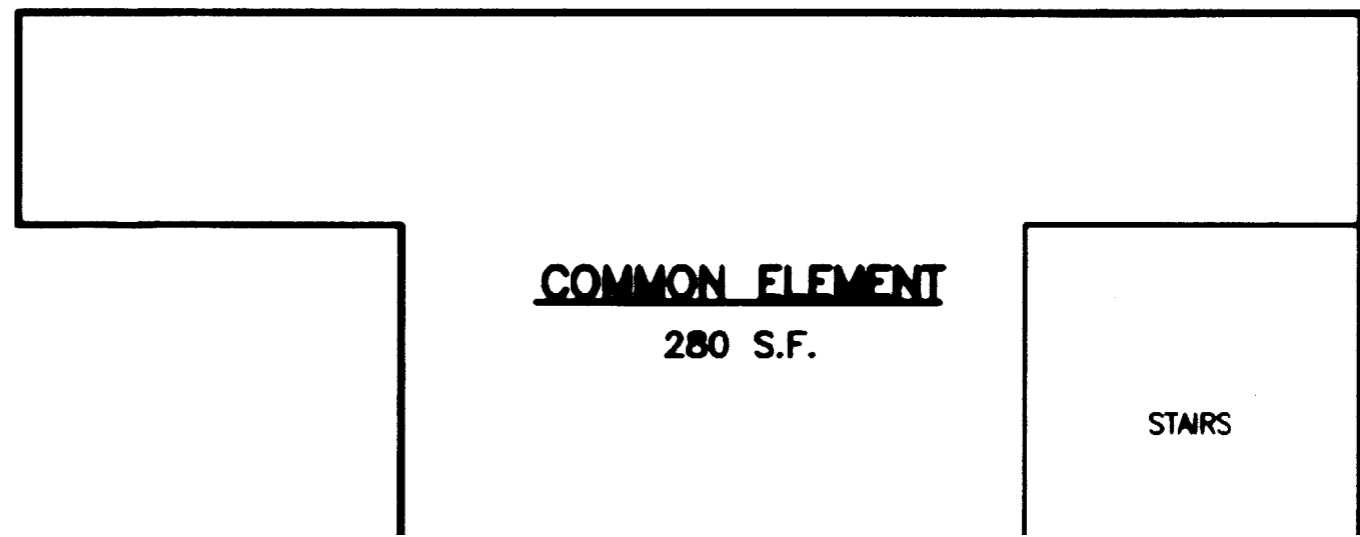
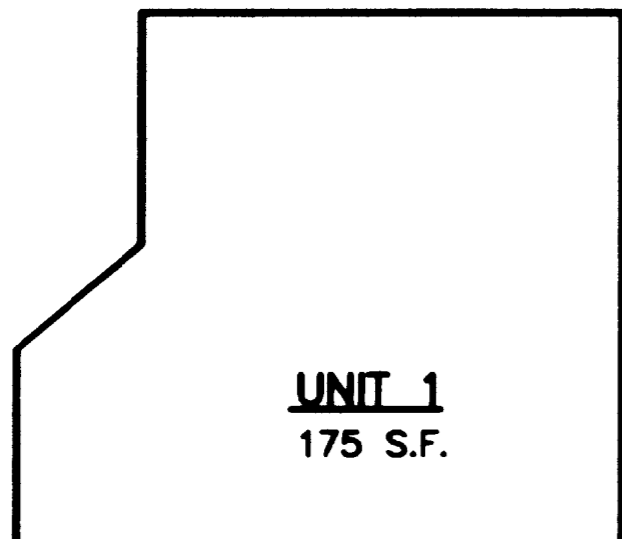
EMERY STREET
(PUBLIC - 60' WIDE)

MON.

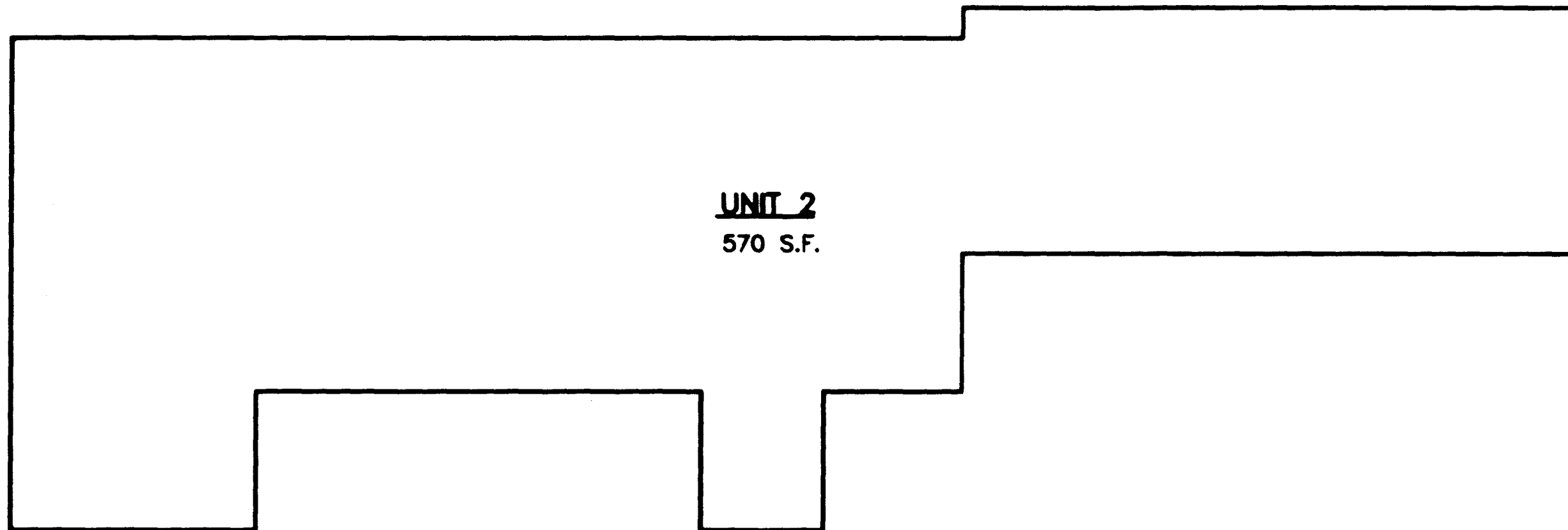
MON.



1st FLOOR

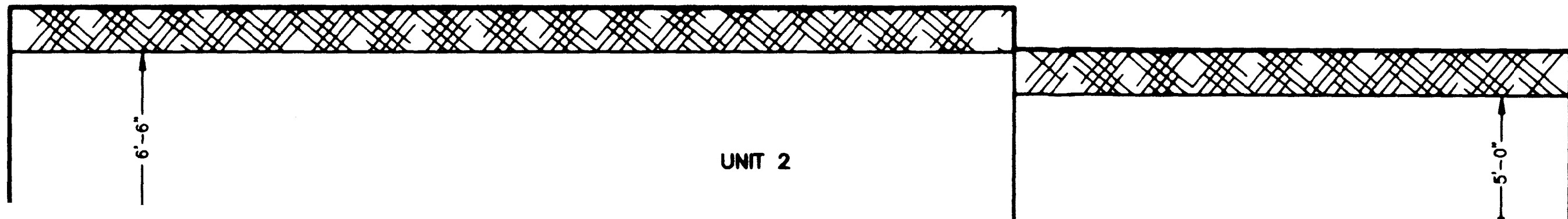


1
5



UNIT 2
570 S.F.

2nd FLOOR
UPPER LEVEL

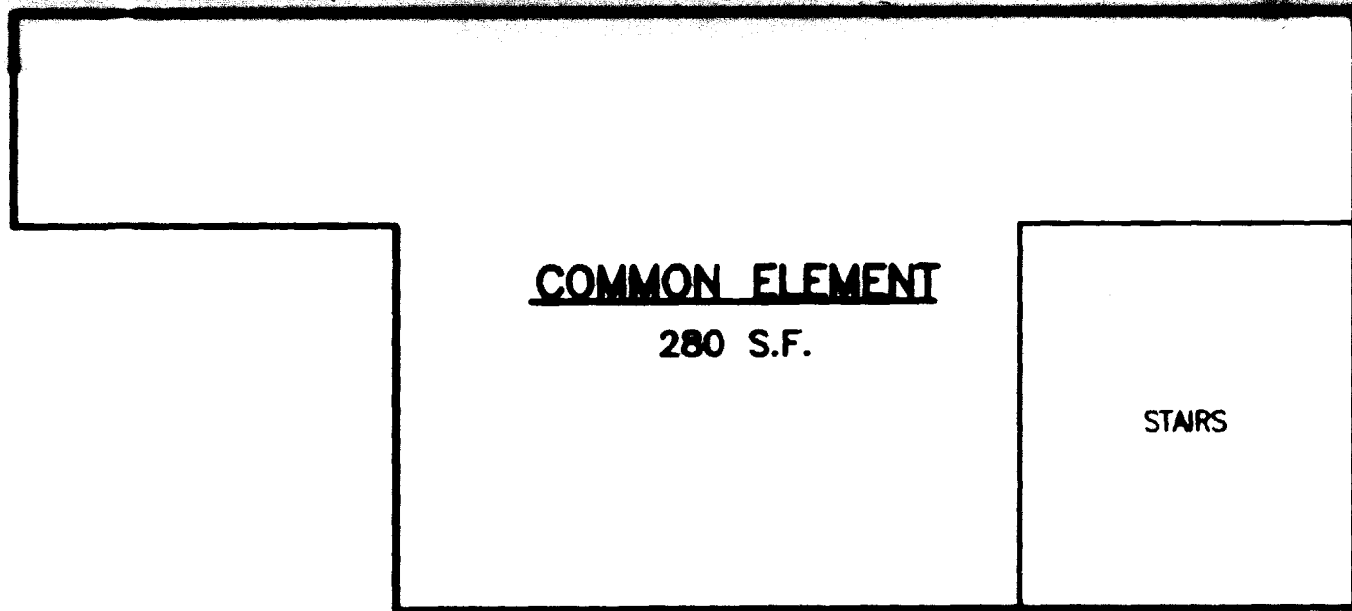
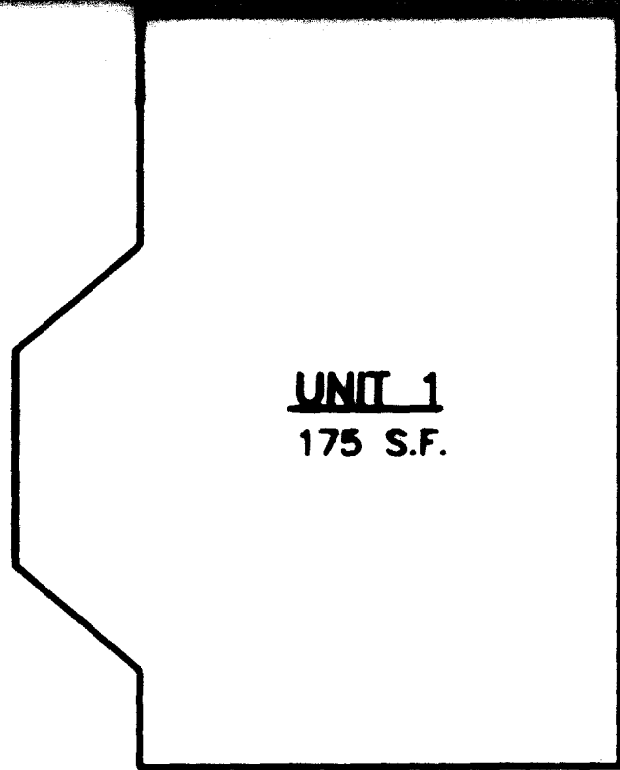


6'-6"

UNIT 2

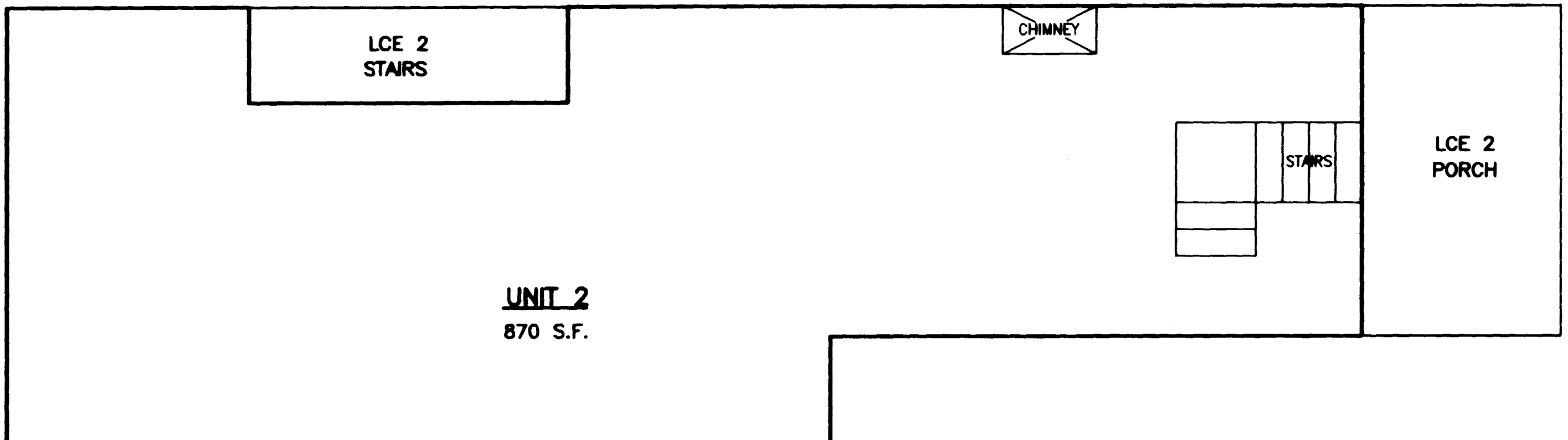
5'-0"

3rd FL

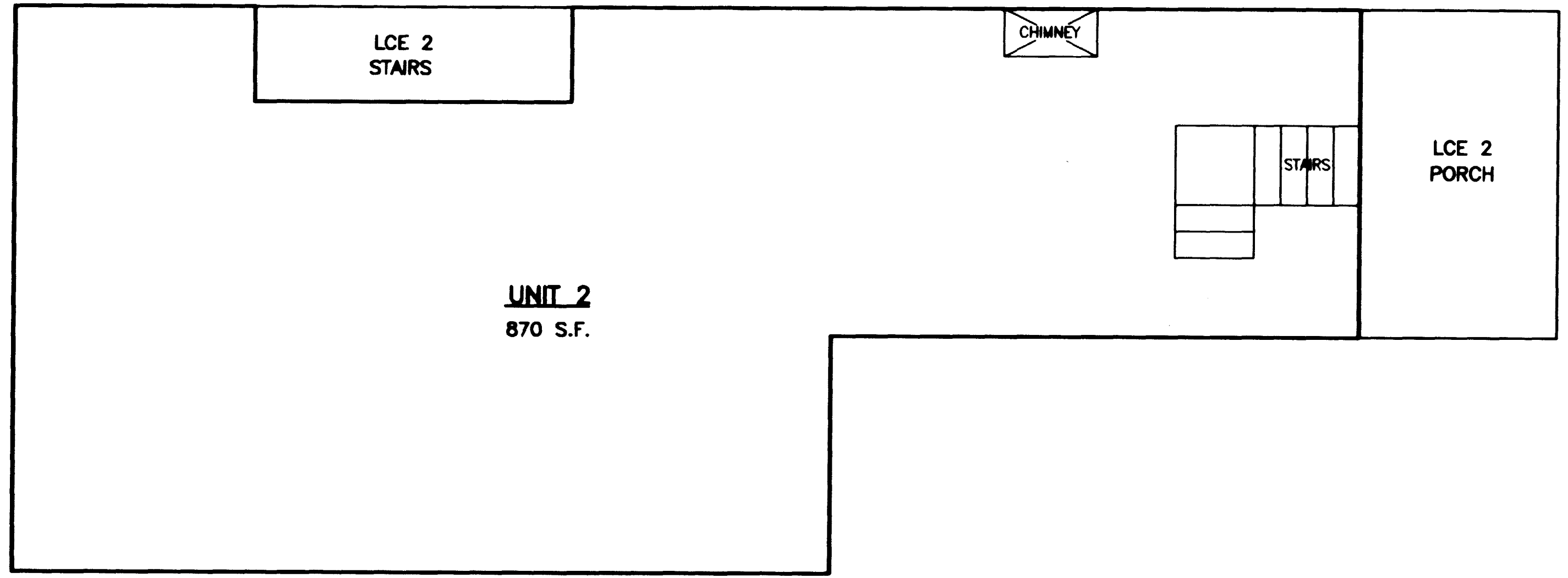


BASEMENT

1st FLOOR
LOWER LEVEL



1st FLOOR
LOWER LEVEL



UNIT 2
870 S.F.

LCE 2
STAIRS

CHIMNEY

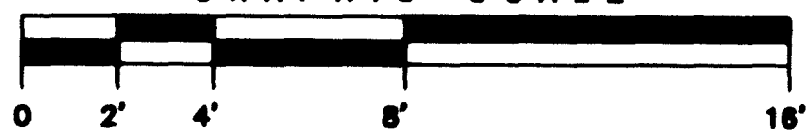
STAIRS

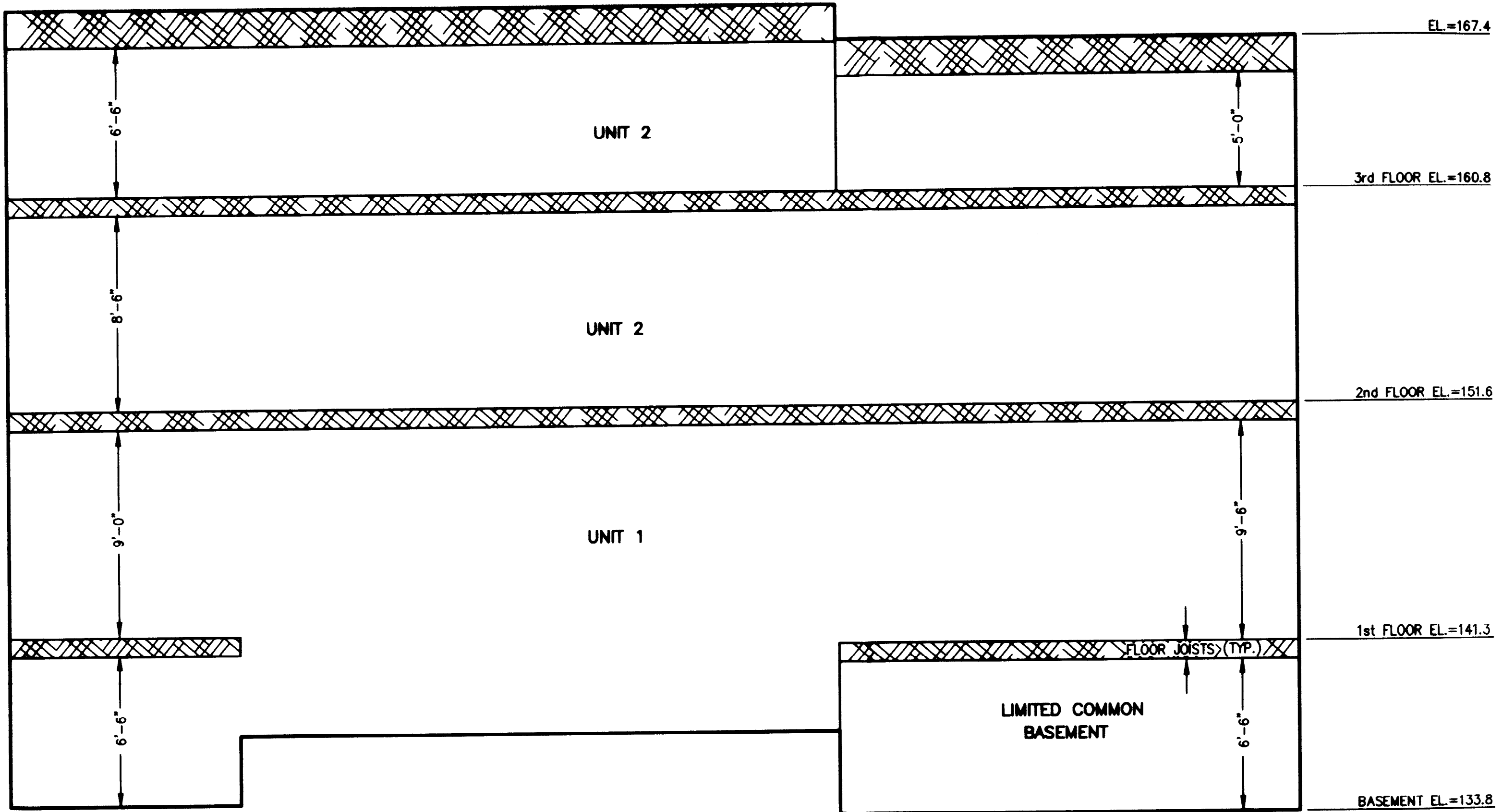
LCE 2
PORCH

2nd FLOOR

VERTICAL BOUNDARY

GRAPHIC SCALE





HORIZONTAL BOUNDARY