



February 16, 2016

J14.067

Ms. Barbara Barhydt
Development Review Manager
Planning and Urban Development Department
Planning Division
389 Congress Street, 4th Floor
Portland, Maine 04101

**605 Stevens Avenue
Master Development Plan Preliminary Application
(CBL 135 X003, 136 E006001, 143 F004000, 144 B001000)**

Dear Barbara:

We are pleased to submit this application for Master Plan Review of the former Sisters of Mercy campus located at 605 Stevens Avenue on behalf of Motherhouse Associates, LP (for the Motherhouse redevelopment project) and Sea Coast at Baxter Woods Associates, LLC (for the market rate active adult community). Our team is seeking to redevelop the Motherhouse and the surrounding grounds into a senior living / active adult community. This Master Plan application comes after a rezoning of portions of the campus and level III site plan approval of the Motherhouse project in 2015.

As part of the earlier zoning and approval process, our team agreed to participate in the Master Plan Review process due to our lengthy and positive experience with master planning in other Maine communities. Sea Coast Management has utilized a master plan process to update and expand the OceanView at Falmouth Retirement Community since the passage of a special overlay district by the Town of Falmouth in the late 1990's. In Topsham, the Highland Green active adult community has utilized a master planning process with both the Town of Topsham and the Maine Department of Environmental Protection since 2000. The Developers Collaborative utilized a similar approach with its redevelopment of the historic Brick Hill campus located in South Portland.

In each example, the master planning process allowed both the development team and the local planning authorities to take a holistic, comprehensive approach to the development and this generally leads to a better, more integrated design. Neighbors and other stakeholders can also participate in the master planning process to ensure that their concerns and input are addressed in a comprehensive manner with no surprises during future phases of development. Once the master plan is approved, it is quick and efficient to review and approve the subsequent, specific phases of the development. The planning board knows how the specific phases fit into the overall plan for the development and the development team knows that it will receive approval of subsequent phases in a timely manner as long as they remain generally consistent with the master plan.

As we begin this master planning process, we note that the City of Portland's requirements for a master plan application are quite detailed. We look forward to working with the City, neighbors, various planning consultants and other stakeholders during this evolutionary process. This first application is simple and basic. As we proceed with the numerous meetings and complete the various planning studies, the application and the details of the master plan will evolve until a detailed blueprint for the redevelopment of the campus.

This application is being submitted pursuant to the Portland Land Use Code Articles IV Subdivision and Article V Site Plan Sections 14-523 through 14-527 - Master Development Plan review. The project proposes development of a residential senior living campus on the grounds of the former Joseph's Convent and McAuley High School fields. This application and the following sections follow the MDP Application Checklist with additional information added as deemed necessary to provide a thorough summary of the proposed project.

PROJECT DESCRIPTION

The former Sisters of Mercy campus is located at the corner of Stevens Avenue and Walton Streets in the Deering Center neighborhood of Portland. The entire campus is 18.98 acres and includes Catherine McAuley High School (Lot 1), Saint Catherine's residence hall (Lot 2), Saint Joseph's Convent (the Motherhouse / Lot 3) and the surrounding land (Lot 4). This Master Development Plan (MDP) application commences the formal review process for the creation of a senior living / active adult community on Lot 4 and the integration of the Lot 3 Motherhouse into the overall campus masterplan. At this time, the status of the school and St. Catherine's is unchanged and those elements of the property will remain "as is" for the purpose of the master plan but will be integrated in terms of access, parking and circulation. The master planning process will focus on the redevelopment and repurposing of the historic Motherhouse and its surrounding land. This land, rather than the entire campus, was rezoned in 2015 from the R-5 zone to the R-5A zone.

The redevelopment of the iconic Motherhouse into a mixed income project of affordable and market rate senior housing is the first phase of the project and the centerpiece of the master planned campus. The Motherhouse project will be financed in part through Low Income Housing Tax Credits (LIHTC) and Historic Tax Credits (HTC). Sixty six (66) apartments will be offered at affordable rents and twenty two (22) will be offered at market rate rents. Consistent with the parameters of the Maine State Housing Authority's LIHTC program, the residents can access the assistance of a part-time resident service coordinator but the services will otherwise be minimal. However, there will be an abundance of shared common areas to facilitate congregate living at the Motherhouse.

The second component of the community will be a market rate active adult community with approximately 160 apartments located in new buildings to the side and rear of the Motherhouse. This community will target younger seniors from age 55 to 75 looking to simplify their living arrangements and spend more time enjoying an active lifestyle. The general idea is to offer younger seniors a wide array of senior-friendly apartment living options that include a number of shared amenities and spaces. This is a concept generally known as congregate living for independent residents. Layered on top of the physical design of the community is an array of services – some included / some ala carte -- that support healthy, active and independent living as residents age.

The following are some of the important aspects of the active adult market rate community:

- The five apartment buildings will be marketed, pre-sold and constructed in phases to ensure the financial stability of the new community. Each building will include parking underneath the building to reduce surface parking and to provide an attractive amenity to residents. The buildings will range from three to four floors in height not including the under building parking.
- The apartments will be sold as condominiums and include both one and two bedroom models. They will all be single level, senior friendly apartments designed to accommodate a residents changing needs as they age.
- The community will include a series of amenities and common spaces designed to encourage an active, healthy lifestyle. These amenities may include common living rooms

and libraries, a fitness center, a café, a theater, a conference room, a private dining room and a variety of outdoor common spaces.

- The service component of the community will include comprehensive building maintenance and concierge services from housekeeping and laundry to fitness classes and transportation. As a residents need for support increases, the community will contract with an in-home providers of senior services – from homemaking assistance to personal care and assistance with the activities of daily living.

The design of the new campus is a careful balance of several important and sometimes competing elements. These elements include the preservation of the historic streetscape and view of the Motherhouse along Stevens Avenue; the preservation of a playing field for the school; and provision of an over-sized buffer along the property line with Baxter Woods. As a result, the new buildings are grouped in a close-knit neighborhood to the side and rear of the Motherhouse. This grouping of buildings and preservation of open spaces – combined with sidewalks, pathways, landscaping and hardscaping running throughout the campus and new buildings – will create an attractive campus setting.

The new community can also integrate the former Sisters of Mercy campus into the surrounding community as never before. Pathway connections with Baxter Woods can be re-established and the entire corridor cleaned up and landscaped. The large green spaces along Stevens Avenue can be literally opened up by establishing new entrances and/or removing fencing (consistent with the National Park Service Review); re-establishing proper and well-maintained landscaping; and creating new sitting areas. The entrance and parking areas along Walton Street will be upgraded, landscaped and maintained to ensure an attractive, safe and welcoming view of the new community.

AFFORDABILITY

At a time when the City of Portland is facing a serious challenge due to the lack of affordable housing, it is important to note that this project provides a significant contribution of housing. Of the 249 apartments planned for the site, 66 of those apartments are just under 25% are affordable per the terms of the Maine State Housing Authorities Low Income Tax Credit Program. Additionally, the remaining 22 market rate apartments in the Motherhouse are moderate in price.

In addition to the new apartments created with this project, the project is designed to appeal to older adults living throughout Portland and particularly in the off-peninsula neighborhoods. To the extent that individuals move to the new housing from these neighborhoods, numerous existing homes will become available for younger families. We believe this new project – and other like it – are an important step toward addressing the housing crises.

IMPACT ON SCHOOLS / SERVICES

The new community will have an impact on the local schools and services and it will be extremely positive. The Sea Coast senior communities are the number one tax payer in both Topsham and Falmouth – by far. This includes both residential and commercial taxpaying entities. A preliminary projection for the tax revenues from this project is approximately \$900,000 per year. These tax revenues can be utilized in a number of ways and with instruments such as the TIF program to direct funds directly into the Deering Center neighborhood. In addition to tax revenues, our senior communities have been strong supporters of the local schools. This support includes intergenerational programs of all types and specific fundraising efforts to support the schools.

Another impact on the local community comes from general economic development. Seniors moving into a market rate community bring their savings and investments with them and reinvest it

into the local community and its businesses and services. These seniors are affluent and the investment is significant – amounting to tens of millions of dollars. The significant, positive impact of senior communities was heralded by the Governor Angus King administration is an effort entitled “The Golden Opportunity”.

An often repeated misconception of market rate senior communities is that they are a major drain on municipal services. In fact, the opposite is true. Senior communities utilize very few municipal services while paying significant amount of taxes. While this is partially due to the fact that they place no children in the schools, it extends to many other services as well. For example, we recently did an analysis of the fire and ambulance trip to our 175 home active adult community in Topsham, Maine. Records indicate that there were 17 emergency service visits over a six month period in 2014. This equates to just over 1 trip every 2 weeks.

Lastly, the design of the new buildings reduces and simplifies the burden placed on emergency responders. First, all of our buildings are fully covered by the modern, fully code compliant fire sprinkler systems. Second, there is a comprehensive life safety system in each building – from an emergency call system to security to all of the required smoke, fire and carbon monoxide detectors. Third, the size of the building requires that it is designed and approved in conjunction with the State Fire Marshall’s Office.

NEIGHBORHOOD CONTEXT

The Sisters of Mercy Convent and Campus have been located in Deering Center for well over 100 years. Its early neighbors included the remarkable greens spaces represented by Baxter Woods and Evergreen Cemetery but since those early days a truly diverse neighborhood has grown up around it. There is a wide variety of commercial, industrial, residential and institutional uses in the immediate vicinity in and around the campus. While the Motherhouse has long been an iconic presence along Stevens Avenue, this project provides an opportunity to fully realize the potential of the campus to become an attractive, integrated part of its surrounding community.

The first and most important element of the campus in terms of the surrounding community is the Motherhouse. The Sisters of Mercy have spent millions of dollars maintaining and studying a potential reuse of the Motherhouse since approximately 1995. The Motherhouse has been empty for the past 10 years but still requires over \$200,000 annually to maintain. This project will renovate and repurpose the Motherhouse so that it will remain impressive and financially viable for the next 100 years. Equally important, it will continue to serve the Sisters of Mercy legacy of caring for those in the surrounding community.

There are several large housing, institutional and educational uses in direct proximity to the campus. These include the abutting 11 story Deering Pavilion, the University of New England, the Park Danforth, Saint Brigid School, Lincoln Middle School and Deering High School to name a few. Deering Pavilion, UNE and the Park Danforth are more institutional in practice and appearance while the schools form a remarkable continuum of education along Stevens Avenue.

The proposed campus – from the preserved Motherhouse to the McAuley School to the new senior housing – is an important and consistent part of this neighborhood. But while the larger entities are more institutional, the design of the proposed senior community will be more residential in nature. It will provide a smooth transition from the larger institutional and commercial buildings on the north end of Stevens Avenue and the nearby Forest Avenue to the residential neighborhoods that dominate in and around Deering Center. The new buildings will be shorter and smaller than both

Deering Pavilion and the Motherhouse itself. Moreover, they will be set back from both Stevens Avenue and Walton Street.

Unlike the institutional and educational entities lining Stevens Avenue, the proposed senior community will be quiet and attractive. All seniors, including youthful seniors, generate significantly less traffic and parking than a young family or a business or a school. Additionally, it is the development team's intention that the campus is designed so that all parking will be contained on campus. This is accomplished in an attractive, sustainable manner but placing a significant amount of required parking under the apartment buildings.

Additionally, it is important that the new community properly integrate with and compliment the surrounding green spaces at Baxter Woods and Evergreen Cemetery. This is the most important element of the site design as it relates to neighborhood context. We believe this can be accomplished in three ways. First, the proposed new buildings will be grouped in a close-knit neighborhood to the side and the rear of the campus. This will provide significant green space and distance between the primary view sheds along Stevens and Walton Street. Second, an oversized buffer and planting will occur along the border with Baxter Woods. There is already a significant wooded buffer between the main pathways in Baxter Woods and the campus but clean up and additional landscaping will improve the appearance and enjoyment of this buffer area. Lastly, the campus will be opened up and integrated with the neighborhood as never before via a network of drives, sidewalks, pathways, hardscaping and landscaping. And the residents of the new community – along with family, friends and neighbors – can enjoy the campus.

Finally, we have heard from those who oppose the development that the proposed community is completely out of context with the surrounding residential neighborhoods. First, a review of the surrounding neighborhood indicates that is simply not true. There is a wide variety of residential, commercial and institutional uses in the neighborhood and they are housed a wide variety of buildings and settings. Second, and more importantly, to attempt design the campus so that it mimics the surrounding single family home neighborhoods is inadvisable. This would require covering the entire campus with streets and smaller homes and a proliferation of cars and parking throughout the campus and beyond. It would eliminate all green space and detract from the Motherhouse, the school and Baxter Woods. It would appear both out of place and out of time. The proposed design fits into the context of the existing campus. Moreover, it is a sustainable design with preserved open spaces, parking underneath and attractive buildings.

RIGHT, TITLE & INTEREST

The applicants have secured a Purchase Option for the campus from Saint Joseph's Convent and Hospital, included as *Attachment 1*.

The draft Declaration of Condominium and Declaration of Covenants and Easements for the Lot 3 Motherhouse are also included as Attachment 1.

STATE & FEDERAL APPROVALS

The project will develop 3 or more acres of impervious area meeting the thresholds for a Department of Environmental Protection Site Law permit. A formal DEP Permit is not required as the City Portland has delegated review and will review the project as part of the formal site plan submission.

No wetland impacts are anticipated for the project and no permit from the Corps of Engineers under Section 404 of the Clean Water Act will be required.

COMPLIANCE WITH ZONING

The project site contains areas of R-5 and R-5A zone districts as a result of an extensive rezoning process that was adopted in 2015. All proposed building and site development is located entirely within the R-5A zone. A summary of the Space and Bulk requirements for Lot 4 is included on the Conceptual Site Plan (Sheet L-2). We believe that the project meets or exceeds all Spatial Standards for the R-5A Zone District.

EASEMENTS AND RIGHTS OF WAYS

Existing Easements: The existing site contains a 33-foot right of way easement along the southern property line at Baxter Woods deeded in 1908 by James Baxter as part of a 66-foot wide paper street. The applicants intend to preserve that right of way as a natural buffer subject to any rights or interests the City may have in the right of way.

The site is subject to an overhead utility line easement over Lot 1 to service the Motherhouse.

Proposed Easements: As a 4-lot subdivision and master planned site, cross-easements are typically required for shared utilities, access, stormwater management, etc. Shared easements for sewer, water and storm drainage are shown on the Subdivision Plat. It is anticipated that shared parking and access easements may be required between the subdivision lots which will be added to the updated subdivision plan for the campus.

A reciprocal easement agreement will be created between Lots 3 and 4 providing covenants and restrictions as required.

The stormwater easement across Lot 4 will be conditioned to allow that storm drain line to be moved upon development of Lot 4 Senior Housing.

WAIVER REQUESTS

The following MDP Application waiver is requested:

- a. Ordinance 14-527 (e) 1. – Scale of Context Map. We respectfully request a waiver of the plan scale of one inch = 100 ft. to one inch = 150 feet. This request is being made to fit the neighborhood context map on to a standard plan sheet size.

FINANCIAL AND TECHNICAL CAPACITY

- a. Financing: A letter of Financial Capacity from from Bath Savings Institution is attached to this application as Exhibit 2.
- b. Technical Capacity:

The development team for this project includes Sea Coast Management Company based in Falmouth, Maine; the Developers Collaborative of Portland, Maine; and a team of very qualified and experienced consultants.

Sea Coast Management Company is Maine's leading developer, owner and operator of market rate senior living communities including OceanView at Falmouth and Highland Green in Topsham. Over the last 30 years, our communities have grown and prospered. Some of their development related projects include:

- OceanView at Falmouth, a full service retirement community located in Falmouth, Maine.

- Highland Green, an active adult community located in Topsham, Maine.
- The Highlands of Topsham, a full service retirement community located in Topsham, Maine.
- Granite Hill Estates, a full service retirement community located in Augusta, Maine.

Developers Collaborative of Portland is the leading developer of community-oriented smart growth projects with a strong emphasis on the creative use of tax credits to support the redevelopment of in-town historic buildings and sites. Many of their projects include the same qualities and challenges posed by the Motherhouse redevelopment project. Some of their development projects include:

- Nathan Clifford School, historic rehabilitation into market rate apartments, Portland, Maine
- Healy Terrace, historic rehabilitation of a former Catholic children’s home in senior affordable apartments, Lewiston, ME
- Gilman School, historic rehabilitation into workforce housing, Lewiston, ME
- Brick Hill, redevelopment of the former Maine Youth Center campus, South Portland, ME

Our design team includes a seasoned team of the following professionals:

- Licht Environmental Design, LLC – Project Manager
- Carroll Associates – Master Planning and Landscape Architecture
- Stantec– Civil Engineering
- Archetype, PA –Architecture
- Maine Traffic Resources – Traffic Assessment
- Titcomb Associates – Surveying
- Tremont Preservation Services/ Christine Beard – Historical Consultant

9. STORMWATER MANAGEMENT

The project will take a Low Impact Development (LID) approach to stormwater management. This will focus on source capture, treatment and detention of runoff from newly developed areas of the site using a series of small, localized Best Management Practices (BMPs). The design approach is intended to mimic existing drainage patterns and maintain surface runoff and groundwater recharge rates at predevelopment levels. The project site is underlain by Adams series, coarse grained, sandy soils, providing ideal conditions for the use of infiltrating stormwater BMPs, similar to those used on the recently approved adjacent Motherhouse - McAuley project.

Several types of BMP will be proposed for use at the site, all of which are designed to fit with the site topography and be incorporated into the existing and proposed landscape features. These include small-scale planted rain gardens adjacent to the buildings, filtering drip edge filters to capture and treat roof runoff, and infiltration trenches along linear impervious edges with low pollutant loading potential. The use of pervious pavement sections is also an option particularly for lightly loaded parking areas. This approach will be vetted to ensure viability from a cost and maintenance perspective, but offers potential aesthetic value in addition to the stormwater treatment and detention benefits. All BMPs will be designed with underdrain and overflow outlets to a piped storm drain system. However, it is anticipated that during all but the largest storm events, the majority of runoff from the developed site will drain by infiltration to the underlying soils.

All stormwater BMPs will be designed to current State of Maine Chapter 500 Stormwater Law standards. The design will ensure that post-development surface runoff rates do not increase over

the existing conditions for the 2-year, 10-year and 25-year design storm events, and the downstream discharge points from the new stormwater system will remain the same as currently exist at the site.

10. TRAFFIC ANALYSIS and PARKING

- a. **Traffic Analysis:** The project traffic engineer, Diane Morabito, PE, PTOE of Maine Traffic Resources is preparing a traffic impact analysis for the proposed campus development of the additional 161 senior housing units together with the Motherhouse trips for the submission of a Traffic Movement Permit (TMP) application if the 100-200 pce trip rates are triggered. Trip generation data and study area limits will be reviewed with the City traffic consultant, Tom Errico of TYLin International as part of the scoping process.

A scoping meeting and final traffic impact study and TMP Application will be provided as part of the Master Development review process.

- b. **Parking Summary:** The proposed project envisions a mixture of covered and surface spaces to meet its parking demand. A total of 322 parking spaces are provided for residents and guests, a parking ration of 2.0 PS/ Dwelling Unit. The majority of parking is provided in the lower level of the buildings, allowing convenient and desirable parking for residents and freeing up a significant portion of the site for open space. This number meets the existing R-5A zoning requirement for Multiplex use.

The project has always been envisioned as a campus, and there is great opportunity for the project to share parking needs with McAuley High School and the Motherhouse if necessary. The school needs are typically during daytime hours and residential parking is an evening activity, so the school could benefit for event parking and residents/ guests could utilize other on-site parking as needed.

11. UTILITIES ANALYSIS

The project proposes a comprehensive utility masterplan to provide the following utility services. Appropriate utility easements will be provided as needed to service Lot 4 over Lots 1, 2 and 3. The final utility design will be submitted for the respective utility company approvals. The campus utility infrastructure improvements will be financed by the developers and coordinated with City staff with respect to sewer CSO's and street opening connections.

Refer to the Conceptual Stormwater and Utility Plan and *Attachment 3* for Letters of Serviceability.

1. **Natural Gas** – To be provided from Stevens Avenue with a new main servicing the Motherhouse and extending into Lot 4 to service the 5 new campus buildings.
2. **Water** – A new fire and domestic service will be connected from Stevens Ave. to the Motherhouse and extended into Lot 4. An main extension easement will be provided to the Portland Water District across Lot 3.

3. Sanitary Sewer – An onsite 8 -inch sewer main services the existing Motherhouse and discharges to the City sewer in Walton Street. That main is expected to be utilized and upgraded as necessary to service the additional Lot 4 development. A new service connection and manhole at Walton Street will be installed as part of the Motherhouse project and coordinated with the Department of Public Services. Cross easements between Lots 2,3 and 4 will be provided and updated on the subdivision plan.

The applicant has submitted the Wastewater Capacity Application and supporting flows to the Department of Public Services (DPS) for review with estimated flows of 6,776 gallons per day of water/wastewater projected for the Motherhouse development. Updated flow data will be provided to the DPS for the 161 unit Lot 3 development as part of the MDP review process.

4. Electric/Communications – Electric and communications service to the Motherhouse is currently provided from Walton Street via an overhead line and easement to the rear of the Motherhouse and Smith Wing. The approved LIII Motherhouse project will continue to use the overhead lines upgrading from single to 3-phase power and provide a pad mounted 3-phase transformer at the Motherhouse (refer to approved Motherhouse LIII Site Plans.)

The Lot 4 campus development anticipates replacing the overhead lines from Walton Street with a new underground service and extending into Lot 4 from the new pad mounted transformer at the Motherhouse. The final utility design will be reviewed with Central Maine Power Company. Appropriate utility easements will be provided between the campus lots.

5. Site Lighting – Site lighting has been approved for the Motherhouse project parking and pedestrian areas and access drive from Walton Street. A similar phased site lighting theme will be carried forward into the Lot 4 senior housing project as part of the final review of the campus buildings.

Enclosed are one (1) hard copy of the following materials and Site Plans and PDF copies on an attached CD-ROM:

- Cover Letter
- City of Portland Master Development Plan Review Application
- Site Plan/Subdivision Application Fee (Submitted separately)
- Sections
 - 1 – Project Description & Consistency with Comprehensive Plan
 - 2 – Neighborhood Context
 - 3 - Right, Title & Interest
 - 4 - State & Federal Approvals
 - 5 - Compliance with Zoning
 - 6 - Easements & ROWs
 - 7 – Waiver Requests
 - 8 - Financial and Technical Capacity
 - 9 – Stormwater Management
 - 10 –Traffic Analysis
 - 11 – Utilities Analysis

Attachments:

1. RT&I -P&S Agreement and Lot 3 Condominium Documents

2. Financial Ability
3. Utility Serviceability Letters

Site Plans

- A. Cover Sheet
- B. Subdivision Plan
- C. Context Plan
- D. Conceptual Site Master Plan
- E. Circulation Plan
- F. Phasing Plan
- G. Conceptual Stormwater and Utilities
- H. Architectural Plans and Elevations

We look forward to working closely with staff towards a series of workshops with the Planning Board over the coming months. A neighborhood meeting will be noticed and held in accordance with the MDP process requirements and we envision additional meetings as the project progresses. In the meantime our project team remains available to meet with staff to review the application in further detail or to provide any additional information if required.

Sincerely,



Frederic (Rick) Licht, PE, LSE
Principal

Matthew Teare
Seacoast at Baxter Woods Associates, LLC

Encl: As Noted

Cc: (via email - PDF copy)
John Wasileski; Sea Coast at Baxter Woods Associates, LLC
Sister Lindora Cabral; Sisters of Mercy of the Americas Northeast Community, Inc.
Daniel Justynski; Sisters of Mercy of the Americas Northeast Community, Inc.
Dennis Keeler; Pierce Atwood, LP
Kevin Bunker; Motherhouse, LLC
Ron Epstein; Jensen, Baird, Gardner & Henry
Natalie Burns; Jensen, Baird, Gardner & Henry
Pat Carroll; Carroll Associates, Landscape Architects
Andrew Johnston; Stantec
Diane Morabito, Maine Traffic Resources

Memorandum of Purchase and Sale Agreement

Notice is hereby given of the existence of a Purchase and Sale Agreement, dated June 16, 2014 (the "Agreement") between St. Joseph's Convent and Hospital, a Maine non-profit corporation (hereinafter called "Seller") and Sea Coast Healthcare, Inc., a corporation existing under the laws of the State of Maine or its nominee (hereinafter called "SCH"), and of an Assignment, dated September 15, 2014 by SCH to Sea Coast at Baxter Woods Associates, LLC ("Purchaser") of all of its rights as Purchaser under said Agreement.

Under the Agreement, Purchaser has the right and obligation to purchase, on and subject to the terms and conditions of the Agreement, the following property at the First Closing, as hereafter defined: (i) a portion of that certain real property consisting of the real estate situated at 605 Stevens Avenue in Portland, Maine, which portion is to contain approximately 17.36 acres, and all buildings and improvements thereon, including the Motherhouse, the Catherine McAuley school, the land between the Motherhouse and Baxter Woods and the "ball fields" and being the premises described in Exhibit A hereto (but excluding the St. Catherine's Parcel, as hereafter described) and generally shown as Lots 1, 3, 4 and 5 on the Conditional Zone Concept Plan, McAuley Place at Baxter Woods, Stevens Avenue, Portland, Maine prepared by Belanger Engineering, March 21, 2014 attached hereto as Exhibit A (hereinafter the "Plan"), together with easements over the St. Catherine's Parcel for existing and proposed underground drainage and utilities, including sewer, water and other utilities, a parking easement for use of up to a 20 parking space expansion of the parking lot on the St. Catherine's Parcel, and an easement for secondary ingress and egress from Walton Street, all for the benefit of said Lots 1, 3, 4 and 5 (with Purchaser to have the right but not the obligation after the First Closing to construct the drainage and utility lines, parking lot expansion and secondary access permitted by such Easements) (collectively, the "Easements"), which Easements shall be located substantially as shown on the Plan attached hereto as Exhibit A-1 (hereinafter the "Property"), and (ii) an assignment by McAuley Place at Baxter Woods Retirement Community, Inc. of the Credit Enhancement Agreement, dated May 2009 between the City of Portland and McAuley Place at Baxter Woods Retirement Community, Inc. (which is an affiliate of Seller), to the extent assignable, relating to the existing tax increment financing district, with no representations or warranties other than the fact that Seller has not assigned or caused to be assigned such agreement to any third party. At the Second Closing, as hereinafter defined, Purchaser has the right and obligation to purchase, on and subject to the terms and conditions of the Agreement, the following property, for the price and upon the terms and conditions hereinafter set forth, the St. Catherine's Residence, being the land and 18 unit apartment building generally as depicted as Lot 2 on the Plan and referred to herein as the "St. Catherine's Parcel" and also as generally depicted on Exhibit A-1.

The First Closing shall occur on the earlier of the following dates: (a) the date of the construction loan closing with Maine State Housing Authority relating to an award of low income housing tax credits (such loan closing is anticipated to be in April 2015 if low income housing tax credits are awarded to Purchaser or its nominee in the fall of 2014, or in April 2016 if low income housing tax credits are awarded to Purchaser or its nominee in the fall of 2015); or (b) June 30, 2016. The First Closing shall also occur on any earlier date as specified by Purchaser by at least ten days prior written notice to Seller. The Second Closing shall occur on the earlier of: (i) the date that is ten years after the date of this Agreement, or (ii) the date that is 180 days after Seller certifies to Purchaser in writing that all Non-Market Rate Leases have expired or been terminated, and that the Second Closing Date has been scheduled for 180 days after the date of such certification.

This Memorandum does not modify or alter the terms of the Purchase and Sale Agreement in any way.

Dated as of this ___ day of October 2014.

WITNESS:

Sea Coast at Baxter Woods Associates, LLC

By: _____

DECLARATION OF CONDOMINIUM OF 605 STEVENS AVENUE CONDOMINIUM

This Declaration of Condominium is executed as of this 1st day of _____ 2015 by Sea Coast at Baxter Woods Associates, LLC, a Maine limited liability company, pursuant to the Maine Condominium Act, Chapter 31 of Title 33 of the Maine Revised Statutes of 1964, as amended, 33 M.R.S.A. §1601-101 et seq. (hereinafter the "Act").

ARTICLE I: CREATION OF CONDOMINIUM: DEFINED TERMS

A. Declaration of Property. Sea Coast at Baxter Woods Associates, LLC, a Maine limited liability company, with an address of 20 Blueberry Lane, Falmouth, Maine, owner in fee simple of the land described in Schedule A annexed hereto, located in the City of Portland, Cumberland County, Maine (hereinafter the "Land"), hereby submits the Land, together with all buildings, improvements, easements, rights, privileges and appurtenances now or hereafter thereon or pertaining thereto (hereinafter the "Property") and together with the rights and easements described in Schedule hereto and subject to all covenants, restrictions, and easements described or referred to in Schedule A, to the provisions of the Act, as amended from time to time, and hereby creates with respect to the Property a condominium, known as 605 Stevens Avenue Condominium (hereinafter the "Condominium"). The Property is depicted on the plat prepared by Titcomb Associates and floor plans prepared by _____, which plat and plans, as amended from time to time, being herein referred to respectively as "Plats" and "Plans", are recorded in the Cumberland County Registry of Deeds. The Property shall hereafter be held, sold and conveyed subject to the terms, conditions, covenants, easements and restrictions set forth in this Declaration of Condominium as amended from time to time (hereinafter the "Declaration") and in the Act, which shall run with the Property and bind and inure to the benefit of all owners of the Property or any portion thereof, their respective heirs, successors and assigns. Pursuant to the Act, 605 Stevens Avenue Condominium Association, a Maine nonprofit corporation under Title 13-B of the Maine Revised Statutes of 1964, as amended (hereinafter the "Association") shall be the Unit Owners' Association under the Act.

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

- (1) "Allocated Interests" mean: (a) the Common Element Interest, (b) the Common Expense Liability and (c) the votes in the Association, allocated to each Unit pursuant to this Declaration.
- (2) "Assignable Limited Common Elements" has the meaning provided in Article IV(C) of this Declaration.
- (3) "Building(s)" means the building or buildings now existing or hereafter erected on the Land containing one or more Units whether in vertical or horizontal arrangement, as well as other improvements comprising a part of the Buildings.
- (4) "Bylaws" means the Bylaws of the Association as are adopted pursuant to the Act and this Declaration for the regulation and management of the Property, including such amendments thereof as may be adopted from time to time.

- (5) "Common Elements" mean all portions of the Condominium other than the Units.
- (6) "Common Element Interest" has the meaning provided in Article IV(E) of this Declaration.
- (7) "Common Expenses" mean expenditures made by or financial liabilities of the Association together with any allocation to reserves and include, but are not limited to, (a) the cost of maintenance, management, operation, repair and replacement of the Common Elements and such Limited Common Elements and such parts of the Units as to which pursuant to this Declaration it is the responsibility of the Association to maintain, repair and replace, (b) the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Executive Board pursuant to the provisions of this Declaration and the fees and disbursements of the Insurance Trustee, if any, (c) such amounts as the Executive Board may deem necessary for general operating reserve funds, reserve funds for replacements and such other reserve funds as the Executive Board may periodically establish, (d) such amounts as the Executive Board may deem necessary to compensate for any deficits in receipts over expenses for previous periods of time, (e) the charges and fees for energy, electricity, heat, water, gas and sewer services furnished to the Condominium to the extent not separately metered to individual Units and charged to individual Unit Owners; and (f) such other costs and expenses that may be declared by the Act, this Declaration, the Bylaws, or resolution or agreement by the Executive Board or Unit Owners to be Common Expenses of the administration, operation, maintenance and repair of the Condominium and Property and the rendering to Unit Owners of all related services.
- (8) "Common Expense Liability" has the meaning provided in Article VI(A) of this Declaration.
- (9) "Condominium Documents" mean this Declaration, the Plats, Plans and the Bylaws, as amended from time to time.
- (10) "Declarant" means Sea Coast at Baxter Woods Associates, LLC, a Maine limited liability company, its successors and assigns and all successors to any Special Declarant Rights hereunder.
- (11) "Development Rights" has the meaning specified in Article V of this Declaration and Section 1601-103(11) of the Act.
- (12) "Eligible Mortgage Holder" means the holder of record of a recorded first Mortgage on a Unit in the Condominium which has delivered written notice to the Association by prepaid United States mail, return receipt requested, or by delivery in hand securing a receipt therefor, stating the name and address of such holder, the name and address of the Owner of the Unit encumbered by such Mortgage, the identifying number of such unit, and containing a statement that such Mortgage is a recorded first mortgage.
- (13) "Executive Board" means the Executive Board or Board of Directors of the Association authorized to act pursuant to this Declaration and the Act on behalf of the Association.
- (14) "Insurance Trustee" has the meaning provided in Article XI(B)(7) of this Declaration.
- (15) "Limited Common Elements" mean those portions of the Common Elements the exclusive use of which is reserved as an appurtenance to one or more, but fewer than all, of the Units as allocated pursuant to this Declaration.
- (16) "Limited Common Expenses" mean the Common Expense for services benefiting fewer than all the Units, which are assessed pursuant to this Declaration exclusively against the Units benefited in accordance with Section 1603-115(c)(2) of the Act pursuant to Article IV(k) hereof.

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

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

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

(20) "Unit" means a part of the Property designated for separate ownership or occupancy.

ARTICLE II: IDENTIFICATION AND LOCATION OF CONDOMINIUM; ASSOCIATION

The name of the Condominium is 605 Stevens Avenue Condominium. The name of the Association organized under the Act is 605 Stevens Avenue Condominium Association. The Condominium is located in the City of Portland, County of Cumberland and State of Maine (which location is more particularly described in Schedule A hereto) and the address of the Condominium is 605 Stevens Avenue, Portland, Maine.

ARTICLE III: DESCRIPTION OF PROPERTY AND UNITS

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

B. Maximum Number of Units. Declarant has created 2 units pursuant to this Declaration. Declarant reserves the right to create up to 2 additional units, and accordingly the maximum number of units that the Declarant has the right to create in the Condominium is 4 Units.

C. Description and Boundaries of Units. The unit numbers, location of units created by this Declaration and their approximate dimensions are shown on the Plats and Plans.

A general description of the Units is as follows (provided, however, that nothing in this paragraph shall alter in any way the Unit boundaries as described below and the unit numbers, location of units created by this Declaration and their approximate dimensions are shown on the Plats and Plans): (1) Unit 1 is a substantial portion of the four-story Motherhouse or convent building that was designed in the Italian Renaissance style and constructed in 1908-1909 but excluding the portions thereof described as Common Elements or Limited Common Elements herein and also excluding the portions thereof shown as part of Unit 2 on the Plans; and Unit 2 is the three-story Smith House building that was constructed in the 1800s, and which is currently used as part of the Catherine McAuley High School and a portion of the basement of the Motherhouse, but excluding the portions thereof described as Common Elements or Limited Common Elements herein. Units 3 and 4, if created by Declaration pursuant to its Development Rights reserved hereunder, would be new construction in the areas as shown on the survey Plat.

A list of all unit numbers, locations (all as shown more fully on the Plats and Plans), and Common Element Interests and Common Expense Liability and votes in the Association appurtenant to each unit is attached hereto as Schedule B.

The boundaries of each unit created by this Declaration are as follows:

Each Unit includes the following items:

- (a) All interior partitions (excepting those portions thereof which are load-bearing), interior doors located entirely within a Unit including without limitation their frames, locking systems, hinges and sills, and interior halls and stairways located wholly within the Unit;
- (b) Finish flooring, floor coverings, carpeting and the like, and finish walls and ceilings and coverings including the paint, wallpaper, furring, gypsum board, moldings, the panels, framework, lighting, and acoustical tile ceilings if any, and any other materials constituting any part of the finished surfaces thereof which are nonstructural), but excluding exterior masonry or brick walls, exterior windows and excluding interior or exterior doors providing access to the Common Elements or public streets;
- (c) Plumbing, electrical, sewer, heating, air conditioning, air handling and ventilating fixtures, pipes, lines, equipment, chimneys, vents, flues, systems, Unit specific security and door access systems, controls and components thereof serving a single Unit, even if located outside of a Unit's general boundaries;
- (d) Electrical wiring, equipment, outlets and lighting devices from the point where the feed wire enters the Unit's meter box inwards, and telecommunication and data wiring and equipment serving only a single Unit; and
- (e) Fuel, gas, electric, water and utility lines, pipes and equipment serving only a single Unit from the meters inwards, even if located outside of a Unit's general boundaries.

A Unit generally does not include the exterior walls, the roofs, rafters, floor joists, subfloors, foundations, land, sidewalks, and parking areas, nor does a Unit include the pipes, wires, conduits, flues, ducts, pipes, heating, flues, chase ways, roof drains, fuel, telecommunications, data and utility lines running through a Unit which serve more than one Unit, which serve the Common Elements or which serve another Unit. Any internal room configuration shown on the Plans is illustrative only, and is not binding on an Declarant except that the structural support of the Building must be preserved.

Each Unit and the Common Elements shall have an easement for lateral and subjacent support from every other Unit and the Common Elements, and shall have the easement for encroachments established under Section 1602-114 of the Condominium Act.

Subject to such security and card/keypad access restrictions as the Association may establish from time to time, each Unit has an perpetual right of ingress and egress: to such Unit; to emergency egress areas, and stairs; and to the Limited Common Elements which are appurtenant to such Unit, all of which rights shall automatically transfer with a transfer of title to the Unit. Any conveyance, encumbrance, judicial sale, or other transfer (whether voluntary or involuntary) of an interest in the Common Elements shall be void unless the Unit to which that Common Element interest is allocated is also transferred.

If any Unit components or any Common Elements, including without limitation as utility, heating, ventilation, fuel, life safety and sprinkler systems, electrical, telecommunications and data wiring, equipment, ducts, chases and the like which service other Units or the Common Elements extend into or are accessible only through another Unit, then such other Unit is subject to an easement for reasonable access upon prior notice except in an emergency but the other Unit may relocate such items or alter the access at its expense so long as the functionality of such items or access are maintained and any disruption of the use of such items or access is minimized.

Subject to the foregoing provisions, the general boundaries of each Unit created and each Unit that may be created under this Declaration are generally shown on the Plat and Plans, and consist of:

(a) *Horizontal Boundary*: The upper and lower boundaries of each Unit are generally the following boundaries extended to an intersection with the vertical (perimeter) boundaries:

1. Upper Boundaries: The lowest level planes at the lowermost surfaces of: the upper side of any gypsum board or acoustical tiles of the ceiling and any other materials constituting any part of the finished ceiling surfaces; if there is no finished ceiling, then upper boundary is the lowermost surfaces of the floor joists and structural members supporting each Unit and/or Common Elements above; or if there is no floor above, the lowermost surfaces of surfaces of rafters and structural members supporting the roof above, extending to the intersection with the vertical boundaries.

2. Lower Boundary: The horizontal plane at the upper surface of the undecorated upper surface of the sub-floor or of any concrete or masonry floor slab extending to the intersection with the vertical boundaries.

The subsequent alteration of the Property, such as to add an acoustical tile ceiling, shall not alter the initial Unit boundaries hereunder.

(b) *Vertical Boundaries*: The vertical boundaries of each Unit shall be the vertical planes at the interior surfaces of exterior masonry walls or the stud line at the exterior or outer-most surface of the gypsum-board, sheetrock or other wall materials forming its exterior or common walls, extended to the intersections with each other and with the horizontal boundaries.

(c) *Interior Finishes*. A Unit shall include all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, acoustical tiles, grids and supports, finished flooring, carpeting and any other materials constituting any part of the finished surfaces thereon located within the boundaries of the Unit.

(d) *Interior Space/Other*. All other spaces, interior partitions and other fixtures and improvements within the boundaries of a Unit are a part of the Unit except as otherwise provided herein.

(e) *Relocation and Subdivision*. Relocation of boundaries between Units is permitted by amendment to the Declaration in compliance with the provisions of the Condominium Act. The subdivision of Units is permitted.

D. Subdivision or Relocation of Unit Boundaries. Subject to applicable provisions of this Declaration or law and environmental, subdivision and land-use ordinances and regulations the subdivision of Units and/or relocation of boundaries between Units will be permitted at the expense of the Unit Owners of the Unit or Units to be so subdivided and the boundaries of which are to be so relocated, upon the prior written approval of the Association and subject to compliance with the provisions therefor set forth in Section 1602-113 and Section 1602-112 of the Act. The subdivision of an original Unit created hereby into multiple Units or into Common Areas shall not alter the Unit boundaries except through the exercise of the rights otherwise established herein.

E. Alteration of Partitions. Subject to applicable provisions of law, ordinances, and land-use regulations, a Unit Owner may, after acquiring a horizontally or vertically adjoining Unit or adjoining part of an adjoining Unit, remove or alter any intervening partition or create apertures therein, even if the partition in whole or in part is a Common Element, if such acts do not impair the structural integrity or mechanical systems of the Buildings in which such Units are located or lessen the support of any portion of the Property. Removal of partitions or creation of apertures under this subparagraph is not an alteration of

boundaries.

F. 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 shall be maintained and repaired by each Unit Owner and the Common Elements shall be maintained and repaired by the Association except that if damages are inflicted to any Common Elements, the Unit Owner responsible for the damage is liable for the prompt repair thereof, all in accordance with the provisions of Section 1603-107(a) of the Act, except as may be expressly set forth to the contrary in this Declaration.

ARTICLE IV: COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

A. Common Elements. The Common Elements are all parts of the Property other than the Units. The term "Common Elements" includes:

- i. The land, parking areas and drives together with the benefit of and subject to all the accompanying rights and easements described in Exhibit A;
- ii. The Chapel located in the Motherhouse building;
- iii. Elevators, hallways, vestibules, and stairways serving or providing access to more than one Unit or serving or providing access to the Common Element chapel;
- iv. All utility, heating, air conditioning and ventilating, drainage, and life safety system chases, lines, pipes, conduits, ducts, transmission wires, distribution boxes, utility and lines, pipes, conduits and equipment which serve more than one Unit (excepting lines and equipment owned by public and municipal utilities, or which service only a single Unit and are defined as a part of the Unit above), utility chase areas, roof drains, and all fire sprinklers and alarms and life safety and security access systems; and
- v. 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 in this Declaration.

B. Allocation of Limited Common Elements. A description, including the location and dimensions of all Limited Common Elements other than portions of the Property described as Limited Common Elements pursuant to Section 1602-102(2) and (4) of the Act, and the identifications of the Unit or Units to which the Limited Common Elements are hereby allocated are set forth in or shown on the Plats or Plans and/or described herein. The allocation of Limited Common Elements to the Units cannot be altered except with the written consent of the Owners and Mortgagees of record of the Units affected by the reallocation of Limited Common Elements, and in compliance with the provisions of Section 1602-108(b) of the Act. Limited Common Elements other than those described in Sections 1602-102(2) and (4) of the Act consist of the following:

- i. All utility, heating, air conditioning and ventilating equipment, controls, chases, lines, pipes, wires, distribution boxes, ducts, conduits and related accessories if any located outside of a Unit's boundaries (excepting lines and equipment owned by public and municipal utilities) which are not a defined part of a Unit but designed to serve one or more but less than all Units are Limited Common Elements allocated exclusively to such Unit(s);
- ii. The areas shown and designated as Limited Common Elements on the Plans, including

without limitation the Limited Common Element parking spaces and areas as set forth below:

To Unit 1, 73 assigned Limited Common Element parking spaces to be designated by the Association; and

To Unit 2, any parking spaces in excess of the first 73 spaces, .

Generally all other parking spaces designated on the Floor Plans and/or Plat which are not assigned pursuant to the foregoing are Common Elements;

- iii. All doors, steps, stoops, thresholds and windows, including without limitation their glass, frames, hinges, locks, bolts, handles and sills and any other similar fixture which are not a defined part of a Unit but designed to serve one or more but less than all Units are Limited Common Elements allocated exclusively to such Unit(s);
- iv. The elevators and related controls, equipment, structures, shafts, car and controls, and applicable security systems, if any, located in a Building including without limitation those designated as "LCE" on the Plat and/or Floor Plans are Limited Common Elements allocated exclusively to the Units located in the Building serviced;
- v. Any HVAC equipment, chimneys, vents and flues servicing a Unit or its Limited Common Elements, if any, which are not otherwise a defined part of the Unit;
- vi. The foundations, roofs, exterior walls, exterior windows, doors, fire escapes, chimneys, chase ways, sub-floors, utility lines and conduits, roof drains and all joists, rafters, structural and load bearing portions of the Motherhouse building and the tripled-based gilded cupola and gold Celtic cross thereof are limited common elements assigned to Unit 1 and the foundations, roofs, exterior walls, exterior windows, doors, fire escapes, chimneys, chase ways, sub-floors, utility lines and conduits, roof drains and all joists, rafters, structural and load bearing portions of the Smith House Building are limited common elements assigned to Unit 2; and for an additional Unit(s) created pursuant to the Development Rights reserved by Declarant under this Declaration, the foundations, roofs, exterior walls, exterior windows, doors, fire escapes, chimneys, chase ways, sub-floors, utility lines and conduits, roof drains and all joists, rafters, structural and load bearing portions of the building in which such additional Unit is located are limited common elements assigned to such Unit; and
- vii. the portions of the Property shown on the Plat and Plans or as described as Limited Common Elements pursuant to Section 1602-102(2) and (4) of the Condominium Act.

C. Limited Common Elements to be Subsequently Allocated by Declarant. There is no real estate which may be subsequently allocated as Limited Common Elements, other than Limited Common Elements specified in Section 1602-102(2)-(4) of the Act or the Limited Common Elements already allocated, except that Declarant reserves the right to create additional Limited Common Elements as described herein. If Declarant creates Unit 3 and/or Unit 4 in the Condominium pursuant to the Development Rights reserved herein by Declarant, the portions of the new Building(s) that are not within the Unit boundaries, as defined herein, and that are not Common Elements, as defined herein, shall be Limited Common Elements allocated to the adjoining Unit. In addition, Declarant may allocate to Unit 3 or Unit 4, as Limited Common Elements, parking lot spaces shown on the Plats or Plans and not already allocated to specific units and such parking spaces are hereafter called "Assignable Limited Common Elements". Pursuant to Section 1602-105(a)(7) of the Act, the Declarant reserves the exclusive right to assign each Assignable Limited Common

Element as a Limited Common Element for the exclusive use of the respective Unit Owner to whose Units such Assignable Limited Common Elements shall be assigned and become appurtenant. The Declarant may, without consent or action by the Unit Owners or any Mortgagee, allocate each Assignable Limited Common Element as a Limited Common Element pursuant to the provisions of the Section 1602-108 of the Act by causing appropriate amendments to this Declaration or to the Plats or Plans to be executed and recorded by Declarant, which amendments may be set forth in any Unit Deed to a Purchaser. The Declarant shall evidence the right to such an allocation either in the deed to the Unit to which such Assignable Limited Common Element shall appertain as a Limited Common Element or in writing recorded in the Cumberland County Registry of Deeds. After all Units have been sold by Declarant, the Association shall have the right to use or to assign any unallocated Assignable Limited Common Element pursuant to the provisions of Section 1602-108 of the Act.

D. Association Rights to Reserve Common Elements. "Reserved Common Elements" are those parts of the Common Elements (including the parking rights over the Secondary Parking Easement Area described in Schedule A and the "chapel") which the Executive Board may designate from time to time for use by less than all Unit Owners or by non-Unit Owners for specified periods of time. The Executive Board of the Association shall have the power in its discretion from time to time to grant revocable licenses in designated Reserved Common Elements and to establish a reasonable charge for the use and maintenance thereof. Such designation by the Board shall not be construed as a sale or disposition of the Common Elements.

E. Common Element Interest. The fraction of undivided interest in the Common Elements appurtenant to each Unit (the "Common Element Interest") is listed and allocated to each Unit in Schedule B. The Common Element Interest appurtenant to each Unit is a fraction determined as follows: The formula or method used to establish those allocations of votes and common expense liability and interest is as follows: The percentage of each Unit's Common Element Interest and Common Expense Liability is allocated by a formula represented by a fraction wherein the numerator is the number of interior square feet of each Unit located within a Building measured at the boundaries with the Common Element as shown on the Plans, and the denominator is the total such square footage of all the Units subject to rounding in order to permit ease of administration, provided however that the percentage stated in Exhibit B (as it may be amended) shall control in any event. Such square footage measurements may differ from leasing square footage calculations.

In the event a Unit is subsequently divided, a Unit is converted to Common Elements or is withdrawn, or Common Elements are converted to Units or if additional Units are added to the Condominium, then the percentages of all Units shall be allocated and re-determined based on such resulting interior floor areas of the Units.

F. Common Elements to Remain Undivided. The Common Element Interest of a Unit shall be inseparable from each Unit, and any conveyance, lease, devise or other disposition or mortgage or other encumbrance of any Unit shall extend to and include the Common Element Interest, whether or not expressly referred to in the instrument effecting such transfer. Except as otherwise provided by law or this Declaration, the Common Element Interests and the fee titles to the respective Units conveyed therewith shall not be separately conveyed, transferred, alienated or encumbered and each of said Common Element Interests shall be deemed to be conveyed, transferred, alienated or encumbered with its respective Unit notwithstanding that the description in the instrument of conveyance, transfer, alienation or encumbrance may refer only to the fee title to the Unit.

G. Partition or Division of Common Elements. The Common Elements shall remain undivided and no action for partition or division of any part thereof shall be permitted, unless otherwise provided by law and permitted by this Declaration.

H. Amendment of Interest in Common Elements. Except with respect to the subdivision or conversion of Units as provided in Article III(D), or as otherwise provided in the Act, the Common Element Interest appurtenant to each Unit shall have a permanent character, shall be inseparable from each Unit and shall not be altered or changed except by the recording of an amendment to this Declaration, duly executed by all of the Unit Owners and all of the holders of record of any first Mortgage liens upon the Units.

I. Use of Common Elements. Except as their use may otherwise be limited by this Declaration or the By-Laws or otherwise by the Executive Board pursuant to its powers, each Unit Owner, tenant and occupant of a Unit, and the family members and guests of such Unit Owner, tenant and occupant, may use the Common Elements in common with all other Unit Owners and tenants or occupants of other Units, and their respective family members and guests, in accordance with the purposes for which they are intended without hindering or encroaching upon the lawful rights of the other Unit Owners, upon the following terms:

(1) The parking spaces are provided for the parking of private motor vehicles and shall not be used for the parking of commercial vehicles, trailers, motor homes, or trucks with a gross weight of over 6,000 pounds except with the prior written approval of the Executive Board. Parking of permitted motor vehicles by Unit Owners and guests shall be only in any Limited Common Elements or other areas designated as spaces for parking. No unattended vehicles shall at any time be left in such a manner as to impede the passage of traffic or to impair access to parking areas. Parking areas and Common Elements shall at all times be kept free of unreasonable accumulations of debris or rubbish of any kind and no junk or derelict vehicle or other vehicle on which current registration plates are not displayed shall be kept upon any of the Common Elements. Vehicle repairs other than ordinary light maintenance are not permitted on the Property.

(2) Except for such signs as may be posted by the Declarant for promotional or marketing purposes, no signs of any character shall be erected, posted or displayed upon, in, from or about any Unit or Common Element without the prior written approval of the Executive Board. The foregoing provisions of this subparagraph shall not apply to a Mortgagee in possession of a Unit as a result of foreclosure, judicial sale or a proceeding in lieu of foreclosure.

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

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

J. Alteration to Common Elements by Unit Owner. A Unit Owner may make improvements and alterations to the interior of his Unit but no Unit Owner may make any improvements or alterations or do any work whatsoever which would impair the structural integrity or mechanical systems of the Buildings, lessen the support of any portion of the Condominium, or jeopardize the soundness or safety of the Property. No Unit Owner shall impair any easement or hereditament therein without the unanimous consent of the Unit Owners affected thereby. No Unit Owner shall alter any of the Common Elements or paint or otherwise change the appearance of the Common Elements (including the Limited Common Elements) or

paint or otherwise change the exterior appearance of his Unit or any other portion of the Condominium without the prior written approval of the Association acting by the Executive Board, which approval will not be unreasonably withheld. Subject to this Declaration, the Bylaws and the Rules and Regulations of the Association as amended from time to time, a Unit Owner may make nonstructural improvements and alterations within the interior of the Unit in compliance with all applicable governmental requirements and in a good and workmanlike manner, but using reasonable efforts to mitigate disturbance to other Units, even if increased costs result. Any expenses of Americans with Disabilities Act, Maine Human Rights Act, life safety code, building code or other governmental compliance required as a result of such improvements shall be borne by the Unit Owner, even if the required improvements are to be made to the Common Elements but such work shall be subject to approval by the Board of Directors.

The Association shall have the right to require that: (i) copies of the plans and specifications and evidence of compliance with all governmental requirements be submitted to the Board of Directors prior to commencing any work within the interior of the Unit and (ii) to approve all work that takes place in or affects Common Elements upon such terms and conditions as the Board may reasonably require, including without limitation the submission of plans, specifications and permits, evidence of insurance for all contractors, peer review of plans and specifications performed by professionals engaged the Board and the reasonable mitigation of the impact of such construction on other occupants of the Property. The Board may regulate and grant temporary licenses for construction parking, dumpsters and storage of construction materials and waste and other similar activities on the Property and adjacent public areas.

No Unit Owner may make any improvements or alterations or do any work whatsoever which would materially impair the structural integrity or mechanical systems or the walls separating Units, impair life safety or sprinkler systems of the building, lessen the support of any portion of the Condominium, or jeopardize the soundness, noise control components or safety of the Property, all without prior Board consent. All work shall reasonably mitigate any disturbance on other occupants of the Property even if additional costs would result.

All Unit Owner work shall be completed promptly and in a good and workmanlike manner and shall be performed in such a manner that no mechanics, materialmen or other similar liens shall attach to the Property. No Unit Owner shall permit, suffer or authorize any such liens or other claims to be asserted against the Association, other Units or the Common Elements, other than the allocated interest in the Common Elements appurtenant to a Unit. At the completion of all work each Unit Owner shall obtain waivers of mechanics and materialmen's liens from all persons performing work on or furnishing material and upon request provide the Association with copies.

No Unit Owner shall alter any of the Common Elements or paint or otherwise change the appearance of the Common Elements (including without limitation the Limited Common Elements, except for rights to alter Limited Common Element signage as provided in this Declaration) or paint or otherwise change the exterior appearance of the Unit in violation of this Declaration (including, but not limited to, signage or the exterior surfaces of doors or windows leading to a Common Element or a Limited Common Element) or any other portion of the Condominium, without first obtaining: (i) the prior written approval of the Board of Directors of the Association, which shall not be unreasonably withheld, but the applicant shall comply with such standards of general application as may then be established in the Rules and Regulations; and no such approval is required for improvements made pursuant to the exercise of Special Declarant and Development Rights or to change signage located in signage Limited Common Areas, (ii) all required approvals from the City of Portland and the Maine Department of Public Safety including any approvals required under the City of Portland's Historic Preservation Ordinance, if applicable, and Building-Life Safety Codes.

K. Limited Common Elements and Expense. The Association shall maintain, repair and replace all Limited Common Elements except as may otherwise be provided in this Declaration and shall assess except

as otherwise provided herein as a Common Expense the Common Expenses associated with the maintenance, repair or replacement of such Limited Common Elements. The Association shall also have the right to assess an individual Unit for Common Expenses associated with said purposes applicable to such Unit if the Common Expenses shall be incurred due to the negligence, neglect or misconduct of the Owner of such Unit. Maintenance and repair of any shared mechanical equipment will be assessed as a Limited Common Expense against the unit or units benefited.

L. Maintenance of Common Elements. The Association shall be responsible for the maintenance, repair and replacement (unless, in the opinion of the Executive Board such expense was necessitated by the negligence, misuse or neglect of a Unit Owner) of all of the Common Elements (including the Limited 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 in Article IV(K). Except as otherwise provided in this paragraph, the Association shall be responsible for the maintenance (including but not limited to (i) minimum annual and as needed inspection and maintenance of all drainage facilities; (ii) snow and ice removal; (iii) repair and replacement (unless, 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. The maintenance, repair and replacement of Common Elements located within a Unit, or for which the Unit Owner is otherwise 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 except as provided in Article IV(J) and/or in Article VI(B). The maintenance, repair and replacement of Common Elements located within a Unit, or for which the Unit Owner is otherwise 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 except as provided in Article IV(K).

M. Maintenance of Unit. Each Unit Owner shall keep and maintain his Unit and its equipment, appliances and appurtenances in good order, condition and repair and in clean and sanitary condition, whether such maintenance and repair shall be structural or nonstructural, ordinary or extraordinary, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his 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 negligence 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.

N. Liability of Owner. Each Unit Owner shall be liable, and the Association shall have a lien against his Unit for the expense of maintenance, repair or replacement of any damage to the Common Elements or to another Unit caused by such Unit Owner's act, neglect or carelessness or by that of any member of such Unit Owner's family, or such Unit Owner's guest or tenants, or their pets. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of any Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation against such Unit Owner.

O. Maintenance, Owner Self-Help. If the Association fails to comply with its obligation to maintain, replace or repair any part of the Condominium as specified in this Declaration, within a reasonable time after the owner of a Unit requests that such required maintenance, replacement or repair be performed by the Association, then such Unit owner shall have the right to perform the required maintenance, replacement or repair, provided that no work done by a Unit Owner shall impair or jeopardize the structural integrity of the Building or any part of the Condominium. Any Unit Owner may at any time

commission an engineer's report regarding the necessity or advisability of such maintenance, replacement or repair, and may present that report to the Association. If the Unit Owner has performed such maintenance, replacement or repair pursuant to this paragraph, the Unit Owner may seek reimbursement from the Association as a Common Expense for any portion of any expense so incurred by the Unit Owner, the cost of which would not have been allocated to such Unit Owner. If, after a reasonable time, a Unit Owner is not satisfied with or disagrees with the Association's response, such Unit Owner may submit the dispute, including, without limitation, any request for reimbursement of expenses, if applicable, to arbitration in accordance with the terms of this Article VII(B). The expenses of such arbitration shall be a Common Expense. If the arbitrator finds in favor of the Unit Owner that commissioned the engineering report, the expense of such report shall be a Common Expense. Otherwise, such expense shall be borne by said Unit Owner.

ARTICLE V: SPECIAL DECLARANT RIGHTS

A. Development Rights. Declarant shall have and hereby reserves the Development Rights: (i) to create up to 2 additional or new units on the Property (and/or on property added to the Condominium) and associated Common Elements and Limited Common Elements, such Units to be located on the Property described in Schedule A to the Declaration and with Units 3 and 4 to be substantially as shown on the Plats and Plans, with any changes thereto as may be approved by the City of Portland Planning Board; (ii) to add all or any portion of Lot 1, Lot 2 and/or Lot 4 as shown on said Plan to the Condominium; and (iii) to create Common Elements and/or Limited Common Elements (including the parking spaces and drives as shown on the Plats and Plans, as the same may be modified from time to time with the approval of the Portland Planning Board, and shared mechanical equipment and rooms) in connection with the additional or new units described hereinabove, with the Units, Common Elements and Limited Common Elements for Units 3 and 4 to be substantially as shown on the Plats and Plan with any changes thereto as may be approved by the City of Portland Planning Board and the related additional parking spaces, driveways and shared mechanical equipment and rooms to be substantially as may be hereafter approved by the Portland Planning Board. The other Units may be declared and built as separate phases, not necessarily in numerical order. The Development Rights may be declaration and built as separate phases, not necessarily in numerical order, and such Development Rights may be exercised with respect to different parcels of the real estate at different times, and no assurances are made in regard to the fixing of the boundaries of those portions and regulating the order in which those portion may be subjected to the exercise of each Development Right, and if any Development Right is exercised in any portion of the real estate subject to that Development Right, that Development Right need not be exercised in all or in any other portion of the remainder of the real estate. Any improvements to future Units, Limited Common Elements and Common Elements created under this Section A including the Buildings, appurtenances, and improvement need not be consistent with the initial Buildings or the initial architectural style, layout and principal materials but shall be constructed substantially consistent with all approvals of the Portland Planning Board.

To exercise any rights under this Section, the Declarant shall prepare, execute and record an amendment to the Declaration pursuant to the Condominium Act, which amendment may include a Condominium Plat and Plans as required by the Condominium Act to the extent not previously recorded and the establishment of said cross easements. Said amendment shall become effective upon recording, without need for the consent of any other person except as otherwise specifically provided herein.

Upon the alteration, conversion or addition of such Units to the Condominium, the Allocated Interests of all Units shall be reallocated in accordance with this Declaration and Exhibit B shall be amended accordingly. Upon the addition of a Unit, the Declarant may create and assign additional Limited Common Elements appurtenant to a Unit.

The exercise of Development Rights shall be subject to the following restrictions: (a) no changes shall be

made by the Declarant or any other person, unless any applicable approvals are obtained pursuant to the City of Portland's and State of Maine's statutes, laws, ordinances and rules to the extent applicable; and (b) any construction shall be at the sole expense of the Declarant and such construction shall reasonably minimize any disruption to the other Units during business hours in a manner consistent with the exercise of such rights, even if extra costs would result.

B. Condominium Association and Executive Board Access. Declarant reserves in favor of itself, the Association and its Executive Board, officers, agents and employees, any managing agent and every other person authorized by the Executive Board the irrevocable right and easement to have access to each Unit as provided in Section 1603-107(a) of the Act as may be necessary for the inspection, maintenance, repair or replacement of any of the Common Elements and Limited Common Elements therein or accessible therefrom or the making of any addition or improvements thereto; or to make repairs to any Unit, the Common Elements or the Limited Common Elements if such repairs are reasonably necessary for the public safety or to prevent damage to any other Unit or Units, the Common Elements or the Limited Common Elements; or to abate any violation of law, orders, rules or regulations of the Association or of any governmental authorities having jurisdiction thereof. In case of an emergency, such right of entry shall be immediate whether or not the Unit Owner is present at the time. The Association and its Executive Board shall have the right to grant to third parties permits, licenses and easements over and through the Common Elements for utilities and other purposes reasonably necessary or useful for the proper maintenance and operation of the Condominium.

C. Declarant's Easement for Marketing. The Declarant reserves the right with respect to its marketing of Units to use the Common Elements and Limited Common Elements for the ingress and egress of itself, its officers, employees, agents, contractors and subcontractors and for prospective purchasers of Units, including the right of such prospective purchasers to park in parking spaces. The Declarant also reserves the right to use any Units owned or leased by the Declarant as models, management offices, sales offices for this and other projects or customer service offices. The Declarant reserves the right to relocate the same from time to time within the Property; upon relocation, the furnishings thereof may be removed. The Declarant further reserves the right to maintain on the Property such advertising signs and lighting as may comply with applicable governmental regulations, which may be placed in any location on the Property and may be relocated or removed, all at the sole discretion of the Declarant. The Declarant shall have the right to restrict the use of certain Common Element parking spaces to sales purposes and to use such spaces for sales purposes. Further, the Declarant shall have the right to erect temporary offices on the Common Elements for models, sales, management, customer service and similar purposes. This easement shall continue until the Declarant has conveyed all Units to Purchasers.

D. Declarant's Easements for Construction. The Declarant reserves the easement, right and privilege without let or hindrance with respect to the creation of the Units, Common Elements, Limited Common Elements, the Development Rights specified in Paragraph A hereinabove and other improvements of the Condominium, to go upon any and all of the Property except for Units conveyed to Purchaser for purposes of construction, reconstruction, maintenance, repair, renovation, replacement, improvement or correction of the Units and Common Elements and for completion of the improvements indicated on the Plats and Plans. Furthermore, the Declarant reserves an easement in the Units and Common Elements pursuant to Section 1602-116 of the Act for the purpose of discharging Declarant's obligations and exercising the Special Declarant rights reserved pursuant to this Declaration. These easements shall continue until all Units in the Condominium are conveyed by Declarant.

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

construction materials and equipment used in the completion of the Units and Common Elements. This easement shall continue until the Declarant has conveyed all Units.

F. Declarant's Right to Grant Easements. The Declarant shall have the right, until the Declarant has conveyed all Units to Purchasers, to grant and reserve easements and rights of way through, under, over and across the Property for construction purposes, and for the installation, maintenance and inspection of the liens and appurtenances for public or private water, sewer, drainage, gas, electricity, telephone and other utilities. The Units and Common Elements shall be, and are hereby, made subject to easements in favor of the Declarant, appropriate utility and service companies and governmental agencies or authorities for such utility and service lines and equipment as may be necessary or desirable to serve any portion of the Property. The easements created in this Paragraph shall include, without limitation, rights of Declarant, or the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, elevators, telephone wires and equipment, air conditioning, heating systems, ventilation systems, electric wires, conduits and equipment and ducts and vents over, under, through, along and on the Units and Common Elements.

G. Alteration of Common Elements by Declarant. The Declarant reserves the right (but shall have no obligation) to modify, alter, remove or improve defective, obsolete or nonfunctional portions of the Common Elements, including without limitation any equipment, fixtures and appurtenances when in the Declarant's judgment it is necessary or desirable to do so, until all Units have been conveyed to Purchasers.

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

I. Time. The Development Rights and Special Declarant Rights may be exercised at any time within 50 years after the date of this Declaration.

ARTICLE VI: ASSESSMENTS FOR COMMON EXPENSES

A. Common Expense Liability. Except as provided in Article IV(K), Article IV(L), and Article VI(B), the Common Expense Liability (which is the allocation to each Unit or Unit Owner of the respective liability of each Unit Owner for Common Expenses) allocated to each Unit is a fraction of the Common Expenses assessed against all of the Units that is equal to the Common Element Interest appurtenant to the respective Unit as set forth in Schedule B.

B. Allocation of Assessments of Common Expenses. The total amount of Common Expenses shall be assessed against the Units in the following proportions: (1) the Common Expenses that are not Limited Common Expenses shall be assessed against all of the Units in proportion to the relative Common Expense Liabilities of all the Units; (2) the Limited Common Expenses shall be assessed solely against each Unit benefited except as otherwise provided in this Declaration; except as provided in Article IV(K) and Article IV(L), if a Limited Common Expense benefits more than a single Unit, that Limited Common Expense shall be assessed solely against each Unit benefited equally against the Units to which Limited Common Elements are assigned or appurtenant; (3) assessments to pay a judgment against the Association shall be made as a Limited Common Expense against the Units included in the Condominium at the time such judgment was entered; (4) any utilities which are or are made by Declarant to be separately metered shall be supplied by the public utility company serving the area directly to each Unit through a separate meter and

each Unit Owner shall be required to pay the bills for utilities consumed or used in his Unit; any utilities which are not separately metered shall be paid by the Executive Board as a Common Expense.

The Declarant shall not be liable for any assessments for any Units until after the later to occur of the first conveyance of a Unit to a third person other than an affiliate of the Declarant or the first Common Expense assessment by the Association. Assessments for Common Expenses shall commence on the first day of the first month following the date of the first conveyance of a Unit to a person other than the Declarant.

C. Payment Obligations. Each Unit Owner shall pay to the Association or its authorized representative on the first day of each month, or on such other date that the Association may determine in writing, one-twelfth of the Common Expenses including Limited Common Expenses assessed on an annual basis against his Unit in the proportions required in Paragraph B of this Article in accordance with the By-Laws and subject to Section 1603-103(c) of the Act. If for any reason the Association shall revise the annual budget of the Association in accordance with the By-Laws and subject to Section 1603-103(c) of the Act whereby the Common Expenses or any component thereof may be increased, thence commencing on the first day of the first month subsequent to the adoption of such revised budget each Unit Owner shall pay to the Association or its authorized representative one-twelfth of any such revised annual Common Expenses including Limited Common Expenses assessed against his Unit in the proportions required in Paragraph B of this Article.

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

E. Lien for Assessments. The total annual assessment levied against each Unit for Common Expenses including Limited Common Expenses, revised Common Expenses including Limited Common Expenses, or any special assessment, and any other sums duly levied against the Unit pursuant to this Declaration, the By-Laws, or the Act and all interest thereon and charges for late payment thereof and legal fees and other costs of collection thereof shall constitute the personal liability of the Owner of the Unit so assessed and also shall, until fully paid, constitute a lien against the Unit in favor of the Association from the date upon which such assessment, special assessment or other sum such as interest becomes due as provided in Section 1603-116 of the Act. Such lien shall, with respect to annual assessments, be effective on the first day of each fiscal year of the Association as to the full amount of the annual assessment, and, as to special assessments and other sums duly levied, on the first day of the next month which begins more than ten (10) days after delivery to the Unit Owner of notice of such special assessment or levy. Such lien is prior to all other liens and encumbrances on a Unit except (a) liens and encumbrances recorded before the recordation of this Declaration, (b) a first Mortgage recorded before or after the date on which the assessment sought to be enforced becomes delinquent, and (c) liens for real estate taxes and other governmental assessments or charges against the Units; provided, however, that such lien is not subject to the provisions of 14 M.R.S.A. §4561 and 18-A M.R.S.A. §2-201, et seq., as they or their equivalents may be amended or modified from time to time.

F. Enforcement. The lien for assessments described in Paragraph E of this Article may be enforced and foreclosed by the Association in like manner as a mortgage on real estate as provided in Section 1603-116(a) of the Act or by any other means presently or hereafter provided by law or in equity. A suit to recover a money judgment for unpaid assessments, interests, penalties, and costs of collection may be maintained against the Unit Owner personally without foreclosing or waiving the lien securing such assessments and a foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment. During the pendency of any such suit, the Unit Owner shall be required to pay a reasonable rental of the Unit for any period prior to the sale pursuant to any judgment or order of any Court having jurisdiction over such sale.

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

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

I. Surplus Funds. If at the end of any fiscal year any amounts accumulated from assessments for Common Expenses and income from the operation of the Common Elements to which such Common Expenses pertain shall exceed the amount required or actual Common Expenses and provision for Common Expenses and any payment of reserves for future Common Expenses, such excess shall be applied to the reserve fund unless credited by the Association to each Unit Owner in proportion to their respective Common Expense Liabilities to reduce until exhausted the next monthly installments due from Unit Owners. Similarly, any surplus funds of the Association not so applied to the reserve fund and remaining after payment of or provision for Limited Common Expenses after application to Common Expenses as provided in Paragraph H of this Article, shall be credited to the Owners of the Units giving rise to such Limited Common Expenses in the proportions provided in Paragraphs B and H of this Article to reduce until exhausted the next monthly installments of assessments for such respective Expenses due from such Unit Owners. Surplus funds shall not otherwise be paid or credited to Unit Owners.

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

K. Liability. In a voluntary conveyance, the Purchaser of a Unit shall be jointly and severally liable with the Seller for all unpaid common charges, assessments, service charges, interest and costs of collection up to the time of the grant or conveyance, although the Purchaser shall not be prevented from exercising any

right to recover from the Seller the amounts paid for those assessments and common charges. A Purchaser or prospective purchaser under a purchase and sale contract for a Unit may obtain, upon request and the payment of such fee as may be established from time to time by the Executive Board, a statement from the Association setting forth the amount of unpaid common charges, assessments and service charges, interest and costs of collection against the unit as of the date of grant or conveyance and such other items required by the Act. The Purchaser shall not be liable for, and the Unit conveyed shall not be subject to a lien for any unpaid amounts due from the Seller before the statement date in excess of the amount set forth in the statement except interest and costs of collection accrued thereafter.

ARTICLE VII: UNIT OWNERS ASSOCIATION

A. Owners Association and Bylaws. Each Unit Owner shall be a member of the Association, a non-profit corporation organized under the laws of the State of Maine known as 605 Stevens Avenue Condominium Association. Membership shall be appurtenant to the Units, and the transfer of title to a Unit shall automatically transfer the membership appurtenant to that Unit to the transferee or transferees. A mortgage, however, shall not transfer membership until foreclosure or sale in lieu of foreclosure. The Bylaws of the Association, which, except as otherwise provided for herein govern the operation and management of the Association, are attached hereto as Schedule C.

B. Disputes. The Association and any aggrieved Unit Owner shall have an appropriate right of action, together with any and all appropriate remedies under the Act, in law or equity, against any of the Unit owners or the Association for failure to comply with any provision of this Declaration or with any decision of the Association made pursuant thereto. 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 Article, except as hereinafter provided. Notwithstanding the rights of action described in the preceding two sentences, any dispute resulting in a deadlock among the Executive Board members or described in Article III or Article IV hereof shall be submitted to arbitration in accordance with the procedures set forth herein. In such cases, all of the members of the Executive Board shall, within thirty days after such deadlock occurs, attempt to agree upon a single arbitrator to settle the dispute. If the members are unable to agree on a single arbitrator within such thirty-day period, then the dispute shall be settled by a single arbitrator in accordance with the rules of the American Arbitration Association. The expenses of such arbitration shall be a Common Expense. All Unit Owners and the Association shall be bound by the arbitration decision, including, without limitation, any determination regarding the entitlement of a Unit owner to reimbursement of expenses incurred pursuant to Article IV(O). No other right of action shall arise with respect to a dispute arising out of an Executive Board deadlock or a dispute over maintenance, replacement or repair of all or any part of the Common Elements.

ARTICLE VIII: LIMITATION OF LIABILITY

A. Limited Liability of the Executive Board. No member of the Executive Board or officer of the Association, except to the extent of his or her willful misconduct or gross negligence: (1) shall be liable for the failure of any service to be obtained by the Executive Board and paid for by the Association, or for injury or damage to persons or property caused by the elements or by another Unit Owner or person on the Property, or resulting from electricity, gas, water, rain, dust or sand which may leak or flow from the outside or from any part of the Buildings, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place; (2) shall be liable to the Unit Owners as result of the performance of the Executive Board members' duties for any mistake of judgment, negligence or otherwise; (3) shall have any personal liability in contract to a Unit Owner or any other person or entity under any agreement, check, contract, deed, lease, mortgage, instrument or transaction entered into by them on behalf of the Executive Board or the Association in the performance of the Executive Board members' duties; (4) shall be liable to a Unit Owner, or such Unit Owner's tenants, employees, agents, customers or guests, for loss or damage

caused by theft of or damage to personal property left by guests in a Unit, or in or on the Common Elements or Limited Common Elements; (5) shall have any personal liability in tort to a Unit Owner or any other person or entity, direct or imputed, by virtue of acts performed by or for them; or (6) shall have any personal liability arising out of the use, misuse or condition of the Buildings, or which might in any other way be assessed against or imputed to the Executive Board members as a result of or by virtue of the performance of their duties.

B. 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 attorney's 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; 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; and provided further that, indemnification hereunder with respect to any criminal action or proceeding is permitted only if such Executive Board member and/or officer had no reasonable cause to believe his conduct was unlawful. The indemnification by the Unit Owners set forth in this Paragraph shall be paid by the Association on behalf of the Unit Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Executive Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit Owners or otherwise.

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

ARTICLE IX: EMINENT DOMAIN

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

B. Part of Unit. Except as otherwise provided in Paragraph A, if part of a Unit is taken or condemned by any authority having the power of eminent domain, any award therefor shall be paid to the Owner of such Unit as compensation for the reduction in value of the Unit and its Allocated Interest in the Common Elements, whether or not any Common Elements are taken or condemned. After such part of a Unit is taken or condemned: (1) That Unit's Allocated Interests shall be reduced in proportion to the

reduction in relative value of the Unit as determined by the Executive Board; and (2) The portion of the Allocated Interests, Common Element Interest, Votes and Common Expense Liability which has been divested by virtue of the taking or condemnation from the partially-acquired Unit shall be automatically reallocated to such Unit and the remaining Units in proportion to the respective Allocated Interests appurtenant to each of the Units before the taking or condemnation, and the Association shall promptly prepare, execute and record as a Common Expense an amendment to this Declaration reflecting such reallocation, with the partially taken or condemned Unit participating in the reallocation on the basis of its reduced Allocated Interests.

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

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

ARTICLE X: REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY

A. Required Repair and Reconstruction. In the event of damage to or destruction of all or any part of the Property as a result of fire or other casualty, the Executive Board on behalf of the Association shall promptly arrange for and supervise the prompt repair, replacement and restoration thereof (including any damaged Units, service fixtures, service machinery and other apparatus initially installed therein by the Declarant, but not including any other furniture, furnishings, fixtures, equipment or other personal property supplied or installed by the Unit Owners in the Units), substantially in accordance with this Declaration, Plats and Plans, the original elevation thereof and the original plans and specifications therefor unless (a) the Condominium is terminated, or (b) repair, replacement or restoration would be illegal under any state or local health, safety, land-use or environmental statute, code or ordinance, or (c) eighty percent (80%) of the Unit Owners vote not to repair, restore or replace the damaged or destroyed Property, and such decision is approved by every Owner of a Unit or Limited Common Element, which will not be repaired, replaced or restored, and by all Eligible Mortgage Holders of all Mortgages thereon.

B. Procedure for Reconstruction and Repair. If repair, replacement or restoration shall be required pursuant to Paragraph A of this Article: (1) Cost Estimates: The Executive Board shall promptly obtain reliable and detailed estimates of the cost of repairing and restoring such portion (including any damaged Units, fixtures, service machinery and other apparatus initially installed by Declarant, but not including any other furniture, furnishings, fixtures or equipment installed by the Unit Owner in the Unit) substantially in accordance with this Declaration, the Plats and Plans, the original elevation thereof and original building plans and specifications therefor unless other action or repair or replacement is approved by at least 80% of the Unit Owners and 51% of the Eligible Mortgage Holders; such costs may also include professional fees and premiums for such bonds as the Insurance Trustee may determine to be necessary; (2) Assessments: If the net proceeds of insurance, if any, are not sufficient to defray such estimated costs of reconstruction,

repair and replacement, or if upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, the amount necessary to complete such reconstruction and repair may be obtained from the appropriate reserve for replacement funds, and any such costs in excess of insurance proceeds and reserves shall be deemed a Common Expense and a special assessment therefor shall be levied by the Association; and (3) Construction Fund and Disbursement: The proceeds on insurance collected on account of the casualty, and the sums received by the Association from collections of assessments against Unit Owners pursuant to Paragraph B(2) of this Article on account of such casualty, shall constitute a construction fund which shall be held in trust by the Insurance Trustee or Association as provided in this Declaration and disbursed in payment of the costs of reconstruction and repair in the following manner: (a) if the estimated cost of reconstruction and repair is less than Two Hundred Thousand (\$200,000.00) Dollars, then the construction fund shall be disbursed in appropriate progress payments, or upon order of the Executive Board; provided, however, that upon request of fifty percent (50%) of the Eligible Mortgage Holders (based upon one vote for each mortgage held) such funds shall be disbursed pursuant to subparagraph B(3)(b); (b) if the estimated cost of reconstruction and repair is Two Hundred Thousand (\$200,000.00) Dollars or more, then the construction fund shall be disbursed in payment of such costs upon approval of an architect qualified to practice in the State of Maine employed by the Association (the "Architect") or Insurance Trustee to supervise such work and approved by such fifty percent (50%) of the Eligible Mortgage Holders, payment to be made from time to time as the work progresses; the Architect shall be required to furnish a certificate giving a brief description of the services and materials furnished by various contractors, subcontractors, materialmen, the architect and other persons who have rendered services or furnished materials in connection with the work stating that: (i) the sums requested by them in payment are justly due and owing and that such sums do not exceed the value of the services and materials furnished; (ii) there is no other outstanding indebtedness known to such Architect for the services and materials described; (iii) the cost as estimated by such Architect for the work remaining to be done subsequent to the date of such certificate does not exceed the amount of the construction fund remaining after payment of the sum so requested; and (c) when the damage is to both Common Elements and Units, the insurance proceeds shall be applied first to the cost of repairing the Common Elements and thereafter to the cost of repairing the Units; and (d) the first monies disbursed in payment of the cost of reconstruction and repair shall be from any insurance proceeds and, if there is a balance in the construction fund after the payment of all of the costs of the reconstruction and repair for which the fund is established, such balance shall be distributed among all Unit Owners, Mortgage holders and lien holders, as their respective insurable interests may appear, in proportion to their respective Common Element Interests or the Common Element Interests to which their respective Mortgages are subject.

C. Damage or Destruction; No Repair or Replacement. If the entire Condominium is not repaired or replaced: (1) the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged areas of the Common Elements to a condition compatible with the remainder of the Condominium as determined by the Executive Board or Architect; (2) the insurance proceeds attributable to Units and Limited Common Elements which are not rebuilt shall be distributed to the Owners and Mortgagees of those Units as their insurable interests appear and the Owners and Mortgagees of the Units to which those Limited Common Elements were assignable or allocated, as their insurable interests may appear; and (3) the remainder of the proceeds shall be distributed to all the Unit Owners and Mortgagees, as their insurable interest may appear, in proportion to their respective Common Element Interests or the Common Element Interests to which their respective Mortgagees are subject.

If the Unit Owners and their Mortgagees vote not to rebuild any unit, that Unit's entire Allocated Interests shall be automatically reallocated upon said vote as if the Unit had been condemned as provided in Article IX of this Declaration and the Association shall prepare, execute and record an amendment to this Declaration reflecting the reallocations. Notwithstanding any provisions of this Article to the contrary, Section 1602-118 of the Act governs the distribution of insurance proceeds if the Condominium is terminated.

ARTICLE XI: INSURANCE

A. General. No later than the date of the first conveyance of a Unit to a person other than the Declarant, the Association, shall obtain and maintain as a Common Expense, the policies of insurance described below to the extent such policies shall be reasonably available. If such insurance is not maintained, then the Association shall give written notice thereof to the Unit Owners and the Eligible Mortgage Holders. To the extent that such insurance subsequently becomes unavailable, the Association shall obtain as a substitution the most comparable insurance available. The Board of Directors is hereby irrevocably appointed as attorney-in-fact for each Unit Owner and for each Mortgagee and Eligible Mortgage Holder and for each owner of any other interest in the Property, for purchasing and maintaining the insurance, for the collection and disposition of any insurance, including distribution pursuant to Section 1603-113(c) of the Condominium Act, for the negotiation of losses and execution of releases of liability, and for the execution of all documents, and performance of all other acts necessary to accomplish these purposes.

B. Property and Casualty Insurance for Units and Common Elements. The Association shall obtain and maintain in effect an "extended coverage" fire and casualty insurance policy covering the Units and Common Elements (including the Limited Common Elements) with vandalism, malicious mischief, windstorm, debris removal, cost of demolition and water damage endorsements, issued by an insurance company authorized to do business in the State of Maine, *excluding* the land, foundations and excavations and other similar items customarily excluded from property insurance policies, *excluding* risks customarily excluded from commercial property insurance policies as determined by the Board of Directors, and *excluding* furniture, furnishings, inventory, equipment and other personal property supplied or installed by Unit Owners. The policy shall cover the interests of and benefit as insureds the Association, the Board of Directors, and all Unit Owners and their Mortgagees as their insurable interests may appear.

The Association's blanket or master insurance policy shall be in an amount equal to one hundred percent (100%) of the then current fair market value of such insured Units and Common Elements (exclusive of the land, excavations, foundations and other similar items customarily excluded from such coverage), without deduction for depreciation, which coverage may be "replacement cost" coverage if the Board of Directors determines such coverage is reasonably available. Such insurance policy may, at the option of the Board of Directors, contain such deductible and exclusions as the Board of Directors shall reasonably deem appropriate but the deductible not to exceed the lesser of \$10,000 or one (1) percent of the policy's face amount, unless approved by a majority vote of the Owners.

Unless otherwise established under Rules and Regulations adopted by the Board of Directors from time to time, a Unit Owner shall pay the expense of repair of damage to its Unit, to the Common Elements or to another Unit if caused by the neglect of the Unit Owner in the amount of the Association's insurance deductible (or such greater amount as may be established by the Rules and Regulations adopted by the Board of Directors from time to time); the Association shall not be responsible to such Unit Owner for the costs of such repair or damage. In the event of a casualty affecting both the Common Elements and Unit(s) the Board of Directors may allocate responsibility for the insurance deductible among the Common Elements and Unit(s).

Notwithstanding the foregoing, each Unit Owner shall procure "builder's risk" insurance coverage on a Unit while the Unit is undergoing construction or significant repairs and renovations such that the Unit is not otherwise covered by the Association's policy, and the Association shall have no responsibility for any design error, faulty workmanship or defective construction carried on by or at the request of a Unit Owner

Since the Common Elements are believed to have been originally constructed a number of years ago, the Association is not required to carry casualty insurance for the replacement or repair of the Common

Elements to their exact prior state and the Board of Directors may limit the scope of insurance coverage to the market value of the Common Elements and limit repair or replacement to more modern materials and techniques based on available casualty insurance proceeds.

Such casualty insurance policy shall also include the following provisions:

(i) The following endorsements or their equivalent: (a) "no control," meaning that coverage shall not be prejudiced by any act or neglect of any occupant or Unit Owner or their agents, when such act or neglect is not within the control of the insured, or the Unit Owners collectively, nor by any failure of the insured, or the Unit Owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the insured, or the Unit Owners collectively, have no control; (b) "Construction Code Endorsement" or "increased cost of construction," (c) "agreed amount" or elimination of co-insurance clause; and (d) "inflation guard," when it can be obtained.

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

(iii) The recognition of any Insurance Trust Agreement whereby the Board of Directors may designate in writing an Insurance Trustee to hold any insurance proceeds in trust for disbursement, as provided in Section C below; and

(iv) A standard "mortgagee clause" which shall: (a) provide that any reference to a mortgagee in such policy shall mean and include all holders of mortgages of any Unit, in their respective order and preference, whether or not named therein; (b) provide that such insurance as to the interest of any mortgagee shall not be invalidated by any act or neglect of the Association or owners or any persons under any of them; and (c) waive any provision invalidating such mortgagee clauses by reason of the failure of any mortgagee to notify the insurer of any hazardous use or vacancy, and requirement that the mortgagee pay any premium thereon, and any contribution clause.

C. Casualty Losses, Adjustment and Payment; Insurance Trustee. Any loss covered by the insurance policy described in Section B above shall be adjusted with the Association acting through its Board of Directors, but the insurance proceeds shall be payable to the Insurance Trustee designated for that purpose by the Board of Directors, if any, as provided in the Condominium Act and otherwise to the Association, and not to any Mortgagee.

The Insurance Trustee or the Association as applicable shall hold any insurance proceeds in trust for Unit Owners, Mortgagees and other lien holders as their interests may appear. The Board of Directors shall cause the Insurance Trustee or the Association to obtain a surety bond in 100% of the amount of the insurance proceeds for the faithful performance of the duties as insurance trustee before it shall be entitled to receive such proceeds. Subject to the provisions of this Article, the Bylaws and Section 1603-113(e) of the Condominium Act, the proceeds shall be disbursed first for the repair or restoration of the damage to the Common Elements. Unit Owners, Mortgagees and other lien holders are not entitled to receive payment of any portion of the proceeds, unless either (i) there is a surplus of proceeds after the damaged Units and Common Elements have been repaired or restored, or (ii) the decision has been made not to repair or restore the damage as provided in Section 1603-113(h) of the Condominium Act, or (iii) the Condominium is terminated in whole or part.

D. Liability Insurance. The Board of Directors shall obtain and maintain, as a Common Expense,

comprehensive general public liability insurance (including medical payments insurance) and property damage insurance in such limits as the Board may from time to time determine, insuring each Board of Directors member, the managing agent, each Unit Owner and the Declarant against any liability to the public or to the Unit Owners (and their invitees, agents and employees) covering all occurrences commonly insured against for death, bodily injury or property damage, arising out of the maintenance, ownership or use of the Common Elements, and for any legal liability resulting from suits or actions related to employment contracts to which the Association is a party. Such insurance shall be issued on a comprehensive liability basis and shall contain: (a) a cross liability endorsement, under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured; (b) hired and non-owned vehicle coverage; (c) a "severability of interest" endorsement, which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts of the Association or of another Unit Owner; and (d) a broad form liability extension endorsement including "personal injury," contractual liability, and other coverage commonly included in such broad form endorsement. The Board of Directors shall review such limits once each year, but in no event shall such insurance be less than two million dollars (\$2,000,000.00) covering all claims for bodily injury or property damage arising out of one occurrence.

E. Additional Required Provisions. All insurance policies required to be carried by the Association under this Article shall in addition contain the following provisions or features:

- i. The insurer waives any right to claim by way of subrogation against the Declarant, the Association, the Board of Directors, the managing agent or the Unit Owners, and their respective agents, employees, guests and, in the case of the Unit Owners, the members of their households;
- ii. The Declarant, so long as the Declarant shall own any Unit, shall be protected by all such policies as a Unit Owner.
- iii. Each Unit Owner is an insured person under the policy with respect to liability arising out of the ownership of an undivided interest in the Common Elements or membership in the Association;
- iv. The insurer waives its right to subrogation under the policy against any Unit Owner, its principles, managers, officers, employees or directors or members of his household;
- v. No act or omission by any Unit Owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and
- vi. If at the time of a loss under the Association's policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

F. Other Insurance. The Board of Directors shall obtain and maintain as a Common Expense:

(i) To the extent reasonably available, "directors' and officers'" liability insurance, to satisfy the indemnification obligations of the Association;

(ii) Workers' compensation insurance, if and to the extent necessary to meet the requirements of law;

(iii) Flood insurance if any or all of the Property is located in a special flood hazard area equal to the greater of 100% of the insurable value of the Property or the maximum coverage available under the appropriate national Flood Insurance Administration program. A blanket or master policy shall be obtained which includes a maximum deductible of one percent (1.00%) of the policy face amount; and

(iv) Such other insurance as the Board of Directors may determine, as may be requested by a majority of the Unit Owners (including, without limitation, "fidelity bond" or employee dishonesty coverage).

G. Memoranda and Cancellation. All insurers that shall issue an insurance policy or policies under this Article shall issue certificates or memoranda of insurance to the Association, and, upon request, to any Unit Owner or Mortgagee.

All such insurers issuing the policy may not cancel (including cancellation for non-payment of premium), substantially modify, or refuse to renew such policy or policies until twenty (20) days (10 days notice for non-payment of premiums) after notice of the proposed cancellation of non-renewal has been mailed to the Association, the managing agent, each Unit Owner and each Mortgagee to whom a certificate or memorandum of insurance has been issued at their respective last known addresses.

H. Separate Insurance Required to be Maintained by Owners. Each Unit Owner should obtain at its own expense, a condominium insurance policy for damage to its Unit not insured through the Association, and all personal property located in a Unit for its own benefit and for its personal liability, as well as upon any improvements made by him to its Unit under coverage normally called "improvements and betterments coverage;" provided, however, that no Unit Owner shall be entitled to exercise its right to acquire or maintain such insurance coverage which would decrease the amount which the Association on behalf of all Unit Owners may realize under any insurance policy maintained by the Association, or to cause any insurance coverage maintained by the Association to be brought into contribution with insurance coverage obtained by a Unit Owner.

All such Unit Owner's policies must contain waivers of subrogation in favor of the Association.

The Association shall have no responsibility for ascertaining whether or not the Unit Owner maintains such insurance in effect.

Each Unit Owner shall notify the Board of Directors in writing of all structural improvements made by the Unit Owner to his Unit; provided, however, that this sentence shall not be construed as an authorization to Unit Owners to make structural improvements to Units otherwise than in accordance with this Declaration, the Bylaws and Rules and Regulations promulgated by the Board of Directors. Any premium increase caused by such improvements may be assessed to the Owner of the improved Unit. No Unit Owner shall be entitled to receive insurance proceeds for the repair, restoration or rebuilding of any such improvements not so reported to the Board of Directors and not insured by the Association, unless otherwise consented to by vote of the Board of Directors.

At the request of the Association, any Unit Owner who obtains an individual insurance policy covering any portion of the Condominium shall file a certificate or copy of such individual policy or policies with the Board of Directors within thirty (30) days after the purchase of such insurance but failure to request or provide such certificate or insurance copies shall not impair any terms of this Declaration.

ARTICLE XII: ADDITIONAL RESTRICTIONS ON USE, OCCUPANCY OR ALIENATION

A. Use and Occupancy Restrictions. Each Unit shall be occupied and used subject to the following restrictions: (1) Unit 1 will be used solely for residential purposes; and (2) each Unit will be subject to reasonable rules and regulations as adopted by the Association from time to time. Nothing in this Declaration shall be construed to prohibit the Declarant from exercising any easements and rights reserved by the Declarant pursuant to this Declaration for any purposes including promotional, marketing or display purposes, from using any appropriate portion of the Common Elements for exercising these reserved rights,

settlement of sales of Units and for customer service purposes, or from leasing Units owned by Declarant as provided in this Declaration.

B. Leasing Restrictions. No Unit Owner shall lease a Unit other than on written form of lease requiring the lessee to comply with the Condominium Documents and rules and regulations of the Association. Each Unit Owner shall, promptly following the execution of any lease of a Unit, notify the Association in writing of the name of the tenant and the term of the lease and any options in the lease to renew, extend or purchase. The Declarant retains and reserves the right, without complying with the restrictions contained in the foregoing Paragraphs, to enter into leases with any persons for the occupancy of any of the Units owned by the Declarant during the period ending 30 years from the date of this Declaration.

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

D. Restriction on Demolition and Rehabilitation of Unit 2: Unit 2 (the Smith Wing) shall not be demolished within five years of the completion of the initial rehabilitation of Unit 1; and any work on the Unit 2 within 5 years of Unit 1 placement in service of the Unit 1 (Motherhouse) rehabilitation project must be performed in accordance with NPS standards for historic preservation to the extent required so that such rehabilitation shall not adversely affect historic tax credits arising from the rehabilitation of Unit 1.

E. Rules and Regulations. Each Unit, appurtenant Limited Common Elements and the Common Elements shall be subject to all restrictions contained in the Unit deed, this Declaration, the By-Laws of the Association, and any reasonable Rules and Regulations adopted by the Association from time to time, as amended from time to time.

ARTICLE XIII: APPLICABILITY; COMPLIANCE AND DEFAULT

A. Applicability. All present and future Owners and tenants, their guests, servants, agents and employees and any other person or persons that shall be permitted to use the Common Elements shall be subject to this Declaration, the By-Laws and to such rules and regulations as may be issued by the Executive Board of the Association from time to time to govern the conduct of its members and the use and occupancy of the Property. Ownership, rental or occupancy of any of the Units in the Condominium shall be conclusively deemed to mean that said Owner, tenant or occupant has accepted and ratified this Declaration, the By-Laws and the rules and regulations of the Association and will comply with them. The acceptance of a deed or conveyance (other than as security) or the entering into of a lease or the entering into of occupancy of any Unit (other than possession by a Mortgagee prior to either the completion of foreclosure or the acceptance of a deed to the Unit subject to the Mortgage held by such Mortgagee) shall signify that the provisions of this Declaration and the By-Laws, the rules and regulations of the Condominium and the decisions of the Executive Board are accepted and ratified by such Owner, tenant or

occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

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

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

ARTICLE XIV: MORTGAGES OF UNITS; RIGHTS OF MORTGAGEES

A. Right to Mortgage. Each Unit Owner shall have the right to mortgage or encumber his own respective Unit together with the Allocated Interests appurtenant to such Unit. Except as otherwise permitted by Section 1603-112 of the Act and subject to this Declaration, no Unit Owner shall have the right or authority to mortgage or otherwise encumber in any manner whatsoever the Common Elements or any part thereof except his own Unit and the Limited Common Elements and Allocated Interests appurtenant to his Unit. A Unit Owner who mortgages his Unit shall notify the Executive Board in writing of the name and address of his Mortgagee(s) and shall file a conformed copy of the note and mortgage with the Executive Board; provided, however, that failure to do so shall not in any way affect the validity or enforceability of any mortgage.

B. Mortgage Foreclosure. Any Mortgagee of a Unit holding a recorded first mortgage on a Unit that obtains title to the Unit pursuant to the remedies provided in the Mortgage, or through a completed foreclosure of the Mortgage, or through deed (or assignment) in lieu of foreclosure, shall take the Unit with the Allocated Interests appurtenant thereto free of such claims and liens for unpaid assessments for Common Expenses, interest and costs levied against such Unit which accrue prior to the acquisition of title to such Unit by the Mortgagee, other than the proportionate share of the Common Expenses which become due and payable from and after the date on which the Mortgagee shall acquire title to the Unit through a completed foreclosure of deed (or assignment) in lieu of foreclosure.

C. Notices to Eligible Mortgage Holder. The Association shall send written notice by prepaid United States mail to each Eligible Mortgage Holder at the address identified pursuant to Article XVII(C) of this Declaration of the following proposed actions either within a reasonable period prior to the taking of any such proposed actions or at the time that notice thereof is given to Unit Owners unless another time is specified herein: (1) any condemnation loss or any casualty loss which affects a material portion of the Condominium or any unit in which there is a first Mortgage held by such Eligible Mortgage Holder; (2) notice of any default or delinquency in the payment of assessments for Common Expenses or any other charges owed by an Owner of a Unit subject to a Mortgage held of record by such an Eligible Mortgage Holder, or any other default in the performance or payment by such an Owner of a Unit of any obligation under this Declaration, the By-Laws or any rules and regulations of the Association, which delinquency or other default continues for a period of sixty (60) days, to the Eligible Mortgage Holder of the Mortgage to which such Owner's Unit is subject; (3) any lapse, cancellation or material modification of any insurance policy or fidelity bond required to be maintained under the Declaration or By-Laws by the Association; (4) the proposed use of any proceeds of Property Insurance required to be obtained and maintained by the Association pursuant to Section 1603-113, subsection (a) of the Act, for purposes other than repair or restoration of the damaged property; (5) the adoption by the Executive Board of any proposed budget under Section 1603, subsection (c) of the Act, the date of the meeting of Unit Owners scheduled to consider ratification of such proposed budget, and a summary of the proposed budget; (6) any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders as specified in Paragraph E of this Article; (7) the termination of the Condominium pursuant to Section 1602-118 of the Act and this Declaration; (8) a change in the Allocated Interests appurtenant to any Unit, a change in the boundaries of a Unit, or the subdivision of a Unit; (9) the merger or consolidation of the Condominium with another condominium; or (10) the conveyance or subjection to a security interest of any portion of the Common Elements. Upon written request of any Eligible Mortgage Holder, the Association will provide an audited financial statement of the Association for the preceding fiscal year.

D. Mortgagee Approval Rights. For purposes of this Paragraph and the following subparagraphs, where approval by a stated percentage of Eligible Mortgage Holders is required, such approval shall be based upon one (1) vote for each Unit on which a mortgage is held. Any repair, replacement or restoration

of the Condominium, after a partial condemnation or damage due to an insurable hazard, shall be performed as provided in this Declaration, unless other action is approved by at least fifty-one (51%) percent of Eligible Mortgage Holders. Any election to terminate the legal status of the Condominium pursuant to Section 1602-118 of the Act, and this Declaration after substantial destruction or a substantial taking in condemnation of the Condominium Property shall require the approval of at least fifty-one (51%) percent of all Eligible Mortgage Holders. Any abandonment or termination of the legal status of the Condominium pursuant to Section 1602-118 of the Act by act or omission for reasons other than said substantial destruction or taking shall require the prior written approval of at least fifty-one (51%) percent of Eligible Mortgage Holders of first Mortgages on Units. Any abandonment, partition, subdivision, encumbrance, sale or transfer of any of the Common Elements (except for grant easements for utilities or other public purposes consistent with the intended use of the Common Elements) by act or omission shall require the prior written approval of at least fifty-one (51%) percent of the Eligible Mortgage Holders. With respect to amendments to the Condominium Documents other than amendments to the Condominium Documents or termination of the Condominium made as a result of destruction, damage, or condemnation as provided in this Article, the approval of at least fifty-one percent (51%) of the Eligible Mortgage Holders shall be necessary to terminate the Condominium as provided hereinabove.

The written consent or approval of at least fifty-one (51%) percent of the Eligible Mortgage Holders of Units affected by such amendments, shall be required to add or amend any material provisions of the Condominium Documents which establish, provide for, govern or regulate any of the following matters: (i) Voting; (ii) assessments, assessment liens or subordination of such liens; (iii) reserves for maintenance, repair and replacement of the Common Elements (or Units if applicable); (iv) insurance or fidelity bonds; (v) rights to use of the Common Elements; (vi) responsibility for maintenance and repair of the Common Elements of the Condominium; (vii) expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium; (viii) the interests in the Common Elements or Limited Common Elements; (ix) convertibility of Units into Common Elements or of Common Elements into Units; (x) leasing of Units; (xi) imposition of any restriction on a Unit Owner's right to sell, transfer, or otherwise convey his Unit; (xii) any proposed action described in Paragraph C(4), C(7), C(8), C(9) or C(10) of this Article; (xiii) a decision by the Association to establish self-management when professional management had previously been required by an Eligible Mortgagee; or (xiv) any provisions which are for the express benefit of Eligible Mortgage Holders. An addition or amendment to the Condominium Documents shall not be considered material if it is for the purpose of correcting technical errors.

An Eligible Mortgage Holder who receives a written request to approve any additions or amendments which do not constitute either a material change to the Condominium Documents or any amendment described in the preceding paragraph hereof and who does not deliver to the requesting party a negative response within thirty (30) days after the giving of notice shall be deemed to have approved such request in writing.

E. Voting and Other Rights of Eligible Mortgage Holders. In the event of any default by a Unit Owner in payment of assessments or performance of obligations pursuant to the Condominium Documents as more fully described in Paragraph C(2) of this Article, the Eligible Mortgage Holder of the Mortgage on such Owner's Unit shall have the right but not the obligation to cure such default. In addition to, but not by way of limitation of, all rights granted to Eligible Mortgage Holders pursuant to this Declaration to cast the votes allocated to a Unit in lieu of the Unit Owner, any Eligible Mortgage Holder, or its representative, shall have the right to attend meetings of the Association and Executive Board for the purposes of discussing the matters described in Paragraphs C(4), C(5), C(7), C(8), C(9) and C(10). No provision of the Condominium Documents shall be deemed or construed to give a Unit Owner, or any other person, priority over the rights of any Eligible Mortgage Holder pursuant to its Mortgage in the case of a distribution to Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Units, Common Elements, or both.

Each Eligible Mortgage Holder shall be entitled to examine the financial records and books of account of the Association upon reasonable prior written notice to the Association.

F. Rights of First Refusal. Notwithstanding anything to the contrary elsewhere contained in this Declaration, the By-Laws or said rules and regulations, in the event that the Unit Owners in the future adopt any right of first refusal (which right may be adopted only by amending this Declaration) in the case of the sale of any Unit, such right of first refusal shall not affect, impair or apply to the right of any Mortgagee to: (1) foreclose or take title to the Unit pursuant to the remedies provided in the Mortgage, (2) accept a deed (or assignment) in lieu of foreclosure in the event of a default by a mortgagor, or (3) sell or lease a Unit acquired by the procedures hereinabove set forth.

ARTICLE XV: AMENDMENT

Except in cases of amendments to this Declaration that may be unilaterally executed and recorded by the Association as described in Sections 1601-107, Eminent Domain, 1602-108(c), Allocation of Limited Common Elements, 1602-113(a) Reallocation of Boundaries Between Adjoining Units, 1602-113, Subdivision of Units and 1602-1117(a), Amendment of Declaration, of the Act and except in cases of amendments to this Declaration by certain Unit Owners, as described in Sections 1602-108(b), Reallocation of Limited Common Elements, 1602-1112(a), Relocation of Boundaries Between Adjoining Elements, 1602-1113(a), Relocation of Boundaries Between Adjoining Units, 1602-113(b), Subdivision of Units, or 1606-118(b), Termination of Condominium, of the Act, and except in cases of amendments to the Declaration that may be executed by the Declarant under Section 1602-109(f) Plats and Plans or under Section 1602-110, Exercise of Development Rights of the Act, and subject to the other provisions of this Declaration and of the Act, this Declaration, the Plats and Plans may be amended as follows:

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

B. After First Conveyance. After the first conveyance of a Unit by a Declarant, the terms of the following subparagraphs shall apply to the amendment of this Declaration:

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

(2) Resolution. An amendment may be proposed by either the Executive Board or by Unit Owners holding in the aggregate no less than 1/5th of the votes in the Association. No resolution of the Executive Board adopting a proposed amendment shall be effective unless it has been adopted at a meeting of the Association duly called and held in accordance with the By-Laws of the affirmative vote of at least 2/3rds in voting interest of the Unit Owners and then executed and recorded as provided in Paragraph B(5) of this Article.

(3) Agreement. In the alternative, an amendment may be made by an agreement signed by the record Owners of the Units to which at least 2/3rds of the votes in the Association are allocated in the manner required for the execution of a deed and acknowledged by at least one of them, and such amendment shall be effective when recorded.

(4) Certain Amendments. Notwithstanding the foregoing provisions of this Article, except as otherwise permitted by the Act and provided in this Declaration, no amendment may increase the number of

Units or change the boundaries of any Unit, the Allocated Interests allocated to a Unit, or the uses to which any Unit is restricted without the unanimous consent of the Unit Owners and the consent of the Eligible Mortgage Holders representing or holding mortgages on Units having at least 2/3rds of the votes in the Association. No amendment of this Declaration shall make any change which would in any way affect any of the rights, privileges, powers and options of the Declarant, its successors or assigns, unless the Declarant, or its successors or assigns shall join in the execution of such amendment.

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

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

ARTICLE XVI: EASEMENTS AND LICENSES

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

B. Utilities, Pipes and Conduits. Each Unit Owner shall have an easement in common with all other Unit Owners to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements serving his Unit and located in any of the other Units. Each Unit shall be subject to an easement in favor of all other Unit Owners to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units and located in such Unit.

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

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

E. Encroachments. If any portion of the Common Elements or Limited Common Elements hereafter encroaches upon any Unit, or if any Unit hereafter encroaches upon any other Unit or upon any portion of the Common Elements or Limited Common Elements, as a result of settling or shifting of any Building or Buildings in which they are located or otherwise than as a result of the purposeful or negligent act or omission of the Owner of the encroaching Unit, or of the Association in the case of encroachments by the Common Elements or Limited Common Elements, a valid easement appurtenant to the encroaching Units, Common Elements or Limited Common Elements for the encroachment and for the maintenance of

the same shall exist for so long as the encroachment shall exist. In the event that any Building shall be partially destroyed as a result of fire or other casualty or as a result of taking by the power of, or in the nature of, eminent domain or by an action or deed in lieu of condemnation, and then is rebuilt, encroachments of a portion or portions of the Common Elements or Limited Common Elements upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Elements or Limited Common Elements, due to such rebuilding, shall be permitted, and valid easements appurtenant to the encroaching Units, Common Elements or Limited Common Elements for such encroachments and the maintenance thereof shall exist so long as the Building as so rebuilt shall stand.

F. Common Elements Easement in Favor of Unit Owners. The Common Elements (including, but not limited to, the Limited Common Elements) shall be and are hereby made subject to the following easements in favor of the Units benefited: (1) for the installation, repair, maintenance, use, removal and/or replacement of lighting fixtures, electrical receptacles, and other electrical installations which are Common Elements adjacent to such Unit; provided that the installation, repair, maintenance, use, removal or replacement of any such item does not unreasonably interfere with the use of any part of the Common Elements, adversely affect either the thermal or acoustical character of any Building or impair or structurally weaken any Building; (2) for driving and removing nails, screws, bolts and other attachment devices into the Unit side surface of the stone, block, brick or other masonry walls bounding the Unit and the Unit side surface of the studs which support the dry wall or plaster perimeter walls bounding the Unit the bottom surface of floor joists above the Unit to the extent such nails, screws, bolts and other attachment devices may encroach into a part of a Common Elements adjacent to such unit; provided that any such action will not unreasonably interfere with the common use of any part of the Common Elements, adversely affect either the thermal or acoustical character of any Building or impair or structurally weaken any Building; and (3) for the maintenance of the encroachment of any lighting devices, outlets, exhaust fans, ventilation ducts, registers, grilles and similar fixtures which serve only one Unit but which encroach into any part of any Common Elements or Limited Common Elements on the date this Declaration is recorded.

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

H. Special Declarant Rights. The Association, Executive Board and others and Declarant, its successors and assigns have the easements specified in this Article of this Declaration entitled Special Declarant Rights.

ARTICLE XVII: NOTICES TO UNIT OWNERS BY ASSOCIATION

A. To Unit Owners. All notices, demands, bills, statements or other communications affecting the Condominium shall be given to Unit Owners by the Association in writing and shall be deemed to have been duly given if delivered personally or sent by United States mail, postage prepaid, or if such notification is of a default or lien, sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the Unit Owner at the address which the Unit Owner shall designate in writing and file

with the Secretary of the Association, or if no such address is so designated, the address of the Unit of such Unit Owner who is the record owner thereof.

B. To the Association. All notices, demands, statements or other communications affecting the Condominium given by the Association shall be in writing and shall be deemed to have been duly given to the Association if delivered personally or sent by United States mail, postage prepaid, return receipt requested, addressed to the Association at the principal office of the managing agent, or if there shall be no managing agent, then to the Secretary of the Association at the address of the Unit of which the Secretary is the record Unit Owner thereof.

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

ARTICLE XVIII: TAXATION

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

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

ARTICLE XIX: TERMINATION OF CONDOMINIUM

The Condominium shall not be terminated except as provided in and subject to Section 1602-118 of the Act and by agreement of Unit Owners of Units to which at least eighty (80%) percent of the votes in the Association are allocated and at least 80% of the votes of Eligible Mortgage Holders.

ARTICLE XX: MISCELLANEOUS

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

binding on all parties.

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

IN WITNESS WHEREOF, Sea Coast at Baxter Woods Associates, LLC, a Maine limited liability company, by its Manager, hereunto duly authorized, has executed and delivered this Declaration as of the date first above written.

Signed, Sealed and Delivered

In the Presence of:

Sea Coast at Baxter Woods Associates, LLC

By: _____

John B. Wasileski, Its Manager

STATE OF MAINE
CUMBERLAND, ss.

Personally appeared the above-named John B. Wasileski, this __ day of _____, 2016 and acknowledged the foregoing instrument to be his free act and deed in said capacity and the free act and deed of said limited liability company.

Notary Public/Attorney-at-Law

SCHEDULE A
605 STEVENS AVENUE CONDOMINIUM DECLARATION OF CONDOMINIUM

A certain lot or parcel of land situated on the easterly side of Stevens Avenue and the southerly side of Walton Street in the City of Portland, County of Cumberland, State of Maine, being Lot #3 as shown on the Overall Subdivision Plan 605 Stevens Avenue, Stevens Avenue and Walton Street, Portland, Maine, made for Sea Coast at Baxter Woods Associates, LLC by Titcomb Associates, dated June 24, 2015, as revised from time to time (hereinafter the "Subdivision Plan").

Said Lot #3 is bound by the covenants and is subject to the easements and rights over such lot excepted and reserved for the benefit of Lots 1, 2 and 4 shown on said Subdivision Plan set forth in the Declaration of Covenants and Easements, by Sea Coast at Baxter Woods Associates, LLC, as Declarant, dated _____, 2016 and recorded in the Cumberland County Registry of Deeds, Book __, Page _____ (the "Declaration of Covenants and Easements"). Said Lot #3 is submitted to this Declaration of Condominium together with the benefit of the easements and rights over said Lots 1, 2 and 4 and together with the benefit of the covenants set forth in said Declaration of Covenants and Easements. Said covenants, rights and easements shall be appurtenant to and shall burden and run with the land.

The premises described above as Lot 3 are also subject to:

1. Rights and easements reserved and set forth in the deed from James P. Baxter to the Roman Catholic Bishop of Portland, dated March 10, 1908 and recorded in the Cumberland County Registry of Deeds, Book 821, Page 59.

2. Declarant, its successors and assigns, except and reserve, for the benefit of Declarant in gross and for the benefit of Lots #1, 2 and 4 shown on the Subdivision Plan, a non-exclusive easement, in common with the Unit owners and others, to access and use the chapel located in the Motherhouse building located on Lot #3; the Association shall establish procedures for the scheduling of events in the chapel and for communication to all unit owners and to Declarant, its successors and assigns, when events are scheduled that will affect use of such chapel in order to avoid having multiple events scheduled for the same time that would impact use of such chapel. The Association may also establish reasonable times when the chapel is available for events and reasonable rules for use of and access to the chapel.

3. Rights and easements excepted and reserved by St. Joseph's Hospital and Convent in its deed to Sea Coast at Baxter Woods Associates, LLC, dated _____, 2016 and recorded in the Cumberland County Registry of Deeds, Book __, Page ____.

SCHEDULE B
605 STEVENS AVENUE CONDOMINIUM
DECLARATION OF CONDOMINIUM

The unit numbers, fraction of ownership of Common Elements, fraction assessment of Common Element expense, and number of votes in the 605 Stevens Avenue Condominium Association are as follows:

<u>Unit Number</u>	<u>Votes</u>	<u>Fraction or percentage of ownership of common elements and fraction assessment of Common Element expense</u>
1	1	__%
2	1	__%

The percentage of each Unit's Common Element Interest and Common Expense Liability is allocated by a formula represented by a fraction wherein the numerator is the number of interior square feet of each Unit located within a Building measured at the boundaries with the Common Element as shown on the Plans, and the denominator is the total such square footage of all the Units subject to rounding in order to permit ease of administration, provided however that the percentage stated in Exhibit B (as it may be amended) shall control in any event. Such square footage measurements may differ from leasing square footage calculations. If any additional Unit or Units are added to the Condominium, each Unit will have one vote and the fraction or percentage of ownership of common elements and fraction assessment of Common Element expense of each Unit will be revised in accordance with the formula set forth in this paragraph.

SCHEDULE C
605 STEVENS AVENUE CONDOMINIUM DECLARATION OF CONDOMINIUM

BYLAWS OF 605 STEVENS AVENUE CONDOMINIUM ASSOCIATION

ARTICLE I: Name, Location, and Fiscal Year

Section 1. Name. The name of the corporation is 605 Stevens Avenue Condominium Association (the "Corporation").

Section 2. Location. The principal office of the Corporation shall be located at 605 Stevens Avenue, Portland, Maine.

Section 3. Fiscal Year. The fiscal year of the Corporation shall, unless otherwise decided by the Board of Directors, ends December 31.

ARTICLE II: Purposes

Section 1. Purposes. The purposes of said Corporation are to act on behalf of its members collectively as their governing body with respect to the administration, maintenance, repair and replacement of certain property which will be submitted to the provisions of Maine Condominium Act, Title 33, Chapter 31, Section 1601-101 *et seq.* and to be known as 605 Stevens Avenue Condominium Association and as such to own and acquire any real estate or interest or rights therein or appurtenances thereto and any and all personal property in connection therewith as may be incidental or necessary to such purpose.

ARTICLE III: Members

Section 1. Membership. The owner or owners of record from time to time of each unit of the Condominium, shall constitute one member of the Corporation, and each such member shall have the fraction of common interest, common expenses liabilities and voting rights in the Corporation that are set forth in the Declaration of 605 Stevens Avenue Condominium, recorded in the Cumberland County Registry of Deeds, as it may be amended from time to time.

Section 2. Termination of Membership. The membership of each unit owner shall terminate when he ceases to be a unit owner, and upon the sale, transfer or other disposition of his ownership interest in the property his membership in the Corporation shall automatically be transferred to the new unit owner succeeding to such ownership interest.

Section 3. Meetings and Notice. Meetings of members shall be held at the Condominium in Portland, Maine. An annual meeting of the members shall be held on the first Tuesday in October in each year, commencing with October 1, 2016 at 7 p.m. Special meetings of the members may be called by the President, the Board of Directors or upon a petition signed by fifty (50) percent of the members. Written notice of any meeting shall be given to each member by the Secretary not less than ten (10) days nor more than thirty (30) days before the meeting by mailing it postage prepaid to the member's mailing address or to any other mailing address designated in writing by the member. The notice shall specify the time and place of the meeting and the items on the agenda.

Section 4. Quorum. A quorum for any meeting shall be constituted by persons entitled to cast 50 percent of the votes for election of the executive board, attending in person or represented by proxy.

ARTICLE IV: The Board of Directors

Section 1. Composition. The Board of Directors shall consist of four members. Two Directors shall be elected by the owner of Unit 1; and two Directors shall be elected by the owner of Unit 2.

Section 2. Election and Term. The directors, except as provided in Article III, Section 5 and Sections 7 and 8 of this Article, shall be elected at the annual meeting from among the members or spouses of members. The directors shall hold office until their successors have been elected.

Section 3. Powers. The business of the Corporation shall be managed by the Board of Directors which shall have and may exercise all the powers of the Corporation, except those powers reserved to the members by the Act or by these Bylaws. The Board shall have the power to engage a managing agent for the property and to fix the term, compensation and authority of the manager or managing agent which, initially, shall be the Declarant.

Section 4. Meetings of Directors. Meetings of the Board of Directors may be held at any time and place upon call by the President or by a majority of the Directors, reasonable notice thereof being given to each Director. Notice that a meeting has been called may be given by the President, Secretary or Assistant Secretary, if one is appointed, or by one of the Directors. Notice of any meeting of the Board of Directors may be waived in writing signed by the person or persons entitled to such notice, whether before or after the time of such meeting, and shall be equivalent to the giving of such notice. Attendance of a Director at such meeting shall constitute a waiver of notice thereof, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because such meeting is not lawfully convened. Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be specified in the notice, or waiver of notice, of such meeting.

Section 5. Quorum and Voting. A majority of the directors then in office shall constitute a quorum. A majority of less than a quorum may, from time to time postpone to a new time or place any meeting and the adjourned meeting may be held without further notice. If a quorum exists, a majority of the directors present may take any action, except the removal of a director for cause which shall require a majority vote of all directors then in office.

Section 6. Action by Consent. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if a written consent thereto is signed by all the directors. The Secretary shall file such written consent with the records of the meetings of the Board of Directors. Such consent shall be treated as a vote of the Board of Directors for all purposes.

Section 7. Vacancies. A vacancy in the Board of Directors shall be filled by the owner of the Unit that appointed the Director to hold office for the unexpired term of the director whose place is vacant and until his successor is elected.

Section 8. Removal. A director may be removed from office by a vote of all of the owner of the Unit or Units that elected such Director. A director may be removed for cause by a majority vote of all directors then in office.

Section 9. Compensation. Directors shall not receive compensation for their services except as provided by resolution of a majority of the members of the Corporation. Directors shall be reimbursed for any out-of-pocket expenses incurred which are reasonable and necessary in performing their duties on behalf of the Corporation.

Section 10. Delegation to Managing Agent. The Board of Directors may delegate to a managing

agent all of the powers of the Board, except the responsibility of preparing the annual budget and any supplemental budgets and any powers requiring approval of any specified percentage of members.

ARTICLE V: Officers

Section 1. Designation and Qualification. The officers of the Corporation shall consist of a President, a Treasurer, a Secretary and such other officers as the Board of Directors may elect. The President and Treasurer shall be members, or spouses of members, or in the case of a unit owner which is a Corporation, partnership, trust or estate, a designated agent thereof. The Secretary need not be a member, but shall be a resident of Maine.

Section 2. Election and Term. All officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the members and shall hold office until the first meeting of the Board of Directors following the next annual meeting of members and until their successors are elected.

Section 3. President. The President shall be a Director and shall be the chief executive officer of the Corporation. The President shall have general supervision and control of the business of the Corporation subject to the direction of the Board of Directors and shall also have such other powers and duties as the Board of Directors may decide. The President shall preside at all meetings of the members and at all meetings of the Board of Directors. If the President is absent from any meeting of the members or Board of Directors, the Treasurer shall preside at such meeting. The President shall prepare, execute, certify and record amendments to the Declaration on behalf of the Corporation.

Section 4. Treasurer. The Treasurer shall have, subject to the direction of the members or Board of Directors, general charge of the financial affairs of the Corporation and shall keep full and accurate records thereof, which shall always be open to the inspection of any member or holder of a first mortgage on a unit. He shall render to the President and directors, at the regular meetings of the Board of Directors, or whenever they may require it, a statement of the accounts of his transactions as Treasurer and of the financial condition of the Corporation.

Section 5. Secretary. The Secretary shall record the proceedings of all meetings of the members and of the Board of Directors in books kept for that purpose. Record books of members' meetings shall be open at all reasonable times to the inspection of any member or holder of a first mortgage on a unit. The Secretary shall also keep the membership transfer books of the Corporation. He shall notify the members and the directors of all meetings in accordance with the Bylaws. If the Secretary is absent from any meeting of the members or the Board of Directors, a Temporary Secretary shall be chosen to exercise the duties of the Secretary at such meeting.

Section 6. Vacancies. A vacancy in any office may be filled by the Board of Directors by the election of a successor to hold office for the unexpired term of the officer whose place is vacant and until his successor is chosen and qualified.

Section 7. Removal. All officers may be removed from their respective offices by the Board of Directors.

Section 8. Resignation. Any officer may at any time resign his office by a resignation in writing delivered to the Corporation at its principal office or to the President or Secretary. Such resignation shall be effective upon receipt and acceptance thereof shall not be necessary to make it effective unless it so states.

Section 9. Compensation. The officers shall receive no compensation for their services unless expressly provided for in a resolution adopted by the majority of the members of the Corporation. The

officers shall be reimbursed for out-of-pocket expenses incurred which are reasonable and necessary in performing their duties on behalf of the Corporation.

ARTICLE VI: Assessments

Section 1. Budget. The Board of Directors shall cause to be prepared an estimated annual budget for each fiscal year of the Corporation. Such budget shall take into account the estimated common expenses and cash requirements for the year, including salaries, wages, payroll taxes, supplies, materials, parts, services, maintenance, repairs, replacements, landscaping, insurance, fuel, snow removal, trash pickup and other common expenses (as distinguished from individual mortgage payments, real estate taxes and individual telephone, electricity and other individual utility expenses billed or charged to the separate members on an individual or separate basis rather than a common basis). The Board shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the common areas and limited common areas. The reserve fund shall be included in the budget and maintained out of regular assessments for common expenses. To the extent that the assessments and other cash income collected during the preceding year shall be more or less than the expenditures for such preceding year, the surplus or deficit, as the case may be, shall also be taken into account in setting the budget and determining assessments for the current year so as to credit to such assessment any surplus from the preceding year or repay to said reserve fund any deficit from the preceding year.

Section 2. Payment. The estimated annual budget for each fiscal year shall be approved by the Board of Directors, and copies thereof shall be furnished to each member and eligible mortgage holder within thirty (30) days of adoption, and in any event not later than 90 days after the beginning of such year. The Board shall set a date for a meeting of the members to consider ratification of the budget not less than fourteen (14) or more than thirty (30) days after mailing of the budget. Notice of said meeting shall accompany the budget. Unless at that meeting all members reject the budget, the budget is deemed ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the periodic budget last ratified by the members shall be continued until such time as the members ratify a subsequent budget proposed by the Board of Directors. On or before the first day of the next quarter and of each succeeding month or quarter of the year covered by the annual budget, each member shall pay, as his respective monthly or quarterly assessment for the common expenses, one-twelfth (1/12) or one-fourth (1/4), as the case may be, of his proportionate share of the common expenses for such year as shown by the annual budget, all as determined by the Board of Directors. Such proportionate share for each member shall be in accordance with his respective ownership interest in the common areas and facilities. No member shall be relieved of his obligation to pay his assessments for common expenses by abandoning or not using his unit or the common areas and facilities.

Section 3. Statements. Within ninety (90) days after the end of each year covered by an annual budget, or as soon thereafter as shall be practicable, the Treasurer shall cause to be furnished to each member a statement for such year so ended, showing the receipts and expenditures and such other information as he may deem desirable.

Section 4. Separate Accounts. The Treasurer shall cause to be kept a separate account for each member showing the respective assessments charged to and paid by such member, and the status of his account from time to time.

Section 5. Additional Assessments. In the event that during the course of any year, it shall appear to the Treasurer that the monthly assessments, determined in accordance with the estimated annual budget for such year, are insufficient or inadequate to cover the estimated common expenses for the remainder of such year, then the Board of Directors shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of such year, and shall cause the same to be presented to the

members for ratification in the same manner as the budget. Upon ratification of the supplemental budget, a supplemental assessment shall be made to each member for his proportionate share of such supplemental budget.

Section 6. Common Expenses. It shall be the duty of every member to pay his proportionate share of the common expenses, in the same ratio as his fraction of ownership in the common areas and facilities. If any member shall fail or refuse to make any such payment of the common expenses when due, the amount thereof together with interest at the rate established by the Corporation, costs and reasonable attorney's fees shall constitute a lien on such unit. The Corporation shall have the authority and responsibility to exercise and enforce any and all rights and remedies as provided for in Maine Revised Statutes, Title 33, Chapter 31, the Declaration and these Bylaws, or otherwise available at law or in equity for the collection of all unpaid assessments.

Section 7. Budget Expenses. The President and/or Treasurer, subject to Board direction, shall have the authority to enter into contracts on behalf of the Corporation for work and expenses provided in the budget and to make payment therefor from the funds of the Corporation.

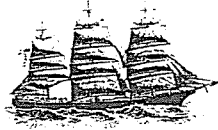
Section 8. Expenses Assessed Subsequent to Conveyance of Unit. A member may not exempt himself from liability for his shares of common expenses subsequently to be assessed by a conveyance of his unit to the Corporation, except by approval of all of the other members and their first mortgagees.

Section 9. Availability of Documents. The Corporation is required to make available to unit owners, lenders and the holders, insurers and guarantors of the first mortgage on any unit current copies of the Declaration, Bylaws and any other rules and regulations governing the condominium and other books, records and financial statements of the Corporation. In addition thereto, the Corporation shall also make available to prospective purchasers current copies of the Declaration, Bylaws, other rules governing the condominium, and the most recent annual audited financial statement, if such is prepared. The Corporation may impose a reasonable charge for copies.

ARTICLE VII: Amendments

Section 1. Amendment of By-Laws. These Bylaws may be amended or modified from time to time by action or approval of all of the members, except that no amendment may violate the provisions of Maine Revised Statutes, Title 33, Chapter 31.

Section 2. Amendment of Declaration. The Declaration may be amended in accordance with the terms thereof. Except for amendments exercising Development Rights by Declarant, the President and/or Treasurer of the Corporation shall execute a certificate setting forth the text of the amendment, which certificate shall be attested by the Secretary and recorded in the Cumberland County Registry of Deeds.



Benj. F. Packard

Bath Savings Institution

Since 1852

February 16, 2016

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

RE: Sisters of Mercy's Master Plan

To Whom It May Concern:

John Wasileski has been a customer of Bath Savings for 25 years. We have financed much of his development activities.

We are familiar with the Sisters of Mercy project and we welcome the opportunity to assist in the financing of this multi-million dollar project.

Our experience with Wasileski and his team has shown us their ability to design, construct, sell and operate a large scale planned community. We believe that John Wasileski has the financial capacity to undertake the Sisters of Mercy project.

Please feel free to contact me regarding the contents of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Geoff Gattis". The signature is written in a cursive, somewhat stylized script.

Geoff Gattis
EVP Commercial Lending
Bath Savings

State of Maine



Department of the Secretary of State

I, the Secretary of State of Maine, certify that according to the provisions of the Constitution and Laws of the State of Maine, the Department of the Secretary of State is the legal custodian of the Great Seal of the State of Maine which is hereunto affixed and that the paper to which this is attached is a true copy from the records of this Department.

In testimony whereof, I have caused the Great Seal of the State of Maine to be hereunto affixed. Given under my hand at Augusta, Maine, this seventh day of October 2014.



Matthew Dunlap
Secretary of State

MAINE
LIMITED LIABILITY COMPANY

STATE OF MAINE

CERTIFICATE OF FORMATION

F. File No. 20150771DC Pages 2
Fee Paid \$ 175
DCN 2142463600085 DLLC
-----FILED-----
08/26/2014


Deputy Secretary of State

A True Copy When Attested By Signature

Deputy Secretary of State

Pursuant to 31-MRSA §1531, the undersigned executes and delivers the following Certificate of Formation:

FIRST: The name of the limited liability company is:

Sea Coast at Baxter Woods Associates, LLC

(A limited liability company name must contain the words "limited liability company" or "limited company" or the abbreviation "L.L.C.," "LLC," "L.C." or "LC" or, in the case of a low-profit limited liability company, "L3C" or "l3c" - see 31 MRSA 1503.)

SECOND: Filing Date: (select one)

- Date of this filing; or
 Later effective date (specified here): _____

THIRD: Designation as a low profit LLC (Check only if applicable):

- This is a low-profit limited liability company pursuant to 31 MRSA §1611 meeting all qualifications set forth here:
- A. The company intends to qualify as a low-profit limited liability company;
 - B. The company must at all times significantly further the accomplishment of one or more of the charitable or educational purposes within the meaning of Section 170(c)(2)(B) of the Internal Revenue Code of 1986, as it may be amended, revised or succeeded, and must list the specific charitable or educational purposes the company will further;
 - C. No significant purpose of the company is the production of income or the appreciation of property. The fact that a person produces significant income or capital appreciation is not, in the absence of other factors, conclusive evidence of a significant purpose involving the production of income or the appreciation of property; and
 - D. No purpose of the company is to accomplish one or more political or legislative purpose within the meaning of Section 170(c)(2)(D) of the Internal Revenue Code of 1986, or its successor.

FOURTH: Designation as a professional LLC (Check only if applicable):

- This is a professional limited liability company* formed pursuant to 13 MRSA Chapter 22-A to provide the following professional services:

(Type of professional services)

Form No. MLLC-6 (1 of 2)

FIFTH: The Registered Agent is a: (select either a Commercial or Noncommercial Registered Agent)

Commercial Registered Agent CRA Public Number: _____

(Name of commercial registered agent)

Noncommercial Registered Agent

Ronald A. Epstein

(Name of noncommercial registered agent)

10 Free Street, Portland, ME 04112

(physical location, not P.O. Box – street, city, state and zip code)

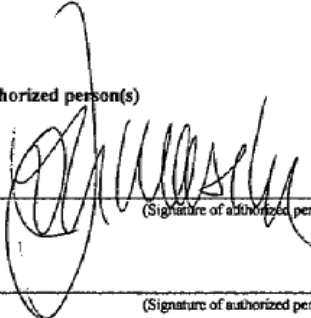
(mailing address if different from above)

SIXTH: Pursuant to 5 MRSA §105.2, the registered agent listed above has consented to serve as the registered agent for this limited liability company.

SEVENTH: Other matters the members determine to include are set forth in the attached Exhibit _____, and made a part hereof.

**Authorized person(s)

Dated August 1, 2014



(Signature of authorized person)

John B. Wasileski, Member

(Type or print name of authorized person)

(Signature of authorized person)

(Type or print name of authorized person)

*Examples of professional service limited liability companies are accountants, attorneys, chiropractors, dentists, registered nurses and veterinarians. (This is not an inclusive list – see 13 MRSA §723.7)

**Pursuant to 31 MRSA §1676.I.A, Certificate of Formation MUST be signed by at least one authorized person.

The execution of this certificate constitutes an oath or affirmation under the penalties of false swearing under 17-A MRSA §453.

Please remit your payment made payable to the Maine Secretary of State.

Submit completed form to:

Secretary of State
Division of Corporations, UCC and Commissions
101 State House Station
Augusta, ME 04333-0101
Telephone Inquiries: (207) 624-7752

Email Inquiries: CEC.Corporations@Maine.gov

Form No. MLLC-6 (2 of 2) Rev. 10/31/2012



3/9/2015

Andrew Johnson

Fay, Spofford & Thorndike
778 Main Street
South Portland, ME 04106

Sent via email to: AJohnston@fstinc.com

RE: Ability to Serve Letter for Redevelopment of McAuley High School Campus in Portland

Dear Mr. Johnson:

CMP has the ability to serve the proposed project located at 605 Stevens Avenue in Portland, Maine, in accordance with our CMP Handbook (web link below). We can provide you the desired pad or pole mounted transformers per your request and city approval, in accordance with our CMP Standards Handbook. If you have any questions on the process, or need help in completion of the documents, please feel free to contact me.

New Service Milestones

- Call 1-800-565-3181 to establish a new account and an SAP work order.
- Submit any electronic drawings (PDF (preferred) or DWG files) of the site layout and proposed electrical connections if you have them.
- Submit Load information. Please complete this CMP spreadsheet using load information
- Submit the easement information worksheet. Please complete this CMP form and either email or fax back to us.
- Preliminary meetings with CMP to determine the details of job
- Field planner design appointment to cost out job and develop CMP Invoice.
- Submit invoice for payment.
- Easements signed and payment received.
- Job scheduled for completion after the electrical inspection has been received.

This process can take several months, depending upon several factors including transformer delivery, potential substation upgrades, return of completed paperwork, and other jobs in the system that may be ahead of yours. In addition, contact with the other utilities, including telephone and cable, should be commenced as soon as practical. They may have additional work or charges in addition to the CMP work required to bring your project on line.

162 Canco Road Portland, ME 04103
Tel (800) 750-4000
207-842-2367 office
207-458-0382 cell
207-626-4082 fax

www.cmpco.com



An equal opportunity employer



For your convenience, here is a link to the CMP Website which contains our Handbook with details on most service requirements:

[CMP Handbook of Standard Requirements](#)

(<http://www.cmpco.com/MediaLibrary/3/6/Content%20Management/YourAccount/PDFs%20and%20Docs/handbook.pdf>)

If you have any questions, please contact me.

Regards,

A handwritten signature in black ink that reads "Jamie Cough". The signature is written in a cursive, flowing style.

Jamie Cough
Energy Services Advisor
Central Maine Power Company
162 Canco Road
Portland, ME 04103
207-842-2367 office
207-458-0382 cell
207-626-4082 fax

162 Canco Road Portland, ME 04103
Tel (800) 750-4000
207-842-2367 office
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www.cmpco.com



An equal opportunity employer



May 26, 2015

Mr. Frank Brancely
City of Portland
Department of Public Services
55 Portland Street
Portland, Maine 04101-2991

**Subject: Proposed Redevelopment of McAuley High School Campus
605 Stevens Avenue and Walton Street, Portland, Maine
Wastewater Capacity Application**

Dear Mr. Brancely:

Our office is working as a consultant to Sea Coast Management Company with the site engineering and permitting associated with a proposed redevelopment of the Motherhouse Building on the McAuley High School Campus to provide 88 affordable senior housing units. The project site is located on all or a portion of Map 34, Block C, Lots 009 according to the City of Portland Tax Assessor's Maps. On behalf of the developer, we are requesting a letter affirming that the proposed project can be served by the municipal wastewater treatment system.

This redevelopment project will be the first phase of a larger development of the property to construct a senior living community. The first phase of the project will consist of redevelopment of the Motherhouse to provide 88 affordable senior living apartments. As part of the redevelopment, we will be undertaking mapping and condition assessment of the existing sewer system to ascertain whether the infrastructure is suitable for reuse. Where the system is found to be in poor condition, rehabilitation and replacement options will be investigated. In addition, existing sources of inflow to the sewer system will be investigated and removed to a separate stormwater system. This will reduce infiltration and inflow to the onsite system and increase the available capacity of the system for wastewater flow.

Subsequent phasing will include independent senior living residences and assisted living units. A summary of the anticipated unit counts and estimated wastewater flows associated with each phase of development is as follows:

Phase	Full Master Plan Development	Design Flow
1	Affordable Senior Living Apartments – Motherhouse 88 Units @ 77 gpd	6,776

Mr. Frank Brancely
May 26, 2015
Page 2

Subsequent phasing of the project is as follows:

Phase	Full Master Plan Development	Design Flow (gpd)
2	Independent Residences 69 Units Single Occupancy @ 60 gpd 23 Units Double Occupancy @ 120 gpd	6,900
3	Independent/Assisted Living Residences 70 Units Single Occupancy @ 60 gpd 70 Units Double Occupancy @ 120 gpd	12,600
4	Assisted Living Apartments in Motherhouse 36 Units @ 77 gpd	2,772
5	Long Term Redevelopment at St. Catherine's 19 Units Single Occupancy @ 60 gpd 19 Units Double Occupancy @ 120 gpd	3,420
	Total Average Daily Flow	32,468

It should be noted that this information is provided for outline planning purposes only as the exact unit mix and numbers are subject to change. However, it may inform infrastructure and service decisions throughout the project development.

We trust that the existing wastewater collection and treatment system has adequate capacity to serve this project. We are in the process of completing the Site Plan Application for a submission to the City Planning Staff and would appreciate your response to the Planning Department.

If you have any questions concerning this request, please contact me.

Sincerely,

FAY, SPOFFORD & THORNDIKE



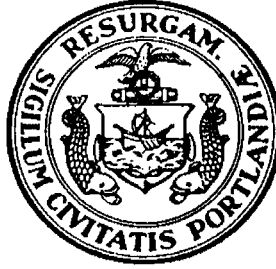
Andrew D. Johnston, P.E.
Principal Engineer

ADJ/cmd

Enclosures

CITY OF PORTLAND WASTEWATER CAPACITY APPLICATION

Department of Public Services,
55 Portland Street,
Portland, Maine 04101-2991



Mr. Frank J. Brancelly,
Senior Engineering Technician,
Phone #: (207) 874-8832,
Fax #: (207) 874-8852,
E-mail: fjb@portlandmaine.gov

Date: 05.25.2015

1. Please, Submit Utility, Site, and Locus Plans.

Site Address: 605 Stevens Avenue Chart Block Lot Number: 136 E006001;143 F004000
144 B001000

Proposed Use: Mixed-Use Residential
Previous Use: Mixed-Use Residential

Existing Sanitary Flows: Not Known GPD
Existing Process Flows: None GPD

Description and location of City sewer that is to receive the proposed building sewer lateral.
Existing site service to Walton Street

Site Category	Commercial (see part 4 below)	<input type="checkbox"/>
	Industrial (complete part 5 below)	<input type="checkbox"/>
	Governmental	<input type="checkbox"/>
	Residential	<input checked="" type="checkbox"/>
	Other (specify)	<input type="checkbox"/>

(Clearly, indicate the proposed connections, on the submitted plans)

2. Please, Submit Contact Information.

City Planner's Name: _____ Phone: _____
Owner/Developer Name: Sea Coast at Baxter Woods, LLC and Motherhouse, LLC
Owner/Developer Address: 30 Governors Way - Topsham, ME 04086
Phone: 207-831-2418 Fax: _____ E-mail: MTeare@highlandgreenlifestyle.com
Engineering Consultant Name: Fay, Spofford & Thorndike, Attn: Andrew D. Johnston, P.E.
Engineering Consultant Address: 778 Main Street, Suite 8, South Portland, ME 04106
Phone: 207-775-1121 Fax: 207-879-0896 E-mail: ajohnston@fstinc.com

(Note: Consultants and Developers should allow +/- 15 days, for capacity status, prior to Planning Board Review)

3. Please, Submit Domestic Wastewater Design Flow Calculations.

Estimated Domestic Wastewater Flow Generated: Phase 1 - 6,776; Total project 25,692 GPD
Peaking Factor/ Peak Times: 6 (TR-16)
Specify the source of design guidelines: (i.e. "Handbook of Subsurface Wastewater Disposal in Maine,"
"Plumbers and Pipe Fitters Calculation Manual," Portland Water District Records, Other (specify)
Handbook of Subsurface Wastewater Disposal in Maine-metered flow records from similar facilities.

(Note: Please submit calculations showing the derivation of your design flows, either on the following page, in the space provided, or attached, as a separate sheet)

4. Please, Submit External Grease Interceptor Calculations.

Total Drainage Fixture Unit (DFU) Values: N/A - Residential Only
Size of External Grease Interceptor: _____
Retention Time: _____
Peaking Factor/ Peak Times: _____

(Note: In determining your restaurant process water flows, and the size of your external grease interceptor, please use The Uniform Plumbing Code. Note: In determining the retention time, sixty (60) minutes is the minimum retention time. Note: Please submit detailed calculations showing the derivation of your restaurant process water design flows, and please submit detailed calculations showing the derivation of the size of your external grease interceptor, either in the space provided below, or attached, as a separate sheet)

5. Please, Submit Industrial Process Wastewater Flow Calculations

Estimated Industrial Process Wastewater Flows Generated: N/A GPD
Do you currently hold Federal or State discharge permits? Yes No
Is the process wastewater termed categorical under CFR 40? Yes No
OSHA Standard Industrial Code (SIC): <http://www.osha.gov/oshstats/sicser.html>
Peaking Factor/Peak Process Times: _____

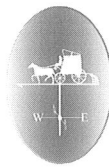
(Note: On the submitted plans, please show where the building's domestic sanitary sewer laterals, as well as the building's industrial-commercial process wastewater sewer laterals exits the facility. Also, show where these building sewer laterals enter the city's sewer. Finally, show the location of the wet wells, control manholes, or other access points; and, the locations of filters, strainers, or grease traps)

(Note: Please submit detailed calculations showing the derivation of your design flows, either in the space provided below, or attached, as a separate sheet)

Notes, Comments or Calculation

McAuley Place Water Demand Estimate

Phase	Use	Demand/Unit	Units	Demand (gpd)
1	Affordable Senior Living Apartments	77	88	6,776
2	Independent Resident Apartments			
	Single Occupancy	60	69	4,140
	Double Occupancy	120	23	2,760
3	Independent Townhouse/Apartment			
	Single Occupancy	60	70	4,200
	Double Occupancy	120	70	8,400
4	Assisted Living Units in Motherhouse	77	36	2,772
5	Independent Apartments - St Catherine's			
	Single Occupancy	60	19	1,140
	Double Occupancy	120	19	2,280
TOTAL MASTER PLAN WATER DEMAND				32,468



Portland Water District

FROM SEBAGO LAKE TO CASCO BAY

April 15, 2015

Fay Spofford & Thorndike
778 Main Street, Suite 8
South Portland, ME 04106

Attn: Andrew Johnston, P.E.
Re: McAuley High School Campus - 605 Stevens Avenue Portland
Ability to Serve with PWD Water

Dear Mr. Johnston:

The Portland Water District has received your request for an Ability to Serve determination for the noted site submitted on March 6, 2015. Based on the information provided, we can confirm that the District will be able to serve the proposed project as further described in this letter.

Conditions of Service

The following conditions of water service apply:

- The existing services at this site may be used by the proposed development as long as the project team determines that they will provide adequate flow and pressure for the proposed use. If any of the existing services will no longer be used as a result of the development then they must be retired per PWD standards. This includes shutting the corporation valve and cutting the pipe from the water main (for service sizes 2-inch and smaller) or removing the gate valve and capping the tapping sleeve (for service sizes 4-inch and larger).
- Approval of plans will be required for the project prior to construction. As your project progresses, we advise that you submit any preliminary design plans to MEANS for review of the water main and water service line configuration. We will work with you to ensure that the design meets our current standards.

Existing Site Service

According to District records, the project site does currently have a number of existing water services. The following water service lines are located as shown on the attached water service cards:

- Saint Josephs Convent (605 Stevens Avenue) is served by a 6-inch diameter cast iron domestic water service line and an 8-inch cast iron fire service line.
- Catherine McAuley High School (631 Stevens Avenue) is served by a 4-inch diameter cast iron domestic service line
- Saint Catherines Hall (242 Walton Street) is served by a 1.5-inch diameter copper domestic water service line and a 6-inch cast iron fire service line.



Please refer to the "Conditions of Service" section of this letter for requirements related to the use of these services.

Water System Characteristics

According to District records, there is an 8-inch diameter cast iron main water main on the east side and a 12-inch cast iron water main on the west side of Stevens Avenue, a 6-inch cast iron water main on the south side of Walton Street and public fire hydrants located on Stevens Avenue and on Walton Street in front of the site.

The current data from the nearest hydrant with flow test information is as follows:

Hydrant Location:	Stevens Ave 200' S of Walton St	Walton St 100' W of Dingley Ct
Hydrant Number:	POD-HYD01287	POD-HYD01922
Last Tested:	3/9/2013	2/14/2013
Static Pressure:	64 psi	64 psi
Residual Pressure:	Not Measured	Not Measured
Flow:	Not Measured	Not Measured

Public Fire Protection

You have not indicated whether this project will include the installation of new public hydrants to be accepted into the District water system. It is your responsibility to contact the Portland Fire Department to ensure that this project is adequately served by existing and/or proposed hydrants.

Domestic Water Needs

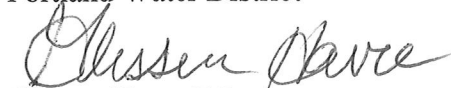
The data noted above indicates there should be adequate pressure and volume of water to serve the domestic water needs of your proposed project.

Private Fire Protection Water Needs

You have indicated that this project will require water service to provide private fire protection to the site. Please share these results with your sprinkler system designer so that they can design the fire protection system to best fit the noted conditions. If the data is out of date or insufficient for their needs, please contact the MEANS Division to request a hydrant flow test and we will work with you to get more complete data.

If the District can be of further assistance in this matter, please let us know.

Sincerely,
Portland Water District



Glissen Havu, E.I.
Design Engineer