

DECLARATION OF CONDOMINIUM HERITAGE WAY CONDOMINIUMS

THIS DECLARATION OF CONDOMINIUM (the "Declaration") is made this 30th day of May 2024, by SIERRA CONSTRUCTION, INC., a Maine Corporation, (the "Declarant") pursuant to the Maine Condominium Act, Chapter 31 of Title 33 of the Maine Revised Statutes of 1964, as amended (the "Act"), as the owner in fee simple of the Real Estate hereinafter described.

ARTICLE I CREATION OF CONDOMINIUM; DEFINED TERMS

Section 1.1. **Property.** The Declarant, the owner in fee simple of the Real Estate described in Exhibit A annexed hereto and made a part hereof, (the "Real Estate") situated in the City of Saco, County of York and State of Maine hereby submits the Real Estate, together with and subject to all easements, rights, privileges and appurtenances thereunto belonging, and the Buildings and improvements erected or to be erected thereon (collectively, the "Property") to the provisions of the Act, and creates with respect to the Property a condominium as defined in Section 1601-103(7) of the Act (the "Condominium"). The name of the Condominium is HERITAGE WAY CONDOMINIUMS. The name of the Association is HERITAGE WAY CONDOMINIUM ASSOCIATION. The Condominium is located in the City of Saco, County of York, and State of Maine and the address of the Condominium is 50 Old Orchard Road, Saco, Maine.

Section 1.2. **Defined Terms.** Capitalized terms are defined herein or in the Plats and Plans; otherwise they shall have the same meanings as specified in the Act. The following terms which are not otherwise defined in this Declaration shall have the following specific meanings in this Declaration, the Bylaws, and the Plats and Plans:

(a) "Association" means the association of the Unit Owners of the Condominium known as "Heritage Way Condominium Association", organized pursuant to Section 1603-101 of the Act as a nonprofit corporation under the Maine Nonprofit Corporation Act.

(b) "Building" means any building erected on the Property as well as other improvements comprising a part of a Building or intended to be used for purposes incidental to the use of a Building. The term "Building" shall mean and include the singular or plural.

(c) "Bylaws" means the regulations providing for the governance of the Association as are adopted pursuant to Section 1603-106 of 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.

(d) "Common Elements" or, singularly, "Common Element", shall mean all portions of the Condominium other than the Units, and except as otherwise expressly stated herein, shall include Limited Common Elements.

(e) "Common Element Interest" means the percentage of undivided interest in the Common Elements appurtenant to each Unit.

(f) "Common Expenses" mean and include, but are not limited to, (a) the cost of maintenance, management, operation, repair, renovation, restoration 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 to provide for general operating reserve funds, reserve funds for replacements and contingencies, and such other reserve funds as may be required by the Bylaws or as the Executive Board may periodically establish, (d) sums that the Executive Board may deem necessary to compensate for any deficits in receipts over expenses for the previous fiscal year, and (e) the charges and fees for energy, electricity, heat, water, 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, Unit Owners, or any two or more of the foregoing, 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.

(g) "Common Expenses Liability" means the allocation to each Unit of the respective liability for Common Expenses based on the percentage of the Common Element Interest appurtenant to the respective Unit.

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

(i) "Condominium Documents" mean the Declaration, the Plats and Plans, the Bylaws and the Rules and Regulations and all amendments thereto.

(j) "Declarant" means Sierra Construction, Inc.

(k) "Declarant Control Period" means the entire time period which extends from the date of the recording of this Declaration until the earlier of seven (7) years following the conveyance of the first Unit to a Purchaser, other than the Declarant, or sixty (60) days after the conveyance of 75% of the Units to Unit Owners other than the Declarant, whichever shall first occur.

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

(m) "Eligible Insurer" means an insurer or governmental guarantor of a Mortgage held by an Eligible Mortgage Holder 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 insurer or guarantor and containing

the same information and statements with respect to such insurer or guarantor that are required pursuant to the following subsection with respect to such Eligible Mortgage Holder.

(n) "Eligible Mortgage Holder" means the holder of a recorded first Mortgage on a Unit which has delivered written notice to the Association by prepaid United States Mail, return receipt requested, or by delivery in hand securing a receipt therefor, which notice shall state the name and address of the mortgagee's, the Unit Owner's name and address and the identifying number of the unit, and stating that the mortgage is a recorded first mortgage.

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

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

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

(r) "Limited Common Elements" or, singularly, "Limited Common Element" means those parts of the Property described in the Act, the Plats and Plans, or herein as being Limited Common Elements.

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

(t) "Monthly Assessment" means the Unit Owner's share of the anticipated Common Expenses and Limited Common Expenses, allocated by Unit, for each month of the Association's fiscal year as reflected in the budget adopted by the Executive Board for such year.

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

(v) "Percentage Interest" means the undivided interest in the Common Elements appurtenant to a Unit as set forth in Exhibit B attached, as the same may be amended.

(w) "Property" means the Property described in Section 1.1 above.

(x) "Plats and Plans" means the Plats and Plans recorded herewith in the York County Registry of Deeds ("Registry") in Condo File 1046, Pages 1 through 3, as amended from time to time, and reduced photocopies of which are annexed as Exhibit C.

(y) "Recorded" means that an instrument has been recorded in the Registry.

(z) "Rules and Regulations" shall mean such rules and regulations as are promulgated by the Declarant or the Executive Board with respect to the use of the Property.

(aa) "Special Assessment" shall mean a Unit Owner's share of any assessment made by the Executive Board in addition to the Monthly Assessment.

(bb) "Special Declarant Rights" have the meaning provided in Section 1601-103(25) of the Act and include the rights which the Declarant has reserved to itself in Section 6 and elsewhere herein.

(cc) "Unit" mean a Building designated for separate ownership or occupancy. The "Size" of each Unit is the number of square feet depicted on the Plats and Plans.

Section 1.3. Interpretation. In the event of any conflict or discrepancy between this Declaration, the Bylaws, and the Plats and Plans, the provisions of this Declaration shall govern the Bylaws and the Plats and Plans. Further, the provisions of the Act shall apply to and govern the operation and governance of the Condominium, except that contrary provisions contained herein, not otherwise prohibited by the Act, shall control.

ARTICLE II UNITS, UNIT BOUNDARIES, AND MAINTENANCE

Section 2.1. Number of Units. The Declarant has created pursuant to this Declaration one (1) Unit consisting of a single-family residential building, which Unit is identified in Exhibit B as Unit 1. The Declarant reserves the right, but not the obligation, until twenty (20) years from the date of the recording of this Declaration to create up to twenty-one (21) additional Units, together with Limited Common Elements appurtenant to such Units, on the land described in the attached Exhibit A, and as depicted on the attached Exhibit B, all pursuant to Section 1602-110 of the Condominium Act. Said conversion creating additional Units and Limited Common Elements may be composed of up to twenty-one (21) additional single-family Units added at the same time or in separate phases. The location of the additional Units and Limited Common Elements appurtenant to such Units are shown on the Plats and Plans as Unit 2 through 21, inclusive. If they are built, said additional Units and Limited Common Elements shall be built in substantially the same locations as shown on the Plat, and the configuration of each Unit will be substantially the same as those Units which are declared. NOTWITHSTANDING THE FOREGOING, THE DECLARANT EXPRESSLY RESERVES THE RIGHT NOT TO ADD THE UNITS, OR TO MAKE VARIATIONS IN SUCH UNITS, OR LIMITED COMMON ELEMENTS, AND THEIR LOCATIONS, in its discretion; provided however, any changes in the size, number or location of units must comply with the ordinances of the City of Saco and any, terms, conditions and/or restrictions of the approvals issued by the Planning Board. Upon the addition of such

Units, which may occur in such stages and in such order as the Declarant determines, they shall be fully integrated into the Condominium as if this Declaration had been originally executed and recorded containing the additional Units, and the Allocated Interests of the Units shall be reallocated in accordance with the formulas set forth in this Declaration and as more particularly set forth in the amendment adding said Units. All such future Units and Limited Common Elements shall be consistent with the initial Units in terms of the quality of construction, general architectural style and principal materials, provided that the Declarant may substitute construction materials and techniques of equal or better quality. All restrictions in or created by authority of this Declaration affecting the use, quality or alienation of Units shall apply to such Units including, without limitation, the restriction on residential use. Declarant need not add said Units or Limited Common Elements to the Condominium and, hence, said Units and Limited Common Elements NEED NOT BE BUILT. The Declarant must exercise its rights hereunder within twenty (20) years of the recording of this Declaration.

Upon the addition of such Units to the Condominium, the Allocated Interests of all Units shall be recalculated by a formula based on each Unit having a Percentage Interest expressed as a fraction whose numerator is one (1) and whose denominator is the total number of Units declared, including those added by amendment. Each Unit shall have one (1) vote per Unit in the Association to permit equality among Units. 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 shall include a Plat and Plans (or suitable affidavit) as required by the Act to the extent not previously recorded. Said amendment shall become effective upon recording without the consent of any other person.

Section 2.2. Unit Boundaries. The identifying number and boundary lines of each Unit are described in the Plats and Plans, and the Unit boundaries are formed by the following planes:

(a) Horizontal Boundaries: The upper and lower boundaries of each Unit shall be the following boundaries extended to an intersection with the vertical boundaries:

(1) Upper Boundary: There shall be no upper boundary, and the Unit shall include, but not be limited to, the exterior side of the roof shingles, solar panel(s), if any, chimneys, vent pipes, or any other improvements at or above the roof line.

(2) Lower Boundary: The ground-side surface of the concrete floor the Unit's foundation, and the ground-side surface of the exterior steps and entrance way.

(b) Vertical Boundaries: The vertical boundaries of each Unit shall be the vertical planes at the outside surface of such exterior walls as are adjacent to such Unit at the exterior surface of the siding materials forming its vertical walls (including chimneys, fascia, soffit, corners, moldings, trim, and other exterior components), extended to the intersections with each other and with the upper and lower Unit boundaries, and the exterior surface of the concrete foundation walls.

(c) The Unit shall also include the windows, doors, and any exterior decks, patios, balconies, or stairs leading to the Unit.

(d) Each Unit consists of all portions of the Building within such boundary lines, subject only to such easements as may be provided for wires, conduits and pipe runs which serve other Units.

Section 2.3. Reserved.

Section 2.4. Reserved.

Section 2.5. Alterations by Unit Owner. No Unit Owner shall alter any of the Common Elements or paint or otherwise change the appearance of the Common Elements without the prior written approval of the Executive Board or any committee appointed by the Board pursuant to the Bylaws. Notwithstanding the foregoing, Unit Owners may make improvements and alterations to the Limited Common Elements appurtenant to such Unit, including, but not limited to, planting of trees, shrubs and gardens, landscaping and hardscaping, installation of fences, and the construction or installation of a pool, shed, or canopy, subject however, to the following:

(a) Fences shall not exceed six feet in height, and may not be installed within the front-yard of the Limited Common Element appurtenant to such Unit. Fences installed within the side-yard or rear-yard Limited Common Element shall not extend past the center point of the exterior sidewall of a Unit as measured between the exterior rear facing wall of such Unit and the exterior front facing wall of such Unit. Any enclosed fence areas shall have gated access to a Common Element or Limited Common Element appurtenant to the Unit, the width of such gated access to be sufficient for ride-on lawn mowing equipment to pass.

(b) Sheds shall be no larger than one hundred twenty square feet in size (10'x12') and shall be of a "Gable" style with siding and roofing materials that match the exterior appearance of the Unit. Unit Owners shall be required to obtain all necessary approvals from the City of Saco, including a building permit, if required, prior to the placement of any shed.

(c) Pools shall not exceed 20'x 25' and shall not be permitted in the front or side-yard Limited Common Element, and must be enclosed by fencing and constructed in accordance with applicable City standards.

Section 2.6. Maintenance and Repair of Units and Limited Common Elements. Notwithstanding the ownership of the various portions of the Common Elements, Limited Common Elements and the Units by virtue of the foregoing boundary descriptions, the Units, Limited Common Elements and Common Elements shall be maintained and repaired by each Unit Owner and by the Association in accordance with the provisions of Section 1603-107 of the Act, except as set forth to the contrary in this Article II and Article V of the Declaration.

(a) Generally, the maintenance of the Units and Limited Common Elements shall be allocated to the Unit Owners and the Association shall maintain the Common Elements. Every Unit Owner shall perform promptly all maintenance and repair work on the

owner's Unit and Limited Common Elements, including all improvements to the Unit and all landscaping, yard care, snow removal, and grounds maintenance in the Limited Common Elements appurtenant to such Unit. In addition the Unit Owner shall be responsible for the maintenance of all utility lines within the boundary of the Limited Common Elements appurtenant to such Unit which, if omitted, would affect the Condominium in its entirety, the Common Elements, or other Units, and the Unit Owner shall be expressly responsible for any damages or liabilities resulting from failure to do so.

(b) All the maintenance and repairs to the Unit and Limited Common Elements appurtenant to such Unit (except lawn mowing at the Association's option) shall be performed by and at the Unit Owner's expense.

(c) Trash, garbage and other waste shall be kept only in sanitary containers and shall be disposed of in such manner as may be prescribed from time to time in accordance with rules and regulations established by the Board of Directors. No articles of personal property belonging to any Unit Owners shall be stored in any portion of the Common Elements.

Section 2.7 Maintenance and Maintenance Contracts. The Association and its designees shall maintain, repair and replace the Common Elements, excluding the Limited Common Elements (except as otherwise specifically provided herein) and shall establish reasonable reserves for such purposes. No management contract may be for a term exceeding three (3) years and any such contract shall be terminable for cause upon thirty (30) days notice. Any professional management contract entered into by the Association prior to the expiration of the period of Declarant control may be terminated without cause and without penalty at any time after the expiration of such control upon ninety (90) days' prior written notice.

Section 2.8 Reserved.

Section 2.9. Preservation of Property. No Unit Owner shall in any manner jeopardize the soundness or safety of the Property, create a nuisance, reduce the value thereof, or impair any easements, rights, appurtenances or the use and benefit of Common Elements, as determined in the judgment of the Board of Directors of the Association.

Section 2.10. Liability for Damage. Each Unit Owner shall be liable 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 guests, customers, licensees, employees, agents, contractors, lessees, or their pets. Such liability shall include any increase in 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.

Section 2.11. Forced Main Sewer. The Units are serviced by a shared forced main sewer system and private pump station situated on the Property (together with all apparatus and

appurtenances thereto, the "Sewer Facilities"). The City of Saco has indicated it has no intention to ever accept or maintain these facilities, which will require occasional maintenance, repair and upkeep, necessary for its continued operation. Except as otherwise provided herein, the cost of maintaining the Sewer Facilities shall be a Common Expense. Any and all decisions with respect to the nature and extent of the work to be done, the individual or entity to be employed, the total amount of money to be expended, or any and all other matters or questions, shall be determined by the Declarant, initially, and later the Association. Under no condition may the Association close or discontinue the Sewer Facilities or discontinue its maintenance thereof without the approval of the City of Saco.

ARTICLE III COMMON ELEMENTS, LIMITED COMMON ELEMENTS, AND APPLICABLE PROVISIONS

Section 3.1. Description of Common Elements. The Common Elements are shown on the Plats and Plans and are defined in the Act.

Section 3.2. Description of Limited Common Elements. Limited Common Elements shall mean those portions of the Common Elements of a Building or Property defined as such pursuant to Sections 1602-102(2) and (4) of the Act or as identified and designated as Limited Common Elements on the Plats and Plans, or by this Article. Those portions of the Limited Common Elements serving only the Unit adjacent to such Limited Common Element are Limited Common Elements allocated only to the Unit which they serve.

Section 3.3. Specified Limited Common Elements. The following portions of the Buildings or the Property are hereby designated as Limited Common Elements: those improvements, if any, which are not part of the Unit but which are adjacent to and serve only such Unit; the ground under the basement or crawl space appurtenant to a Unit; and the air space above the Unit, which is appurtenant to the Unit, is hereby designated as a Limited Common Element allocated only to that Unit.

Section 3.4. Reserved Common Elements. "Reserved Common Elements" are those parts of the Common Elements 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 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.

Section 3.5. Alteration of Common Elements by the Declarant. The Declarant reserves the right to modify, alter, remove or improve portions of the Common Elements, including, without limitation, any equipment, fixtures and appurtenances, when in the Declarant's judgment it is necessary or desirable to do so, until the date by which all members of the Executive Board must resign pursuant to Section 6.2 hereof. Such rights do not include rights to add or remove real estate not deemed to be fixtures.

Section 3.6. 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. The Common Elements shall remain undivided and no action for partition or division of any part thereof shall be permitted, unless otherwise provided by law and permitted by this Declaration.

Section 3.7. Use of Common Elements. Except as their use may otherwise be limited by this Declaration or the Bylaws 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:

(a) Any Unit Owner in default in the payment of any amount due to the Association or in violation of any provision of this Declaration, the Bylaws, or the rules and regulations of the Association, which violation continues for 30 days after written notice thereof by the Association to the Unit Owner may be prohibited by the Executive Board from the use and enjoyment of any and all of the Common Elements not essential to access to the Unit, in addition to all other remedies available to the Executive Board.

(b) Parking of motor vehicles by Unit Owners, and their immediate families, tenants, guests, visitors, and invitees shall be only in spaces in the Limited Common Elements assigned to such Unit and Unit Owner or in those portions of the Common Elements designated as spaces for parking. The spaces in the Common Elements designated as spaces for parking shall be used by the Unit Owners on such basis as the Executive Board may determine. No unattended vehicle shall at any time be left in such a manner as to impede the passage of traffic or to impair access to parking areas.

(d) Except for "for sale" signs which may be posted by a Unit Owner and 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, except as otherwise expressly provided herein. Provided, however, that a Mortgagee in possession of a Unit as a result of foreclosure, judicial sale or a proceeding in lieu of foreclosure, may display or post one sign in the interior of such Unit, which sign shall not exceed two feet in either height or width.

(e) 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 (except those areas designated for such storage by the Condominium Documents or the Executive Board) without the approval of the Board or a Committee designated by the Executive Board.

(f) Parking spaces, except those which are designated as Limited Common Elements, are Common Elements and may be assigned to Units as Reserved Common Elements by appropriate resolution of the Executive Board (unless such spaces have already been assigned as Limited Common Elements by the Declarant). 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.

ARTICLE IV EASEMENTS

Section 4.1. Easements. In addition to, or including, the easements provided for by the Act, and in addition to the easements to which the property is or may be subject as identified in the description of the Property in Exhibit A, the easements described in this Article are hereby created.

Section 4.2. 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. The Association and its Executive Board shall have the right to grant to third parties additional permits, licenses and easements over and through the Common Elements for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance and operation of the Condominium. All utilities, including, but not limited to, the sewer facilities, water service, and electrical lines, poles and conduit, shall remain private, the maintenance of which shall be the responsibility of the Association or utility company, as applicable, and the City of Saco shall have no obligation to accept the ownership or responsibility to maintain such utilities in the future.

Section 4.3. Ingress, Egress and Regress. Each Unit Owner 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 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.

Section 4.4. Condominium Association and Executive Board Access. Declarant reserves in favor of itself, the Association and its Executive Board, officers, agents and employees, and the managing agent and every other person authorized by the Executive Board the irrevocable

right and easement to have access to the Common and Limited Common Elements as may be necessary for the inspection, maintenance, repair of any of the Common Elements and Limited Common Elements, or the making of any addition or improvements thereto; or to abate any violation of law, orders, Rules or Regulations of the Association or of any governmental authorities having jurisdiction thereof. Until the expiration of the warranty period, if applicable, such entry shall be permitted into the Units to perform warranty-related work whether or not the Owner of the Unit consents or is present at the time.

Section 4.5. 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 project or customer service offices for this project. The Declarant reserves the right to relocate 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 as 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 also have the right to restrict the use of certain Common Element parking spaces to sales purposes and to use such spaces for sales purposes. The Declarant shall have the right to erect on the Common Elements temporary offices for models, sales management, customer service and similar purposes, which may be relocated or removed, all at the sole discretion of Declarant which may be of such types and sizes as Declarant may deem appropriate. The easements reserved by Declarant herein shall continue until the Declarant has conveyed all Units in the Condominium to Purchasers. These Sections shall not be amended without the written consent of the Declarant.

Section 4.6. Declarant's Easements for Construction. The Declarant reserves the Special Declarant Right, and easement, right and privilege without let or hindrance with respect to the construction of the Units, Common Elements, Limited Common Elements and other improvements of the Condominium, to go upon any and all of the Property for purposes of construction, reconstruction, maintenance, repair, renovation, replacement or correction of the Units or Common Elements. This easement shall include without limitation the right of vehicular and pedestrian ingress and egress, the right to park motor vehicles and to engage in construction and marketing activities of any nature whatsoever, including the movement and Storage of building materials and equipment. This easement expressly includes the right to cut and remove any trees, bushes, or shrubbery, to grade and remove the soil, or to take any other action reasonably necessary to achieve this purpose, following which the Declarant shall restore the affected property as close to its original condition as practicable. The Declarant reserves the rights to sell the removed timber and soil and retain the proceeds thereof. 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 obligation exercising the Development Rights and other Special Declarant Rights, if any, reserved pursuant to this Declaration or on the Plats.

Section 4.7. Declarant's Easement to Correct Drainage. Declarant reserves an easement on, over and under those portions of the Common Elements not located within a Building for the purpose of maintaining and correcting drainage of surface water in order to maintain reasonable standards of health, safety and appearance. The reservation of this right does not and shall not result in the imposition of an obligation.

Section 4.8. Encroachments. Each Unit 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. 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 or Buildings shall be partially destroyed as a result of fire or other casualty or as a result of a 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 that Building as so rebuilt shall stand.

Section 4.9. 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.

Section 4.10. Declarant's Right to Grant Easements. The Declarant shall have the right, until the Declarant has conveyed all Units in the Condominium to Purchasers which Declarant may have reserved the Development Rights to create, 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 lines 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 Section 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 pipes and conduits, water mains and pipes,

sewer and drain lines, telephone wires and equipment, television equipment and facilities (cable or otherwise), heating systems, ventilation systems, electric wire conduits and equipment and ducts and vents over, under, through or along and on the Units and Common Elements.

Section 4.11. 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:

(a) For the installation, repair, maintenance, use removal and/or replacement of pipes, ducts, electrical, telephone and other communication wiring and cables and all other utility lines and conduits which are a part of or serve any Unit and which pass across or through a portion of the Common Elements.

(b) For the installation, repair, maintenance, use, removal and/or replacement of lighting fixtures, electrical receptacles, panel boards and other electrical installations which are a part of or serve any Unit but which encroach into a part of a Common Elements adjacent to such Unit; provided that the installation, repair, maintenance, use, removal or replacement of any such item does not unreasonably interfere with the common use of any part of the Common Elements, adversely affect either the thermal or acoustical character of the building or impair or structurally weaken the building.

Section 4.12. Development and Special Declarant Rights. Pursuant to Section 1602-105 (a)(8) of the Act, the Declarant hereby reserves the Development Rights to add up to twenty-one (21) Units, or any of them, together with the Limited Common Elements associated therewith, to the Condominium, all as set forth in Section 2.1 of this Declaration and as shown on the Plats and Plans.

The exercise of these Development Rights must be exercised within twenty (20) years from the date of recording of this Declaration, and shall be done and accomplished in accordance with Section 1602-110 of the Act. The Declarant may exercise the Development Rights reserved hereunder at any time prior to twenty (20) years from the date of recording of this Declaration by causing the Association to record at the Declarant's expense an amendment to the Declaration in accordance with Section 1602-117 of the Act, and amended Plats and Plans in accordance with Section 1602-109 of the Act, (or, if appropriate, an affidavit that the Plats and Plans previously recorded conform to the requirements of the Condominium Act) whereupon the additional Units shall be deemed part of the Condominium. Such amendment shall include a reallocation of the Percentage Interests in accordance with Section 5.1 hereof, and the Common Elements upon which such Units, and Limited Common Elements associated therewith, are located shall be and become Units and Limited Common Elements subject to the Percentage Interests set forth in such amended allocation. Upon addition of the Units subject to Development Rights, the Executive Board shall cause to be prepared a revised estimated budget in accordance with the Bylaws, and make revised Common Charges based thereon.

ARTICLE V
ASSESSMENTS FOR COMMON EXPENSES AND
LIABILITY OF UNIT OWNERS

Section 5.1. Allocation and Payment of Assessments of Common Expenses. The total amount of Common Expenses shall be assessed against the Units as follows:

(a) The Common Expenses that are not assessed as Limited Common Expenses shall be assessed against all the Units in the same proportion as the Percentage Interest of the Unit Owner as set forth in Exhibit B.

(b) (1) If a Limited Common Expense benefits more than a single Unit, that Limited Common Expense shall be assessed solely against all the Units benefited in proportion to the relative Common Expense Liabilities of such Units as between themselves, as the Executive Board may periodically determine, (2) if a Limited Common Expense only benefits a single Unit, that Limited Common Expense shall be assessed solely against the Unit benefited, as the Executive Board shall determine, (3) the costs of insurance shall be assessed against Units in proportion to risk, as the Executive Board may periodically determine, however, (4) if a Limited Common Expense is associated with the maintenance, repair or replacement of a Limited Common Element, that Limited Common Expense shall be assessed solely against all the Units to which that Limited Common Element is allocated in proportion to the relative Common Expense Liabilities of such Units as between themselves, as the Executive Board shall determine.

(c) Telephone, cable television and electrical services shall be supplied by the agency or company serving the area directly to each Unit or Limited Common area allocated to such Unit, through a separate meter, and each Unit Owner shall be required to pay the bills for such services consumed or used in his or her Unit. Except as otherwise provided in this subsection, any electricity or other services serving the Common Elements shall be separately metered, and the Executive Board shall pay all bills for electricity consumed in the Common Elements as a Common Expense assessable to all the Owners of Units. Water shall be supplied by the company serving the area but shall be distributed through pipes which are privately owned. Water delivered to each Unit shall be separately metered and each Unit Owner shall be required to pay the bills for such services consumed or used in his or her Unit.

(d) The Declarant shall not be liable for any assessments for any Units until after the Association makes its first Common Expense assessment.

Section 5.2. Payment of and Lien for Assessments.

(a) Each Unit Owner shall pay to the Association or its authorized representative (1) on the first day of each month, or on such other date that the Association may determine in writing, one-twelfth (1/12th) of the Common Expenses including Limited Common Expenses, and revised Common Expenses including revised Limited Common Expenses, assessed on an annual basis against his Unit in the proportions required in Section 5.1, and (2) all special assessments, any other sum duly levied against the Unit pursuant to this Declaration, the Bylaws or the Act, including Limited Common Expenses

assessed against Unit Owners for maintenance, repair or replacement of a Limited Common Element pursuant to Section 5.6, all interest thereon and charges for late payment thereof and legal fees and other costs of collection thereof, and fines, penalties and fees as provided by this Declaration, the Bylaws or the Act, 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 or such other date that the Association may determine in writing. If for any reason the Association shall revise the annual budget of the Association whereby the Common Expenses or any component thereof may be increased, then commencing on the first day of the first month subsequent to the adoption of such revised budget each Unit Owner shall pay to the Association or its authorized representative such revised annual Common Expenses including Limited Common Expenses assessed against his Unit in the proportions required in Section 5.1.

(b) The total annual assessment levied against each Unit for Common Expenses including Limited Common Expenses, revised Common Expenses including revised Limited Common Expenses, or any special assessment, and any other sums duly levied against the Unit pursuant to this Declaration, the Bylaws, or the Act, including Limited Common Expenses assessed against Units for maintenance, repair or replacement of a Limited Common Element pursuant to Section 5.6, all interest thereon and charges for late payment thereof, legal fees and other costs of collection thereof, and fines, penalties and fees as provided in this Declaration or the Bylaws 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 as provided in Section 1603-116 of the Act. Such lien shall, with respect to annual assessments and revised annual assessments, be effective on the first day of each fiscal year of the Association as to the full amount of the annual assessment or revised annual assessment, and, as to special assessments and other sums duly levied including Limited Common Expenses assessed against a Unit Owner for maintenance, repair or replacement of a Limited Common Element pursuant to Section 5.6, interest, charges for late payment, legal fees, costs of collection, fines, penalties and fees as described herein, 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. 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 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 representative. Such lien is prior to all other liens and encumbrances on a Unit except (1) liens and encumbrances recorded before the recordation of this Declaration, (2) a first Mortgage recorded before or after the date on which the assessment sought to be enforced becomes delinquent, and (3) liens for real estate taxes and other governmental assessments or charges against the Units; provided, however, that such lien is not subject to the provisions of 14 M.R.S.A., 4651 and 18-A M.R.S.A. 2-201, et seq., as they or their equivalents may be amended or modified from time to time.

(c) The lien for assessments described in Subsection 5.2(b) 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, interest, penalties, and costs of collection may be maintained against the Unit Owner personally without foreclosing or waiving the lien securing such assessments and a foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment. During the pendency of any such suit, the Unit Owner shall be required to pay a reasonable rental for the Unit for any period prior to sale pursuant to any judgment or order of any Court having jurisdiction over such sale.

Section 5.3. Liability of Purchaser of Unit for Unpaid Assessments. Upon the voluntary sale, conveyance or any other voluntary transfer of a Unit or an interest therein, the grantee thereof shall be liable with the grantor thereof for all unpaid assessments for Common Expenses which are a charge against the Unit as of the date of consummation of the sale or transfer.

Section 5.4. Working Capital Fund. The Declarant shall establish a working capital fund equal to two (2) times the monthly condo fee for each Unit. Each Unit's share of the working capital fund shall be collected from the Unit purchaser upon the initial transfer of title from the Declarant to the purchaser and shall be transferred to the Association for deposit into the working capital fund. The amount paid by the Unit purchaser shall not be considered as advance payment of the normal Common Expense liability and no Unit Owner shall be entitled to a refund of these monies by the Association upon the subsequent conveyance of his Unit or otherwise. Within sixty (60) days after a Unit is declared, the Declarant shall pay each declared unsold Unit's share of the working capital fund to the Association.

Section 5.5. Surplus. The Budget of the Association shall set forth Common Expenses. Any amounts accumulated from assessments for Common Expenses in excess of the amount required for actual Common Expenses and reserve for future Common Expenses, unless otherwise directed by the Executive Board, in its sole discretion, shall be credited to each Unit Owner, such credit to be applied to the next Monthly Assessments of Common Expenses due from said Unit Owners under the current fiscal year's budget, and thereafter, until exhausted or retained by the Association for reserves.

Section 5.6. Limited Common Elements, Maintenance. Except as set forth in Section 2.6 and elsewhere in this Declaration, each Unit Owner shall maintain, repair and replace all Limited Common Elements appurtenant to his or her Unit, and shall perform the normal maintenance for such Limited Common Element, including landscaping and yard care, and keeping it in a clean and sanitary condition, free and clear of ice, snow. Notwithstanding the foregoing, if a Limited Common Element benefits more than one unit, such maintenance shall be performed by the Association, and the Association shall assess the costs thereof as a Limited Common Expense to the Units benefited. Any Unit Owner permitted by the Executive Board to use a Reserved Common Element or a specific portion of the Common Elements for storage is responsible for the maintenance and care of such portion and shall use the same in a safe and sanitary manner.

Section 5.7. 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 (except those areas of the Limited Common Elements provided above) 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 above with regard to Limited Common Elements. To the extent required for the functioning of or connection of utilities to the Property and Units, the maintenance, repair and replacement of Common Elements located within a Unit, or for which the Unit Owner is otherwise responsible, shall be furnished by the Association as part of the Common Expenses or, if fewer than all of the Units are benefited, the Limited Common Expenses.

Section 5.8. Maintenance of Unit. Each Unit owner shall keep and maintain the interior and exterior his Unit and its equipment, appliances and appurtenances in good order, condition and repair and in a clean and sanitary condition, whether such maintenance and repair shall be structural or 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. 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 Section. 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 its designee any defect or need for repairs for which the Association is responsible.

Section 5.9. Liability of Owner. Each Unit Owner shall be liable, and the Association shall have a lien against his Unit for, all costs of maintaining, repairing or replacing any portion of another Unit or of the Common Elements, including Limited Common Elements, to the extent that such costs are caused by or attributable to such Unit Owner's act, neglect or carelessness or by that of any member of such Unit owner's family, or such Unit Owner's guests, or his invitees, employees, agents, lessees, or their pets. The Association shall have the right to repair any damage so caused, to cure or correct the cause thereof, and to maintain or replace such damaged Unit or Common Element or portion thereof to the extent the Association deems necessary and appropriate. 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.

Section 5.10 Service Charges. The Association shall have the express power to separately charge a Unit and Unit Owner for services rendered to that Unit by the Association. Such charges shall be a lien on the Unit with the same status as a lien for common expense assessments under the Condominium Act, this Declaration and the 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 may include, without limitation, the following:

(a) If the Unit Owner, or members of the Unit Owner's family, guests or tenants damage the common elements, or if the Unit Owner requests the Association to perform repair and maintenance work on the Unit, or if the Unit Owner fails to perform maintenance or repair work as required, the expense thereof as determined by the Executive Board or its designee may be assessed as a Service Charge.

(b) Fees, if any, which may be established by the Executive Board for the consumption, use and maintenance of water, sewer, natural gas, cable television and/or other utility services and equipment. Likewise, utility services supplied to each Unit may be measured separately by such reasonable and uniform methods and systems established by the provider. The expense of utility services consumed and of equipment maintenance and repair and reasonable reserve allowances may also be calculated and assessed monthly as a Service Charge to each Unit. The expenses of capital improvements, major repairs or renovations to the water and sewer supply systems and the expense of water and sewer services for the Common Elements may be assessed as a Common Expense, Limited Common Expense, or as a Service Charge, at the election of the Executive Board.

ARTICLE VI ASSOCIATION OF UNIT OWNERS; VOTING; DECLARANT CONTROL; NOTICES

Section 6.1. The Association, Powers. The membership of the Association at all times shall consist exclusively of all Unit Owners, or, following any termination of the Condominium as provided in Section 1602-118 of the Act, of all former Unit Owners entitled to distributions of proceeds under said Section 1602-118, or their heirs, successors or assigns, but shall not include persons having an interest in a Unit solely as security for an obligation. Each Unit Owner shall automatically become a member of the Association as long as he continues as a Unit Owner and upon the termination of the interest of the Unit Owner in the Condominium his membership and any interest in the common funds of the Association shall thereupon automatically terminate and transfer and inure to the next Unit Owner or Owners succeeding him in interest. The Association shall have all the powers granted pursuant to Section 1603-102 of the Act, including the powers to assign its right to future income and to lease as lessee any real or personal property, accept assignments of leases of real or personal property, cause improvements to be made as a part of such leased property, regulate the use, maintenance and repair of such leased property, and impose and receive any payments, fees or charges for the use, rental or operation of such leased property, and to intervene on behalf of one or more Unit Owners in disputes regarding warranty claims affecting the Common Elements.

Section 6.2. Executive Board Powers; Declarant Control Period. Except as otherwise provided in Section 1603-103(b) of the Act, the Executive Board may act on behalf of the Association, shall have all of the powers necessary for the administration of the affairs of the Association and may do all such acts and things as are not required by the Act or this Declaration or the Bylaws to be exercised and done by the Association. The affairs of the Association shall be governed by an Executive Board composed of no less than three (3) and no more than five (5) natural persons. Until the Transition Election provided for below, the Executive Board shall be

composed of three (3) natural persons. The Declarant shall have the right during the Declarant Control Period to appoint, remove and replace from time to time any and all members of the Executive Board and officers of the Association, without the necessity of obtaining resignations. The appointees of the Declarant need not be Unit Owners. After the Transition Election, the members of the Executive Board shall be Unit Owners or spouses of Unit Owners, or in the case of a Unit Owner which is a corporation, partnership, trust or estate, a designated agent thereof. The transition from Declarant-appointed members of the Executive Board to Unit Owners other than the Declarant shall occur as follows:

(a) No later than the earlier of (a) sixty (60) days after the conveyance of 75% of the Units to Purchasers or (b) seven (7) years following conveyance of the first Unit to a Purchaser, or at such earlier date as the Declarant in its sole discretion shall specify, the Transition Meeting of the Association and Transition Election shall be held at which all of the members of the Executive Board and officers of the Association appointed by the Declarant shall resign, and the Unit Owners, including the Declarant if the Declarant owns one or more Units, shall thereupon elect successor members of the Executive Board to act in the place and stead of those resigning.

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

Section 6.3. Voting. The vote in the Association to which each Unit Owner is entitled shall be as set forth on Exhibit B, each Unit Owner being entitled to one vote. The votes in the Association allocated to a Unit can only be cast as a Unit and cannot be split. If a Unit is owned of record by one person, that Unit Owner's right to vote shall be established by the record title to the Unit. If ownership of a Unit is in more than one person, the person who shall be entitled to cast the vote allocated to that Unit shall be the person named in a certificate executed by all of the Owners of such Unit and filed with the Secretary of the Association. If ownership of a Unit is in a corporation, partnership, trust or estate, the officer or employee of that corporation, partner of that partnership, trustee of that trust, or agent of that estate, entitled to cast for the corporation, partnership, trust or estate the votes for the corporation, partnership, trust or estate, the votes allocated to such Unit shall be designated in a certificate for that purpose executed by the president or a vice president of that corporation, and attested to by the secretary or clerk of that corporation, executed by all the partners of that partnership, or executed by all the beneficiaries of that trust, or executed by either all the devisees of that estate or by order of the probate court and filed with the Secretary of the Association. Such certificates of multiple owners, corporations, partnerships, trusts or estates shall be valid until revoked by a subsequent certification similarly executed and filed with the Secretary of the Association. Wherever the vote, approval or disapproval of a Unit Owner is required by this Declaration or the Act, such vote, approval or disapproval shall be made only by the person who would be entitled pursuant to such certificate to cast at any meeting of the Association the vote allocated to such Unit. If the person named or designated in said certificate for a particular Unit shall be absent from a

meeting of the Association, no person may cast the vote allocated to that Unit at the meeting although the presence at the meeting of a non-named or non-designated co-Owner or member, officer or employee of such Owner shall be counted in determining whether a quorum is present. If a multiple Owner of a Unit (that is not a partnership, trust, estate or corporation) has failed to file said certificate with the Secretary of the Association and only one of the multiple Owners is present at a meeting of the Association, he shall be entitled to cast at the meeting all the votes allocated to that Unit without establishing the concurrence of the absent Owners just as though that person were the sole Owner of the Unit. If a multiple Owner of a Unit (that is not a partnership, trust, estate or corporation) has failed to file said certificate with the Secretary and if more than one Owner of that Unit is present at the meeting, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority of the multiple Owners present at the meeting. Such majority agreement shall be conclusively presumed if any one of those multiple Owners shall cast the vote allocated to the Unit without protest being promptly made to the person presiding over the meeting by any other Owners of that Unit. Any provision of this Paragraph to the contrary notwithstanding, in the event of any proposed actions to terminate the Condominium pursuant to Section 1602-118 of the Act; change the Allocated Interests appurtenant to any Unit, change the boundaries of a Unit, or subdivide a Unit except for such changes and subdivisions created by the Declarant as a consequence of the exercise of any Development Rights reserved by the Declarant in this Declaration; merge or consolidate the Condominium with another condominium; convey or subject to a security interest any portion of the Common Elements; or use any proceeds of property insurance required to be maintained by the Association pursuant to this Declaration for purposes other than repair and restoration of the damaged Property in accordance with this Declaration, the Plats and Plans, the Bylaws, the original elevation thereof and original building plans and specifications therefor, then an Eligible Mortgage Holder shall have the right, but not the obligation in place of the Owner of the Unit subject to the Mortgage held by such Eligible Mortgage Holder to cast the votes allocated to that Unit or to give or withhold any consent required of such Unit Owner for such action by delivering written notice to the Association with a copy to the Unit Owner prior to or at the time of the taking of the proposed action, which notice shall be sent by prepaid United States mail, return receipt requested, or by delivery in hand; failure of the Eligible Mortgage Holder to so exercise such rights shall constitute a waiver thereof and shall not preclude the Unit Owner from exercising such right. In no event shall more votes be cast with respect to any Unit than are allocated to that Unit pursuant to this Declaration.

Section 6.4. Notices to Unit Owners. All notices, demands, bills and 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 securing receipt therefor or sent by United States mail, postage prepaid, if such notification is of a default or lien, sent by registered certified United States mail, return receipt requested, postage prepaid, addressed to the Unit Owner at the address which the Unit Owner shall designate in writing and file with the Secretary of the Association, or if no such address is so designated, the address of the Unit of such Unit Owner who is the record owner thereof.

Section 6.5. Notices to the Association. All notices, demands, statements or other communications affecting the Condominium given by the Unit Owners to the Association shall be in writing and shall be deemed to have been duly given to the Association if delivered

personally, securing a receipt therefor, or sent by United States mail, postage prepaid, return receipt requested, addressed to the Association at the principal office of the managing agent, or if there shall be no managing agent, then to the Secretary of the Association at the address of the Unit of which the Secretary is the record Unit Owner.

Section 6.6. Notices to Eligible Mortgage Holder, etc. All notices, demands, statements or other communications affecting the condominium given by the Association to any Eligible Mortgage Holder and Eligible Insurer shall be in writing and shall be deemed to have been duly given by the Association if delivered personally, securing a receipt therefor, or sent by United States mail, postage prepaid, addressed to the Eligible Mortgage Holder at the address identified pursuant to Article I by virtue of which it became an Eligible Mortgage Holder, and to the Eligible Insurer at the address identified pursuant to Article I by virtue of which it became an Eligible Insurer.

ARTICLE VII RESTRICTIONS ON USE, SALE AND LEASE OF UNITS

Section 7.1. Use of Units. The following restrictions and limitations shall apply to the use and occupancy of the Condominium:

(a) Units shall be used for residential purposes by the Unit Owner and the tenants and guests of the Unit Owner or the Unit Owner's family. In addition to such residential use, professional use in accordance with local ordinances which does not create traffic substantially greater than that of normal residential use shall be permitted so long as the primary use is residential.

(b) No Unit Owner or occupant of any Unit shall carry on, or permit to be carried on, any practice which unreasonably interferes with the quiet enjoyment and proper use of another Unit or the Common Elements by the Owner or occupant of any other Unit, or which creates or results in a hazard or nuisance on the Property.

(c) No Unit shall be used so as to create a nuisance or an unreasonable interference with the peaceful possession and occupation or proper use of any other Unit or the Common Elements.

(d) Nothing shall be done or kept in any Common Elements which will increase the rate of insurance for the Property or any part thereof without the prior written consent of the Executive Board. No Unit Owner shall permit anything to be done or kept in the Common Elements which will result in the cancellation of insurance on the Property or any part thereof or which would be in violation of any law, regulation or administrative ruling. No strip or waste will be committed on the Common Elements.

(e) Trash, garbage and other waste shall be kept only in sanitary containers and shall be disposed of in such manner as may be prescribed from time to time in rules and regulations established by the Executive Board. The Association shall be responsible for

contracting for private trash and garbage removal, the cost of which shall be assessed as a Common Expense.

(f) The maintenance, keeping, boarding and/or raising of animals, laboratory animals, livestock, poultry or reptiles of any kind, regardless of number, shall be and is prohibited within any Unit or upon the Common Elements, except that the keeping of small, orderly domestic pets such as dogs, cats or caged birds, aquarium fish and other limited species of animals which do not normally leave the Unit and which do not make noise may be permitted by the Executive Board in accordance with and subject to any rules and regulations adopted by the Executive Board, provided, however, that such pets are not kept or maintained for commercial purposes or for breeding.

Section 7.2. Restrictions on Leasing. No Units may be rented on a transient basis, or for any period of less than thirty (30) days, and no portion of any Unit (other than the entire Unit) shall be leased for any period. Any such rental shall be accomplished by a written form of rental agreement or lease (a) requiring the lessee to comply with the Condominium Documents and Rules and Regulations of the Association; (b) providing that failure to comply therewith constitutes a default under the rental agreement or lease; and (c) providing that the Executive Board has the power to terminate the rental agreement or lease or to bring summary proceedings to evict the tenant in the name of the lessor thereunder in the event of a default in the observance of the terms of the lease or rental agreement. Upon request by the Association, each Unit Owner of a Unit shall, promptly forward a conformed copy of such lease or rental agreement to the Executive Board. This Section shall not be construed to impair a Mortgagee's right to foreclose, accept a deed in lieu of foreclosure, or sell or lease a Unit so acquired by the Mortgagee or the Association's right to grant easements, licenses, leases and concessions of, through, or over the Common Elements.

Section 7.3. Resale of Units. The following apply to the voluntary sale of Units:

(a) No Unit Owner, including the Declarant, 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 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, other than the Declarant, shall be entitled to a certificate from the Executive Board as provided by Section 1604-108(b) of the Act, prepared at the expense of the person so requesting the same, and the grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any assessments or unpaid special assessments made by the Executive Board against the grantor for Common Expenses in excess of those disclosed on such certificate.

(b) A voluntary transfer shall be considered any sale, lease, gift, testate or intestate distribution, or the transfer of ownership of a corporation owning a Unit.

(c) All Unit Owners other than the Declarant must comply with Section 1604-108 of the Act. Except as provided in the Act and this Section, there are no other restrictions governing the voluntary transfer of a Unit.

ARTICLE VIII RIGHTS OF MORTGAGEES, INSURERS AND GUARANTORS

Section 8.1. Disclosure of Mortgagee. Each Unit Owner shall have the right to mortgage or encumber his own Unit, together with its appurtenant Allocated Interests, but a Unit Owner who mortgages his Unit shall notify the Executive Board in writing of the name and address of his Mortgagee(s).

Section 8.2. Mortgage Foreclosure. Any Mortgagee of 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, except as otherwise provided by the Act, take the Unit with the Allocated Interests appurtenant thereto free of such claims 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 or deed (or assignment) in lieu of foreclosure. Provided, however, that such Mortgagee may be liable as a Unit owner for the payment of such unpaid assessments or charges that are assessed against the Mortgagee as a result of all Unit Owners being reassessed for the aggregate amount of such deficiency.

Section 8.3. Rights of Eligible Mortgage Holder, Insurer, or Guarantor. Eligible Mortgage Holders, Eligible Insurers and guarantors of mortgages shall, in addition to those rights provided in the Act, have the rights hereinafter set forth.

(a) The Association shall send written notice by prepaid United States mail to each Eligible Mortgage Holder, Eligible Insurer, or guarantor of a mortgage of the following proposed actions either within a reasonable period prior to the taking of any of such proposed actions or at the time that notice thereof is given to Unit Owners unless another time is specified herein: (1) Any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit on which there is a first Mortgage held, insured or guaranteed by such Eligible Mortgage Holder, Eligible Insurer, or guarantor of a mortgage, as applicable ("material" means five percent (5%) or more); (2) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; (3) The proposed use of any proceeds of Property insurance required to be obtained and maintained by the Association pursuant to this Declaration for purposes other than repair, replacement and restoration of the Property substantially in accordance with this Declaration, the Bylaws, the Plats and Plans, and the original elevation thereof and original building plans and specifications; (4) The adoption by the Executive Board of any proposed budget, the date of the meeting of Unit Owners scheduled to consider ratification of such proposed budget, and a summary of the

proposed budget; (5) Any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders as specified herein; (6) The termination of the Condominium; (7) A change in the Allocated Interests appurtenant to any Unit, a change in the boundaries of a Unit, or the subdivision of a Unit; (8) The conveyance or subjection to a security interest of any portion of the Common Elements; (9) provided, however, (a) that the Association shall also send written notice of any delinquency in the payment of assessments for Common Expenses or any other charges owed by an Owner of a Unit, or any other default in the performance or payment by a Unit Owner of any obligation under this Declaration, the Bylaws or any Rules and Regulations of the Association to the Eligible Mortgage Holder, Eligible Insurer of the Mortgage or guarantor to which such Owner's Unit is subject, which notice must be given as soon as reasonably possible but in no event later than sixty (60) days after the occurrence of such delinquency or default and (b) the Association shall also send written notice to each Eligible Mortgage Holder of any consideration of any proposed action concerning any delinquency in the payment of assessments for Common Expenses or any other charges owed by an Owner of a Unit, or concerning any other default in the performance or payment by a Unit Owner of any obligation under this Declaration, the Bylaws or any Rules and Regulations.

(b) The prior written approval of at least eighty percent (80%) of the Unit Owners and sixty-seven (67%) percent of the Eligible Mortgage Holders shall be required to (1) terminate or abandon the Condominium for reasons other than substantial destruction or condemnation of the Condominium and (2) abandon, partition, subdivide, encumber, sell or transfer any of the Common Elements (except for granting easements for utilities or other public purposes consistent with the intended use of the Common Elements) by act or omission.

(c) The prior written approval of at least fifty-one (51%) percent of the Eligible Mortgage Holders and eighty percent (80%) of the Unit Owners shall be required for the termination or abandonment of the Condominium as a result of condemnation or substantial loss to the Units, Common Elements, or both.

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

(e) An Eligible Mortgage Holder who receives a written request to approve additions or amendments to the Condominium Documents who does not deliver to the requesting party a negative response within sixty (60) days after the giving of notice shall be deemed to have approved such request in writing.

(f) 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 herein, 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 Section 6.3 of this Declaration to cast the votes allocated to a Unit in lieu of the Unit Owner, an 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 termination of the Condominium, a change in the Allocated Interest of a Unit, a change in the boundaries of a Unit or a subdivision of a Unit, the merger or consolidation of the Condominium with another condominium, the conveyance or subjection to a security interest of any portion of the Common Elements, the proposed use of any proceeds of hazard insurance for purposes other than the repair or restoration of the damaged Property, or the adoption of any proposed budget by the Executive Board.

Section 8.4. Mortgagee Priority. No provision of the Condominium Documents shall be deemed or construed to give a Unit Owner, or any other person, priority over the rights of any Eligible Mortgage Holder pursuant to its Mortgage in the case of a distribution to Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Units, Common Elements, or both.

ARTICLE IX INSURANCE

Section 9.1. Policies. Commencing no later than the time of the first conveyance of a Unit other than as security for an obligation to a person other than the Declarant, the Executive Board on behalf of the Association shall obtain, or cause to be obtained, and shall maintain as a Common Expense, the policies of insurance described in this Article to the extent such policies shall be reasonably available from reputable insurance companies. To the extent that said insurance described in this Article is not reasonably available as described in the preceding sentence, the Executive Board on behalf of the Association shall give written notice of that fact to the Unit Owners and the Eligible Mortgage Holders of Mortgages of their Units by hand delivery securing a receipt therefor, or by prepaid United States mail, return receipt requested. To the extent that any of the insurance described in this Article shall become in the future no longer available, the Association shall obtain in substitution therefor such comparable insurance as shall then be available. The Executive Board of the Association is hereby irrevocably appointed as attorney-in-fact for each Unit Owner and for each Mortgagee and Eligible Mortgage Holder and for each owner of any other interest in the Property for the purpose of purchasing and maintaining the insurance described in this Article, the collection and appropriate disposition of the proceeds thereof with any Insurance Trustee pursuant to the Insurance Trust Agreement as trustee for all Unit Owners and their Mortgagees as their respective interests may appear to hold any insurance proceeds in trust for disbursement as provided in this Declaration, the Bylaws and Section 1603-113(e) of the Act, the negotiation of losses and execution of releases of liability, the execution of all documents, and the performance of all other acts necessary to accomplish such purposes.

Section 9.2. Property Insurance. Each Unit owner shall, at his own expense, obtain insurance for his own Unit and for his own benefit and to obtain insurance coverage upon his personal property and for his personal liability as well as upon any improvements made by him to his Unit. All such policies shall contain waivers of subrogation.

Section 9.3. Intentionally Deleted.

Section 9.4. Liability Insurance. The Executive Board shall obtain and maintain as a Common Expense comprehensive general public liability insurance (including medical payments insurance) and property damage insurance in such limits as the Board may from time to time determine, insuring each Executive Board member, the managing agent, each Unit Owner and the Declarant against any liability to the public or other Unit Owners, their tenants, invitees, agents and employees, covering all occurrences commonly insured against for death, bodily injury or property damage, relating in any way to the use and/or ownership of the Common Elements, public ways and any other areas under the supervision of the Association or any part thereof. Such insurance shall be issued on a comprehensive liability basis and shall contain (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; and (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. The Executive Board shall review such limits once each year, but in no event shall such insurance be less than one million dollars (\$1,000,000.00) covering all claims for bodily injury or property damage arising out of one occurrence.

Section 9.5. Other Insurance. The Association may obtain such other insurance as it deems reasonable or necessary as a Common Expense:

Section 9.6. Proof of Insurance and Notice of Cancellation. With respect to the insurance required by Section 9.4, such insurers issuing the policy may not cancel (including cancellation for non-payment of premium), substantially modify or refuse to renew such policy or policies until twenty (20) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, the managing agent, each Unit Owner and each Mortgagee to whom a certificate or memorandum of insurance has been issued at their respective last known addresses. All policies under Sections 9.2 and 9.4 shall, in addition, contain the following provisions:

(a) The insurer waives any right to claim by way of subrogation against the Declarant, the Association, the Executive Board, the managing agent or the Unit Owners, and their respective agents, employees, guests and, in the case of the Unit Owners, the members of their households.

(b) The Declarant, so long as Declarant shall own any Unit, shall be protected by all such policies as a Unit Owner.

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

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

(e) 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.

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

(g) The insurer must hold (1) a rating of Class VI or better by Best's Insurance Reports, or (2) an equivalent or comparable rating by an equivalent rating bureau should Best's Insurance Reports cease to be issued or (3) an equivalent or comparable rating from Lloyd's of London.

ARTICLE X AMENDMENTS

Section 10.1. Amendment Under the Act. Except in the case of amendments to this Declaration that may be executed and recorded by the Declarant pursuant to the provisions of this Declaration granting the Declarant the right to unilaterally amend the same, and except in cases of amendments to this Declaration that may be unilaterally executed and recorded by the Association as described in Section 1601-107, Eminent Domain, 1602-108(c), Allocation of Limited Common Elements, 1602-112(a), Amendment of Declaration, of the Act, and except in cases of amendments to this Declaration that may be agreed upon by certain Unit Owners, as described in Section 1602-108(b), Reallocation of Limited Common Elements, 1602-112(a), Relocation of Boundaries Between Adjoining Units, 1602-113(b), Subdivision of Units, or 1602-118(b) of the Act, and subject to the other provisions of this Declaration and of the Act, this Declaration, the Plats and the Plans may be amended as hereinafter set forth.

Section 10.2. Amendment 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.

Section 10.3. Amendment After First Conveyance. After the first conveyance of a Unit by a Declarant as contemplated in the preceding Section, the terms of the following subsections shall apply to the amendment of this Declaration:

(a) Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting of the Executive Board or Association in which a proposed amendment is considered, and shall be served upon all Unit owners and upon all Eligible Insurers and Eligible Mortgage Holders.

(b) Resolution. An amendment may be proposed by either the Executive Board or by Unit Owners holding in the aggregate no less than twenty (20%) percent of the votes in the Association. No resolution of the Executive Board adopting a proposed amendment, or the proposed amendment itself, shall be effective unless it has been adopted at a meeting of the Association duly called and held in accordance with the Bylaws by the affirmative vote of at least sixty-seven (67%) percent in voting interest of the Unit Owners and then executed and recorded as provided in Subsection 10.3(e).

(c) Agreement. In the alternative, an amendment may be made by an agreement signed by the record Owners of Units to which are allocated 100% of the Votes in the Association 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 certified and recorded as provided in Subsection 10.3(e).

(d) Proviso. Provided, however, that 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 Eligible Mortgage Holders of Mortgages on Units to which at least two-thirds of the votes in the Association are allocated. 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. No amendment of Section 2.11 of this Declaration may be made without the prior written approval of the City of Saco Planning Department.

(e) 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 by the Bylaws. The amendment shall be effective when such certificate and copy of the amendment are recorded.

(f) 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.

ARTICLE XI
TERMINATION OF CONDOMINIUM

Section 11.1. Termination. The Condominium shall not be terminated except as provided in Section 1602-118 of the Act, by agreement of Unit Owners of Units to which at least eighty (80%) percent of the Votes in the Association are allocated and of Eligible Mortgage Holders holding of record Mortgages on Units to which are allocated those percentages of the votes in the Association as more particularly provided in Subsections 8.3(b)-(d). Termination provided for in Section 1602-118 of the Act shall not bar the subsequent recreation of the Condominium or another condominium with respect to the Property.

ARTICLE XII
APPLICABILITY; COMPLIANCE; EMINENT DOMAIN

Section 12.1. Applicability. All present and future Owners and tenants, their guests, licensees, servants, agents, employees and any other person or persons that shall be permitted to use a Unit or the Common Elements shall be subject to this Declaration, the Bylaws and to such Rules and Regulations as may be issued by the Executive Board 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 (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) or the acceptance of a deed or conveyance (other than as security) or the entering into of a lease or occupancy of any Unit shall signify that the provisions of this Declaration and the Bylaws, 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, conveyance or lease thereof.

Section 12.2. Compliance. Unit Owners shall comply with the provisions of the Declaration and, upon the failure to so comply, shall be subject to enforcement procedures as outlined herein.

(a) Each Unit Owner shall be governed by and shall comply strictly with the terms, covenants, conditions and restriction of this Declaration, Bylaws, and the Rules and Regulations adopted pursuant thereto, and the same as they may be amended from time to time.

(b) The Executive Board and committees appointed by the Executive Board in accordance with the Bylaws shall have the power to adopt, amend and enforce compliance with, such reasonable Rules and Regulations 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.

(c) Failure by a Unit Owner to comply with the terms of this Declaration, the Bylaws and the Rules and Regulations adopted pursuant thereto, as the same may be amended from time to time, shall entitle the Executive Board or a committee appointed by the Executive Board to (1) sue for the recovery of damages, or (2) sue for injunctive relief, or (3) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Executive Board shall not thereby be deemed guilty in any manner of trespass, provided, however, that the Executive Board or such committee must institute appropriate judicial proceedings before they may alter or demolish any items of construction, or (4) any two or more of the foregoing. Such relief shall not be exclusive of other remedies provided by law. 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 Executive Board or such committee, if the prevailing party, shall be entitled to recover the costs of the proceeding and reasonable attorney's fees.

(d) The failure of the Executive Board, or any committee appointed by the Executive Board, to enforce any covenant, restriction or other provision of the Act, the Condominium Documents or the Rules and Regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

Section 12.3. Eminent Domain. If all or part of the Common Elements shall be taken or condemned by any authority having the power of eminent domain, the Association shall notify the Owners and Eligible Mortgage Holders of the Units affected and shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority, and the award shall be paid to the Association for the use and benefit of the Unit Owners and their Mortgagees as their interest may appear. The Association shall divide any portion of the award not used for any restoration or repair among the Unit owners and their Mortgagees, as their interest may appear, in proportion to their Allocated 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 and their Mortgagees, as their interests may appear. Each Unit Owner appoints the Association as attorney-in-fact for the purposes described in this Section. Notwithstanding anything to the contrary in this Section, lien holders on any Unit, Common Element or Limited Common Elements, shall have a lien on any such awards in order of priority of their respective liens.

ARTICLE XIII LIMITATION OF LIABILITY

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

(a) shall not be liable for the failure of any service to be obtained by the Executive Board and paid for by the Association, or for injury or damage to persons or property caused by the elements or by another 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 unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or the Executive Board;

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

(c) shall have no personal liability in contract to 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;

(d) shall not be liable to a Unit Owner, or such Unit Owner's tenants, employees, agents, customers or guests, for loss or damage caused by theft of or damage to personal property left by such Unit Owner or his tenants, employees, agents, customers or guests in a Unit, or in or on the Common Elements or Limited Common Elements, except for the Executive Board members' own willful misconduct or gross negligence;

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

(f) shall have no personal liability arising out of the use, misuse or condition of the Buildings, or which might in any other way be assessed against or imputed to the Executive Board's members as a result of or by virtue of their performance of their duties, except for the Executive Board member's own willful misconduct or gross negligence.

Section 13.2. Indemnification. Each member of the Executive Board, in his capacity as an Executive Board member, officer or both, shall be indemnified by the Association against all expenses and liabilities, including 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 of 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, 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 Section 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.

Section 13.3. Defense of Claims. Complaints brought against the Association, the Executive Board or the officers, Employees or agents thereof in their respective capacities as such, or the Condominium as a whole, shall be directed to the Executive Board of the Association, which shall promptly give written notice thereof to the Unit Owners and the Eligible Mortgage Holders and the Mortgagees of Units, 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 XIV MISCELLANEOUS

Section 14.1. No Obligation to Complete. Nothing contained in this Declaration or the Plats and Plans do, or shall be deemed to, impose upon the Declarant, or any successor Declarant, any liability or obligation to build, construct or provide any Buildings, amenities or other improvements to the Property except to the extent required by the Act.

Section 14.2. Captions. The headings in this Declaration are for purposes of reference only and shall not limit or otherwise affect the meaning hereof. Any tables of contents or indices are attached to this Declaration for purposes of reference and convenience only and shall neither limit nor otherwise affect the meaning hereof nor be deemed as part of this Declaration. References in this Declaration to Articles, Sections, Subsections and Schedules without references to the document in which they are contained are references to this Declaration. Schedules are attached to and incorporated by reference into this Declaration and are an integral part of this Declaration. Any Exhibits are attached to this Declaration for purposes of identification only and shall not for any purposes or reasons be deemed as part of this Declaration.

Section 14.3. Gender, Number, etc. The use of the singular number in this Declaration shall be deemed to include the plural, the plural the singular, and the use of any one gender shall be deemed applicable to all gender.


Section 14.4. Severability. The invalidity of any provisions of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event, 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.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed on the 30th day of May, 2024.

Witness:

SIERRA CONSTRUCTION, INC.



by: 
Gary H. Salamacha, Its President

STATE OF MAINE
YORK, ss.

May 30, 2024

Personally appeared Gary H. Salamacha in his capacity as President of Sierra Construction, Inc., and acknowledged the foregoing instrument to be his free act and deed in his said capacity, and the free act and deed of the Corporation.



Notary Public/ Attorney at Law

BSA 5295

Print Name:

Paul D. Weinstein

My commission expires:

EXHIBIT A

A certain lot or parcel of land, together with any improvements thereon, in the City of Saco, County of York and State of Maine, situated on the northerly side of the Old Orchard Road, bounded and described as follows:

Beginning on said road at the easterly corner of land formerly of J.H. Holman; thence running northerly by said land of Holman 200 feet; thence westerly by said land of Holman 100 feet to land formerly of W.F. Linnell; thence northwesterly by said land of Linnell to land formerly of E.C. Luques; thence northeasterly by said land of Luques to land now or formerly of the Boston & Maine Railroad; thence southeasterly by said Railroad land to land formerly of Frank H. Marshall, later of Smith; thence southwesterly to a point 200 feet distant from the Old Orchard Road; thence southerly by said land of Smith 200 feet to said Old Orchard Road; thence westerly by said Old Orchard Road 100 feet, more or less, to the point of beginning. Containing 7 acres, more or less.

Being the same premises conveyed to Sierra Construction, Inc., by warranty deed of Orchard Ridge Developers, LLC, dated May 14, 2004, and recorded in the York County Registry of Deeds in Book 14089, Page 300.

Another certain lot or parcel of land, together with any improvements thereon, situated on Glenwood Avenue in Beach Street Park, so-called in said City of Saco, and being Lot 139 as shown on plan of Libby & Johnson dated June, 1920, and recorded in said Registry of Deeds in Plan Book 8, Page 37.

Being the same premises conveyed to Sierra Construction, Inc., by warranty deed of Blunt Construction, Inc., dated September 15, 2004, and recorded in said Registry of Deeds in Book 14239, Page 854.

The above-described premises is subject to the following:

1. Easement from Lily Burnham and Laurier Burnham to the City of Saco, dated June 16, 1971, and recorded in said Registry in Book 1911, Page 555;
2. Maintenance Agreement for Stormwater Management Facilities, dated January 9, 2023, and recorded in said Registry of Deeds in Book 19193, Page 65;
3. Easement given by Sierra Construction, Inc. to Central Maine Power Company, dated October 30, 2023, and recorded in said Registry of Deeds in Book 19345, Page 157;
4. Easements, notes, terms, restrictions and other matters shown on plan entitled "Final Subdivision Plan, Heritage Woods, 50 Old Orchard Road, Saco, Maine", dated June 15, 2021, with revisions through November 14, 2022, and recorded in said Registry of Deeds in Plan Book 428, Page 9; and
5. Easement Deed given by Sierra Construction, Inc. to Wayne M. Ciullo and Elizabeth S. Ciullo, dated March 8, 2024, and recorded in said Registry of Deeds in Book 19399, Page 422.

EXHIBIT B
HERITAGE WAY CONDOMINIUM
PERCENTAGE INTEREST

One Unit

	Common Element Interest	<u>Vote</u>
Unit 1	100%	1

Note: If the Declarant exercises its Development Rights, and additional Units are declared, the Common Element Interest of each Unit would be reduced to reflect the addition of such Unit or Units. For example, if two additional Units are declared, the Percentage Interest and Common Element Interest of Unit 1 would change from 100% to 1/3rd, and, then, if all twenty-two Units are declared, the Percentage Interest and Common Element Interest of each Unit be as follows:

HERITAGE WAY CONDOMINIUMS
PERCENTAGE INTEREST

	Common Element Interest	<u>Vote</u>
Unit 1	1/22 nd	1
Unit 2	1/22 nd	1
Unit 3	1/22 nd	1
Unit 4	1/22 nd	1
Unit 5	1/22 nd	1
Unit 6	1/22 nd	1
Unit 7	1/22 nd	1
Unit 8	1/22 nd	1
Unit 9	1/22 nd	1
Unit 10	1/22 nd	1
Unit 11	1/22 nd	1
Unit 12	1/22 nd	1
Unit 13	1/22 nd	1
Unit 14	1/22 nd	1
Unit 15	1/22 nd	1
Unit 16	1/22 nd	1
Unit 17	1/22 nd	1
Unit 19	1/22 nd	1
Unit 20	1/22 nd	1
Unit 21	1/22 nd	1
Unit 22	1/22 nd	1

EXHIBIT C
[reduced copies of plats and plans]

Poor Original

MANCHESTER II
FIRST FLOOR PLAN

MANCHESTER II
SECOND FLOOR PLAN

MANCHESTER II
CROSS SECTION

MANCHESTER
CROSS SECTION

MANCHESTER II
CROSS SECTION

MANCHESTER
CROSS SECTION

MANCHESTER II
CROSS SECTION

REVISIONS
DATE
BY
DESCRIPTION

DATE
BY
DESCRIPTION

PAUL P. GADBOIS
ENGINEERING SURVEYING
LAND PLANNING
P.O. BOX 327, SACO, MAINE 04072
(207) 753-3440

CONDOMINIUM PLAT
HERITAGE WOODS
50 OLD ORCHARD ROAD
SCAO, MAINE 04072

RECORD OWNER
SIERRA CONSTRUCTION INC.
P.O. BOX 148
OLD ORCHARD BEACH, MAINE 04064

APP. P.P.
CHECKED P.P.
SCALE 1" = 6'
FIELD BOOK
DATE 03-11-2024
JOB NO. 1474
SHEET 2 OF 3

Poor-Original



FIRST FLOOR PLAN

SECOND FLOOR PLAN

APRIL CROSS SECTION

MAY CROSS SECTION

HERITAGE WOODS

APRIL CROSS SECTION

MAY CROSS SECTION

MANCHESTER CROSS SECTION

As Shown

PPG
1997

PAUL P. GADBOIS
ENGINEERING SURVEYING
LAND PLANNING
P.O. BOX 337, Saco, MAINE 04072
(207) 283-3900

CONDOMINIUM PLAT
HERITAGE WOODS
50 OLD ORCHARD ROAD
SCAO, MAINE 04072

RECORD OWNER
SIERRA CONSTRUCTION INC.
P.O. BOX 148
OLD ORCHARD BEACH, MAINE 04064

DRAWN BY: P.P.G.
CHECKED BY: P.P.G.
SCALE: 1" = 6'
FIELD BOOK:
DATE: 03-11-2004
JOB NO: 1424
SHEET: 3 OF 3