

EXHIBIT B

**DECLARATION OF CONDOMINIUM
WINFIELD COMMONS**

**PERCENTAGE INTERESTS IN COMMON ELEMENTS AND
PERCENTAGE OF COMMON EXPENSE LIABILITY**

UNIT #	Unit Percentage <u>Interest</u>	<u>Vote</u>
1	6.67 %	1
3	6.67 %	1
4	6.67 %	1
5	6.67 %	1
6	6.67 %	1
7	6.67 %	1
8	6.67 %	1
9	6.67 %	1
10	6.67 %	1
11	6.67 %	1
12	6.67 %	1
13	6.67 %	1
14	6.67 %	1
15	6.67 %	1
16	6.67 %	1

A Unit's Percentage Interest and percentage of Common Expense liability shall be determined by dividing 100 by the number of Units.

G:\Doug\NorthStreet-Winfield Commons\Condo docs - Winfield Commons\Declaration Exhibit B - revised to include units 1 and 16.doc

End of Document


3PG → North Street Development
P.O. Box 10715
Portland, ME 04104

BUDGET**WINFIELD COMMONS**

The Declarant based on the best estimates available to it has prepared this projected budget based on sixteen (16) units. Because the condominium is new and there is no history of operating expenses and that the Association has no significant assets or liabilities, it is impossible to project with assurance the exact future costs. A replacement reserve is included in the budget. The Declarant provides no special services nor incurs any special expenses on behalf of the unit owners that are anticipated to become common expenses. Until real estate taxes will be billed directly to unit owners by the City of Saco, the Declarant may bill owners for their proportionate share of taxes assessed against the Condominium as a whole. This item is not included in the Association Budget. Furthermore, the monthly fee initially assessed to each unit may vary in accordance with Sections 14.2 and 14.4 of the Declaration.

Proposed Budget (2005)

Per year based on Sixteen (16) Units

Landscaping	<u>\$2,000</u>
Plowing	<u>\$2,000</u>
Insurance on common areas	<u>\$10,000</u> 
Maintenance	<u>\$5,000</u>
Capital Reserves	<u>\$10,000</u>
Common Utilities	<u>\$1,500</u>
Trash Removal	<u>\$1,500</u>
Administration/Management Fee	<u>\$1,000</u>

Total year ~~\$25,500~~

\$33,000/16 Units / 12 months = \$172.00 per month per unit

BYLAWS
of
WINFIELD COMMONS CONDOMINIUM ASSOCIATION
North Street, Saco, Maine

ARTICLE 1
INTRODUCTORY PROVISIONS

Section 1.1. Applicability. These Bylaws ("Bylaws") shall relate solely to the property called Winfield Commons, located at North Street, Saco, Maine (the "**Property**"), more fully described in the Declaration of Condominium dated November ____, 2005, and the Plats and Plans attached thereto (collectively, the "**Declaration**"), recorded in the York County Registry of Deeds.

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

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

Section 1.4. Name and Office. The name of the Condominium is "Winfield Commons". The address of the Condominium is 236 North Street, Saco, Maine. The name of the Condominium association is the "Winfield Commons Condominium Association" (the "**Association**") and its address is 236 North Street, Saco, Maine. The office of the Condominium and the Association and the Executive Board shall be located at the Property or at such other place as may be designated from time to time by the Executive Board.

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

ARTICLE 2
THE ASSOCIATION

Section 2.1. Membership. The Association is a Maine limited liability company, all the members of which are the owners of Units in the Property. The Declarant, being the initial owner of all Units, initially shall constitute all of the members of the Association. A person shall automatically become a member of the Association at the time he records the legal title instrument to his Unit in the York County Registry of Deeds, and he shall continue to be a member so long as he continues to hold title to such Unit. An Owner shall not be permitted to resign from membership in the Association prior to the time when he transfers title to his Unit to another. No membership may be transferred in any way except as appurtenant to the transfer of title to the Unit to which that membership pertains. Transfer of membership shall be automatic upon recordation of transfer of title, but the Association may treat the prior Owner as the member for all purposes until satisfactory evidence of the recording of the instrument transferring title shall be presented to the Secretary of the Executive Board. The date of recordation of an instrument of conveyance in the York County Registry of Deeds shall be determinative of all disputes concerning the date of transfer of title to any Unit or Units. A mortgage conveyance of any Unit,

however, shall not operate to transfer membership until the mortgage is foreclosed or the Unit sold in lieu of foreclosure.

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

(a) Annual Meetings.

(1) Owners shall hold Annual Meetings for the purposes stated in Section 2.2. (a) (2) hereof (the "Annual Meeting"). The Annual Meeting of the Owners shall be held on the first Saturday in December of each year, unless otherwise determined by the Association, and shall take place at the Property or at such locations as may be determined by the Association.

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

(b) Special Meetings.

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

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

(c) Notice. Notices to Owners of meetings of the Association or meetings of the Executive Board which Owners who are not Executive Board members are entitled or invited to attend pursuant to Section 3.3. (e) hereof shall be delivered either: (1) by hand; (2) by prepaid U.S. mail to the mailing address designated in writing by the Owner to the Managing Agent

or, in the absence of a Managing Agent, the Executive Board; or (3) by verifiable electronic mail to an address designated in writing for such purpose by the Owner to the Managing Agent or, in the absence of a Managing Agent, the Executive Board. If a notice sent to Owners pursuant to the foregoing sentence includes an item on the proposed agenda which would require the approval of Eligible Mortgage Holders pursuant to Section 15.2 of the Declaration, a copy of such notice will also be sent to the Eligible Mortgage Holders. All such notices shall be delivered to all Owners (and Eligible Mortgage Holders, if applicable) not less than ten (10) nor more than sixty (60) days in advance of the date of the meeting to which the notice relates and shall state the date, time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws. The Secretary of the Executive Board shall cause all such notices to be delivered as aforesaid. Notice sent by mail shall be deemed to have been delivered on the second day after the date of mailing, in the case of notices by mail or electronic mail, or the date of deposit in the Owner's (or if applicable, in the Eligible Mortgage Holder's) mailbox in the case of hand delivery. No subject may be dealt with at any Annual Meeting or special meeting of the Association, unless the notice for such meeting stated that such subject would be discussed at such meeting.

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

(e) Voting.

(i) Each Unit shall vote in accordance with **Exhibit B** attached to the Declaration, and each Owner shall be entitled to cast the such vote allocated to his Unit as set forth in the Declaration. When the ownership of a Unit is in more than one person, the person who shall be entitled to cast the vote of such Unit shall be the person owning such Unit who is present. If more than one person owning such Unit is present, than such vote shall be cast only in accordance with the majority in interest of the Owners pursuant to Section 1603-110 of the Condominium Act. There shall be deemed to be majority agreement if any one of the multiple Owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Unit. Subject to the requirement of the Condominium Act, wherever the approval or disapproval of an Owner is required by the Condominium Act, the Declaration or these Bylaws, such approval or disapproval shall be made only by the person who would be entitled to cast the vote of such Unit at any meeting of the Association.

(ii) Except with respect to the election of members of the Executive Board and except where a greater number is required by the Condominium Act, the Declaration or by these Bylaws, the approval of the Owners to which more than fifty percent (50%) of the aggregate votes in the Condominium are allocated voting in person or by proxy at one time at a duly convened meeting at which a quorum is present (50% of quorum) is required to adopt decisions at any meeting of the Association. In all elections for Executive Board members, each Owner shall be entitled to cast for each vacancy to be filled at such election the number of votes allocated to the Unit or Units owned by such Owner. Those candidates for election receiving the greatest number of votes cast in such elections shall be elected. If the Declarant owns or holds title to one or more Units, the Declarant

shall have the right at any meeting of the Association to cast the votes to which such Unit or Unit owned by the Association may be cast. There shall be no cumulative or class voting or splitting of votes.

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

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

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

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

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

ARTICLE 3

EXECUTIVE BOARD

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

Section 3.2. Election and Term of Office.

(a) At the Annual Meeting of the Association, subject to Section 12.1 of the Declaration, the election of members of the Executive Board whose terms have expired shall be held. The term of office of any Executive Board member to be elected (except as may be set forth in Section 2.2. (b) (2), and Section 3.5. hereof) shall be fixed at one (1) year. The members of the Executive Board shall hold office until the earlier to occur of the election of their

respective successors or their death, adjudication of incompetency, removal or resignation. An Executive Board member may serve an unlimited number of terms and may succeed himself.

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

- (1) Any Owner may submit to the Secretary at least thirty (30) days before the meeting at which the election is to be held a nominating petition signed by Owners to which at least twenty percent 20% of the votes in the Association are allocated, together with the statement that the person nominated is willing to serve on the Executive Board and a biographical sketch of the nominee. The Secretary shall mail or hand deliver copies of the submitted items to every Owner together with the notice of such meeting; and
- (2) Nominations may be submitted from the floor at a meeting at which the election is held for each vacancy on the Executive Board for which no more than one person has been nominated by petition.

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

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

- (1) In any event, the Executive Board shall meet at least three (3) times each fiscal year (in addition to the annual meeting of the Executive Board), unless all members of the Executive Board shall waive such requirements as to a particular meeting or meetings;
- (2) The first such Executive Board meeting shall be held promptly after the date on which the Declaration is recorded;
- (3) There shall be a meeting of the Executive Board on or before the first day of the eleventh month of each fiscal year for the purpose of adopting the budget of the Association for the next following fiscal year of the Association; and

(4)

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

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

(b)

Notice. Not less than forty-eight (48)

hours prior to the time of any Executive Board meeting, a written notice stating the date, time and place of such meeting shall be delivered, in the same manner provided in Section 2.2(c) for Association meeting notices, to each Executive Board member at the address given to the Executive Board by such Executive Board member for such purpose. Any Executive Board member may waive notice of a meeting or consent to any action of the Executive Board without a meeting. An Executive Board member's attendance at a meeting shall constitute his waiver of notice of such meeting.

(c)

Quorum of the Executive Board. At

all meetings of the Executive Board a majority of the members shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute a decision of the Executive Board. If at any meeting of the Executive Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Executive Board may participate in and be counted for quorum purposes at any meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

(d)

Voting. Each Executive Board

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

(e)

Organization. Executive Board

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

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

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

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

Section 3.5. Vacancies. Any vacancy or vacancies on the Executive Board, whether caused by resignation, removal, death, adjudication of, incompetency, or an increase in size of the Executive Board, shall be filled by the Executive Board with an interim appointee who shall serve until the next Annual Meeting of the Association at which time such vacancy may be filled by the vote of the Owners to which more than fifty percent (50%) of the votes in the Association are allocated voting in person or by proxy at any one time at a duly conveyed meeting at which a quorum is present (50 % of quorum), provided, however, that the Declarant shall have the right to fill any vacancy created by the resignation, death, or adjudication of, incompetency of a member who had been appointed by the Declarant and had not been elected by the Owners. If the vacancy results from removal by the Association, the election of a new member or members may be held at the same meeting where such removal takes place and notice of a petition for removal shall be considered notice of an election to fill each vacancy so caused. The vote of Owners to which more than fifty percent (50%) of the votes present at such meeting in person or by proxy (50% of Quorum) shall cause the postponement of the election to a later date, but if such vacancy is not filled within sixty (60) days after it occurs, the Executive Board shall promptly thereafter elect a replacement.

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

Section 3.7. Validity of Contracts with Interested Executive Board Members. No contract or other transaction between the Association and one or more of its Executive Board members or between the Association and any corporation, firm or association in which one or more of the Executive

Board members are directors or officers, or are financially interested, shall be void or voidable because such Executive Board member or members are present at any meeting of the Executive Board which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

- (a) The fact that an Executive Board member is also such a director or officer or has such financial interest is disclosed or known to the Executive Board and is noted in the minutes thereof, and the Executive Board authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Executive Board Member or members; or
- (b) The contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved or ratified.

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

Section 3.9. Powers of the Executive Board.

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

(b) Limitation. Nothing in this Section or elsewhere in these Bylaws shall be considered to grant to the Executive Board or to the officers of the Association any powers or duties which, by law, are possessed by Owners. Unless otherwise provided herein or in the Condominium Act or in the Declaration, the Executive Board, unless under the period of Declarant control pursuant to Section 12.1 of the Declaration, shall comply with the instructions of Owners to which more than two-thirds (2/3) of the votes in the Association are allocated present in person or by proxy, as expressed in the resolution duly adopted at any Annual or special meeting of the Owners.

(c) Delegation of Powers; Managing Agent. The Executive Board may employ for the Condominium a Managing Agent at a compensation established by the Executive Board. The Managing Agent shall perform such duties and services as the Executive Board shall authorize, including, but not limited to all of the duties listed in the Declaration and these Bylaws; provided, however, where a Managing Agent does not have the power to act under the Declaration or these Bylaws, the Managing Agent may act as an advisor or in an advisory capacity to the Executive Board. The Executive Board may delegate to the Managing Agent all of the powers granted to the Executive Board by the Condominium Act, the Declaration and these Bylaws other than the following powers: (i) to adopt an annual budget and any amendment thereto or to assess Common Expenses; (ii) to designate repeal or amend rules and regulations; (iii) to designate signatories on Association bank accounts; (iv) to borrow money on behalf of the Association; (v) to acquire mortgages on Units; and (vi) to assign Common Elements as Limited Common Elements. Any contract with the Managing Agent must provide that it shall be cancelable by either party without cause and without a termination fee upon

not less than sixty (60) days nor more than ninety (90) days written notice and shall be cancelable by the Executive Board with cause upon not less than thirty (30) days written notice. Any such contract negotiated by the Declarant shall meet all requirements of this Section 3.9. (c) for contracts negotiated by the Association and shall not exceed one year but may be renewed upon consent of the Association.

ARTICLE 4

OFFICERS

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

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

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

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

(c) **Treasurer.** Unless otherwise determined by the Executive Board, the Treasurer shall have the charge and custody of, and be responsible for, all funds and securities of the Association, shall deposit or cause to be deposited all such funds in depositories as the Executive Board may direct, shall keep or cause to be kept correct and complete accounts and records of all financial transactions of the Association

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

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

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

Section 4.5. Vacancies. Vacancies caused by resignation or removal of officers or the creation of new officers may be filled by a majority vote of the Executive Board members, if the vacancy resulted from action of the Executive Board. If, however, the vacancy resulted from action by the Association, such vacancy shall be filled in the same manner as set forth in Section 3.5. hereof for filling Executive Board vacancies.

ARTICLE 5

COMMON EXPENSES; BUDGETS

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

Section 5.2. Preparation and Approval of Budget.

(a) **Adoption.** On or before the first day of December of each year (or sixty (60) days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall adopt an annual budget for the Association containing an estimate of the total

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

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

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

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

Section 5.3. Assessment and Payment of Common Expenses.

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

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

promptly against the Owners in equal shares and shall be payable as a Special Assessment, in such manner as the Executive Board may determine.

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

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

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

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

Section 5.7. Accounts; Audits. All sums collected by the Executive Board with respect to assessments against the Owners or from any other source may be commingled into a single fund, except that the portion of the assessment allocated to property taxes, for both real and personal property, shall be deposited and maintained in an escrow account pursuant to 33 M.R.S.A. §593(5). All books and records of the Association shall be kept in accordance with good and accepted accounting practices and the same shall be audited at least once each year by an independent accountant retained by the Executive Board. The Association shall make an audited statement for the preceding fiscal year available to any holder, insurer or guarantor of a first Mortgage secured by a Unit who submits a written request therefor to the Association.

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

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

ARTICLE 6

REPAIR OR RECONSTRUCTION

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

ARTICLE 7

AMENDMENTS TO BYLAWS; NOTICE RIGHTS OF MORTGAGE HOLDERS, INSURERS, GUARANTORS

Section 7.1. General Requirements; Consent of Declarant or Holders or Mortgages; Curative Amendments to Bylaws. Except as otherwise provided in any one or more of these Bylaws, the Declaration or the Condominium Act, these Bylaws may not be amended during Declarant's period of control pursuant to the Declaration unless it consents to said amendment. If the Declarant consents, then the Bylaws may be amended by the vote of the Owners entitled to cast a majority of the votes in the Association, cast in person or by proxy at a meeting duly held in accordance with the provisions of these Bylaws; provided, however that if such amendment shall make any change which would have a material effect upon any rights, privileges, powers and options of the Declarant, such amendment shall require the joinder of the Declarant; and further provided that no amendment seeking (i) to abandon, encumber, sell or transfer any portion of the Common Elements, or (ii) to abandon or terminate the condominium form of ownership of the Property except as otherwise provided in the Declaration, shall be effective without the prior written approval of all Mortgagees holding mortgages and all holders of Land Installment Contracts encumbering the Units. Notwithstanding the foregoing, amendments of a material nature must be approved by Owners entitled to cast at least sixty-seven percent (67%) of the total allocated votes in the Association and by Eligible Mortgage Holders representing at least fifty-one percent (51%) of the votes of Units subject to mortgages held by Eligible Mortgage Holders. A change to any of the following, except where such change may be effected by the Declarant, the Association or certain Owners under the Declaration or the Condominium Act, would be considered material:

- (a) voting rights;
- (b) assessments, assessment liens, or subordination of assessment liens;
- (c) reserves for maintenance, repair and replacement of Common Elements;

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

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

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

Section 7.3. Notice Rights of Mortgage Holders, Insurers, Guarantors.

(a) Notice. The Association shall send timely prior written notice by prepaid United States mail to holders, insurers, and guarantors of the mortgage on any Unit of the following matters:

- (i) any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing the mortgage;
- (ii) any sixty (60) day delinquency in the payment of assessments or other charges owed by the Owner of any Unit securing the mortgage;
- (iii) a lapse, cancellation, or material modification of any insurance policy maintained by the Association; and
- (iv) any proposed action that requires the consent of fifty one percent (51%) of the Eligible Mortgage Holders.

(b) Request for Notice Required. To receive the written notice provided in this Section 7.3, the mortgage holder, insurer, or guarantor shall send a written request for this information to

the Association, stating both its name and address and the Unit number or address of the Unit on which it holds, insures, or guarantees the mortgage.

ARTICLE 8

GENERAL PROVISIONS

Section 8.1. Severability. The provisions of these Bylaws shall be deemed independent and severable and the invalidity, partial invalidity or unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision or portion thereof unless the deletion of such invalid or unenforceable provision shall destroy the uniform plan for development and operation of the Property which the Declaration and these Bylaws are intended to create.

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

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

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

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

ARTICLE 9

CORPORATE SEAL

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

RULES AND REGULATIONS

WINFIELD COMMONS **236 North Street, Saco, Maine**

Winfield Commons (the "**Condominium**") is a private condominium located at 236 North Street, Saco, Maine, consisting of Thirteen (13) condominium units. The Condominium takes pride in being a quiet, safe and enjoyable place to live, where maintenance of facilities and grounds is a high priority and where the concept of condominium ownership works well.

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

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

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

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

for workdays, working on special committees, serving on the Board, and meeting your financial obligations.

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

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

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

1. **Common Expenses.** The Association shall be responsible for the payment of all common expenses which shall include, without limitation, any expenses for the maintenance, repair, renovation, alteration, improvement or replacement of the following:

(a) Grounds. The land, lawns, trees, any forested areas, signage, parking spaces as identified on the Plats and Plans, any common facilities or storage buildings, and any private roads or driveways as shown on the Plats and Plans.

(b) Systems & Utilities. Sewer Pump Station, if any, and Sanitary sewer to each unit, if any, electric distribution to each unit meter, water distribution to each unit master valve, storm and unit drainage system, water lines servicing more than one unit (in foundation, basement, and exterior walls), sewer lines up to unit outlet (in foundation, basement, and exterior walls), electrical wiring from meter and serving more than one unit (in foundation and exterior walls), master electrical panel, laundry piping and valves, life safety equipment (excluding smoke detectors).

(c) Interior Structure & Fixtures. Interior sub flooring (sub floor sheathing and wood, and sub floor concrete); and

(d) Exterior Structure & Fixtures. Roofing (all roof framing and covering), chimneys and flues, exterior walls (framing, insulation, sheathing, and clapboards, including unit party walls), studs, joists, any load bearing portions of the buildings, shutters, attic structural elements (framing, floor, and insulation), foundation walls, all floor slabs, garage slab floors, if any, exterior foundation drains, interior foundation drains, front and rear steps and railings, sun rooms (roofing, walls, foundation, if any), and dormers (roofing and walls, if any, but excluding new dormer construction).

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

2. Unit Expenses. Common expenses shall not include Unit Expenses. Each member shall be individually responsible for the payment of all Unit Expenses for the unit owned by each respective member, which shall include, without limitation, any expenses in connection with the maintenance, repair, renovation, alteration, improvement or replacement of the following:

(a) Systems & Utilities. Pipes, lines, cables and wires serving one individual unit including all valves, junction boxes and any other related components; i.e. water lines inside of unit master valve located in both interior and exterior walls and in floors; sewer lines inside of unit outlet located in both interior walls and exterior walls and in floors; electrical wiring inside of electric meter, located in both interior and exterior walls and ceilings and in floors; master electric circuit breaker; interior television cable including incoming service terminal; interior telephone lines including incoming service terminal; heating units, oil tanks and fuel, furnaces, propane tanks and fuel, and related pipes and fixtures serving an individual unit; internal water shutoff valves; smoke detectors; security alarms; unit dryer venting systems including piping and vents; kitchen exhaust fans; and bathroom exhaust fans;

(b) Interior Structure & Fixtures. Sheetrock on all *interior* walls; framing, and insulation; interior first floor sub-floor sheathing; interior upper floor sub floor sheathing; stair framing for any stair units; interior moldings and trim; interior doors; stair trim; wall and ceiling coverings (paint, wallpaper, furring, gypsum board and other finishing surfaces); floor coverings (carpeting and other finished flooring material including padding and additional sub-flooring); stair coverings; kitchen cabinets; built-in cabinets or fixtures; bathroom fixtures (tub, shower unit, sink, vanity and toilets); and light fixtures.

(c) Exterior Structure & Fixtures. Exterior unit doors (front, kitchen, garage, and patio doors); storm/screen doors; window and door glass; window, door and skylight frames, screens, thresholds and sills; decks (all components); building mounted light fixtures; sun room doors and windows; dormer windows; and individual mailboxes.

(d) The unit owner is liable for all damages to the common elements of the building and to damage to personal property of other unit owners caused by failure to properly maintain the above systems, utilities, structures and fixtures which are the unit owner's responsibility.

3. Right To Peaceful Enjoyment By All Unit Owners.

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

4. Guests.

(a) While visiting the Condominium, guests of unit owners shall abide by all aspects of these Rules and Regulations.

(b) Unit owners are responsible for making their guests aware of these Rules and Regulations and assuring their compliance.

5. Board Approval and Notification.

(a) Except as otherwise allowed by the Declaration for minor alterations or renovations, all unit owners are required to obtain written approval by the Executive Board before undertaking any project involving additions (temporary or permanent), and alterations to their unit's interior, the limited common areas attached to their unit, and the structure of which their unit is a part. The Board shall grant approvals based on a review of a *written, detailed* proposal submitted by the unit owner and, possibly, inspection of the property and/or additional discussion with the unit owner. Owners will be notified of the Board's decision within ten days after the scheduled Board meeting following submission of the written proposal and all required information.

(b) All unit owners are required to notify the Executive Board, in advance, of significant maintenance/replacement, upgrading projects being undertaken inside their unit and not involving structural change, doors, windows, skylights, etc. Such work includes but is not limited to: adding a security system, finishing a basement, finishing an upstairs area into a bedroom, changes in flooring, replacement of bathroom/kitchen fixtures and cabinetry. The Association needs to know for insurance purposes. Aspects of the project may require compliance with Board specifications.

(c) Unit owners who take such actions without Board approval may be required, at their expense, to remove all unapproved changes and restore the building, common area or limited common area etc. to its original condition.

6. Alterations and Improvements Requiring Advance Written Board Approval And/Or Compliance With Board Approved Specifications, subject to the terms of the Declaration.

(a) Any alteration or improvement to a unit, to a limited common area or a common area which involves a change in structural integrity.

(b) Replacement of existing exterior doors, windows, sliding patio doors, skylights, light fixtures. These products must be approved for use at the Condominium.

(c) Replacement or addition of a Storm/Screen Door on front entrance. This must be the door approved for use at the Condominium.

(d) Installation of a new Roof Skylight.

(e) Installation of a dormer or modification to an existing dormer.

(f) Installation of a door or window in a place where one does not currently exist.

(g) Any modification or improvement to a deck or patio. All deck or patio modifications must comply with the Condominium's Deck Specifications, if any.

(h) The installation of a temporary or semi-permanent screen room or awning on any part of a deck. Such additions are allowed but must be approved for use at The Condominium.

(i) Any modifications to foundations or chimneys.

(j) Any installation or modification of exterior mounted equipment, ducts, louvers, vents, etc.

(k) Removal or replacement of any plant or tree located in a common area.

(l) Addition, removal or enlargement of any garden space within a common area.

(m) Telephone wire or cable TV wire installations that require disruption of paved or lawn surfaces, drilling of new holes in buildings or running of cables/wires on exterior of buildings.

(n) Where necessary, the Board shall grant its approval based on a review of a *written, detailed* proposal submitted by the unit owner and, possibly, inspection of the property and/or additional discussion with the unit owner. Owners will be notified of the Board's decision within ten days after the scheduled Board meeting following submission of the written proposal and all required information.

(o) Unit owners who take actions without required Board approval or use products not approved for use at The Condominium will be required, at their expense, to remove all unapproved changes or additions and restore the building, common area or limited common area etc. to its original condition.

7. Additions to Structures.

(a) Subject to the terms of the Declaration and any rights reserved by the Declarant thereunder, the existing footprint (the foundation perimeter) of building(s) at the Condominium cannot be enlarged, reduced or changed in any manner.

(b) No unit owner is allowed to build an additional structure of any kind, regardless of whether it is independent of or connected to a residential unit, garage or deck.

8. Outside Contractors.

(a) All contractors and tradesmen employed or engaged by a unit owner to perform work in and around the Condominium structures are required to provide proof of

adequate liability insurance and Worker's Compensation Insurance as required by Maine State Law. Insurance certificates shall be provided to the homeowner and, upon request, to the Board prior to commencement of work. Insurance certificates provided by contractors shall specifically name the unit owner and the Association as additional insured.

(b) Any electrical, plumbing, and heating work done in a unit must be performed by experienced, reputable tradesmen licensed and certified to perform such work in the State of Maine.

(c) The Association may require any outside contractor engaged by a unit owner to execute and deliver to the Association a mechanics lien waiver in connection with any work performed by such contractor hereunder.

9. Pets.

(a) Two (2) Household Pets per Unit are allowed without the consent of the Executive Board. Unit owners are responsible for the behavior of their pets or their guest's pets and are liable for any property damage, personal injury or disturbance that such animals may cause. The Association shall have the right to assess the unit owner for reimbursement of related expenses and to lien the owner's property in the event of non-payment.

(b) All pets must be licensed and inoculated as required by law, and owners must comply with City of Westbrook ordinances regulating pets. The Condominium reserves the right to notify the Animal Control Officer if a pet owner fails to do so.

(c) No pet is allowed outside of its unit except on a leash and under the control of a responsible person.

(d) Owners are responsible for the daily removal of pet wastes from lawn or roadway common areas.

(e) Damage to common area lawns inflicted by excessive animal use or by a concentration of animal urine and other wastes may be repaired by the Association. The Association shall have the right to assess the unit owner for reimbursement of repair expense and to lien the owner's property in the event of non-payment.

(f) No animal shall be permitted to bark, meow, or make other noises as to disturb neighbor's rest or peaceful enjoyment of their unit or the common area.

(g) Unless otherwise authorized by the Executive Board, no animal may be tied or leashed outside the unit at any time, exterior pet runs of any type are not allowed at the Condominium.

(h) The Association shall have the power, if necessary, to further regulate the keeping of pets and animals including, without limitation, the express power to regulate the number of pets (excepting, however, that each owner shall always be permitted to keep a minimum of two (2) household pets), size, and specie, to establish additional behavior requirements or rules regarding the restraint or leashing of animals, and to expel any offending animals from the

Condominium. Without limiting the foregoing the following breeds of dogs are prohibited and may not be kept as pets by any owner within the Condominium: (i) Pit Bull; (ii) Rottweiler; (iii) German Shepherd; (iv) Husky; (v) Alaskan Malamute; (vi) Doberman Pinscher; (vii) Chow; (viii) Great Dane; (ix) Saint Bernard; (x) Akita; (xi) Dalmatian; (xii) Wolf Hybrid or any mix of the above.

10. Children.

(a) There is no common area at the Condominium designated exclusively as a play area for the use of children but reasonable play activities by children are welcome, preferably on lawns in the rear of their building.

(b) Permanently installed exterior play equipment is not allowed at the Condominium.

(c) Temporary, moveable exterior play equipment (swing sets, slides, playhouses, pools, etc.) is permitted but must be stored inside when not in use.

(d) Toys, bicycles, wagons, etc. are to be stored inside when not in use.

(e) The activities of children shall be under the control of a responsible person at all times.

(f) No play activity at a noise level which prevents other residents from the quiet and peaceful enjoyment of their home is permitted.

11. Driveway and Parking Control.

(a) Although the Condominium's driveway and parking areas are private, all accepted and legal rules of the road apply to drivers and pedestrians.

(b) Parking is allowed on the south side of the Condominium access road, from the entry up to the area of the detention pond. Parking is otherwise prohibited on the access drive of the Condominium, including the circle.

12. Garages.

(a) Garages are for the storage of legally registered vehicles and moderate amounts of personal property.

(b) Garages should be kept in an orderly and safe condition. It is the unit owner's responsibility to insure that no potential fire or safety hazard exists in this area.

(c) Garage space cannot be altered in any way and is not to be used for any living or business activity.

(d) No automobile repair or maintenance (oil changes, engine overhaul, body work) is allowed in a garage or anywhere on the Condominium property.

(e) Garage doors should be kept closed as much as is practical in order to maintain the good appearance of the area.

(f) Maintenance and replacement of electric garage door openers is the responsibility of the unit owner.

13. Automobile, SUV, Van, Pickup Parking.

(a) All unit owners should maintain sufficient space in their parking area to park their primary vehicle. The driveway in front of the garage building is not to be used for the long-term parking of any additional vehicle of any owner and/or tenant and their guests.

(b) Parking or driving of recreational motorized vehicles on lawns is prohibited.

(c) Additional automobile parking is available at the Condominium. These areas are on a first come first serve basis. There is no exclusive right to their use.

(d) Only legally registered and fully operable vehicles shall be parked in any of the Condominium's parking areas.

(e) Recreational vehicles, boats, campers, trailers, etc. shall not be left in a driveway or automobile parking area on an extended basis without the consent of the Board.

(f) No vehicle repair or maintenance of any kind is allowed in any area at the Condominium.

(g) All vehicles on the premises of the Condominium are there at the owner's risk and the Association is not responsible for damages.

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

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

15. Stormy Weather.

(a) The Board and the snow removal contractor make every effort to insure that snow is cleared from paved areas and common sidewalks as quickly as possible. Despite these efforts, there will be times that these areas may be temporarily impassable. Removal of snow and ice from individual unit walkways is the responsibility of the Association, unless otherwise determined by the Association. The Association shall have the right (without any affirmative obligation), as necessary for maintenance purposes to prevent any damaging accumulations of snow or ice, to remove snow and ice from decks and patios.

(b) All owners/tenants should be alert to pending weather conditions and to take all necessary precautions to deal with the possibility of power outages, flooding, extreme cold, icing conditions, and heavy precipitation (rain, snow and/or sleet) which could cause damage to personal and common property.

(c) In the event of high winds, all personal property shall be secured or placed indoors. This is the responsibility of the unit owner/tenant.

(d) Installation of a generator or other auxiliary emergency heating/power devices requires the prior approval of the Board. Installation must be done by a contractor who is licensed under Maine law. The contractor must provide proof of adequate insurance as required above.

(e) During winter months, the unit owner is responsible for closing any interior shut-off valves for all outside faucets; clearing snow away from air intake/exhaust fittings; clearing snow away from dryer vents if close to the ground; clearing snow away from sliding glass doors and basement bulkhead doors; **and insuring that sufficient heat is on during winter months to prevent pipe freezing and damage to your unit or others.** The unit owner is liable for building damages, damage to personal property, and damage to heating equipment caused by the failure to do the above.

(f) Unit owners who are away for extended periods of time, particularly in winter, either on vacation, work related travel or because of seasonal use of their condominium, are responsible for arranging with a neighbor, friend or contractor to have their unit checked periodically to insure that all systems are operable and no storm or cold weather damage has occurred. It is essential that a member of the Board be notified of who has this responsibility and who has access to the unit.

16. Household Trash.

(a) Garbage and household trash shall be kept in closed containers inside the owner's unit or in such other area designated by the Board. Containers should be placed at the foot of the driveway on the day(s) designated for collection. Empty trash containers should be returned to such storage areas as soon as possible.

(b) Owners/tenants are responsible for insuring that accumulated trash does not create a nuisance in regards to odor, cleanliness, bug infestation, or neatness.

(c) Trash removal services for the Condominium are only for the removal routine household trash. Larger items are the responsibility of the owner/tenant and should be disposed of in accordance with the City of Saco ordinances and practices.

17. Video Antennas and Satellite Dishes.

(a) Video antennas and satellite dishes are not to be installed on any common area, including but not limited to roofs and exterior walls.

(b) Video antennas and satellite dishes can be installed in limited common areas if the Owner has exclusive use of the area and safety is not compromised by the installation. The video antenna and satellite dish must be installed wholly within the exclusive use area.

(c) A video antenna and satellite dish that extends beyond the area of exclusive use is considered to be in a common area and installation is not permitted without the prior approval of the Executive Board.

(d) Only satellite dishes that are less than one meter (39.37") in diameter are permitted to be installed at the Condominium.

(e) Installation of video antennas and satellite dishes shall be in compliance with local and state law.

18. Air Conditioners.

(a) Unit owners may install window-mounted air-conditioners, provided that no owner may install more than two (2) such air conditioners without Executive Board approval.

(b) Window air conditioners shall be installed in a rear or side window, not in the front of the building.

(c) If the operation of an air conditioner disturbs any neighbors, the Board retains the authority to require its removal.

(d) The air conditioner may remain in place from April through November and must be removed during the winter months.

(e) The unit owner shall be responsible for any damages to the building occurring from the installation, removal, or operation of the air conditioner.

19. General Hazards and Liability of Unit Owners.

(a) Nothing shall be done, kept in any unit or in any part of the Common or Limited Common Areas which will cause an increase in the insurance premium for the property without the prior written consent of the Executive Board. No unit owner shall permit anything to be done, kept in the unit or in the limited common or common areas which will result in the cancellation of insurance on the property, any part thereof or that is in violation of any law, regulation, or administrative ruling.

(b) Unit owners shall be liable for the expense of maintenance, repair or replacement of any damage to the common or limited common areas or to another unit caused by such unit owner's act, neglect, or carelessness or that of their guests, contractors, agents, lessees, or pets. Such liability shall include any increase in insurance premiums or assessments occasioned by any act, neglect, carelessness or the misuse of a unit.

20. Hazardous Materials.

(a) It is strongly recommended that unit owners, tenants or guests not possess or store hazardous household, gardening, and commercial substances anywhere at the Condominium. In such cases, however, unit owners are responsible for appropriate and lawful storage, safekeeping and disposal.

(b) Owners are encouraged to dispose of all hazardous cleaning materials, paints, fertilizers and vegetation killers when their usefulness ends.

(c) Hazardous materials (including those listed above) must be disposed of by legal means at a legal disposal site and, if necessary, by trained personnel.

(d) Spills of fuel oil, kerosene, other hazardous or polluting substances inside a unit, or on any common or limited common area (paved or otherwise) shall be reported immediately to the Executive Board.

(e) All removal, remediation and restoration costs associated with a hazardous material spill caused by a unit owner, tenant, guest, employee, hired contractor or other representative shall be the responsibility of the unit owner.

21. Heating Equipment and Chimneys.

(a) Unit owners are responsible for insuring that individual furnaces and other heating devices are in the proper condition to provide sufficient heat through the winter months.

(b) Unit owners with individual unit Monitor or similar kerosene heaters should be aware that if snow blocks the air intake / exhaust fitting (usually located at front of unit) or this fitting is damaged, the heater will cease to operate. The unit owner is responsible for keeping snow away from this fitting and insuring that it is not damaged.

22. Woods and Lawns.

(a) All lawns and vegetated areas at the Condominium are common areas and under the control of the Association.

(b) Existing trees within lawn areas cannot be pruned, removed or replaced or new ones added without permission of the Association.

(c) All personal property (equipment, games, toys, furniture, etc.) should be removed from a lawn or vegetated area after its use and stored in a garage or the unit.

(d) No temporary, semi-permanent or permanent structures (tents, play equipment, screen rooms, etc.) are allowed on any common area.

(e) Lawn maintenance by anyone other than the Association's landscapers is prohibited, unless otherwise approved by the Executive Board.

23. Ornamental Landscaping.

(a) Any garden beds in the front of a building and any shrubs contained in them are common area and under control of the Association.

(b) Existing plants cannot be removed or replaced or new ones added without permission of the Association.

(c) Window boxes and planters of any type shall not be placed in the front or side of any building.

(d) The Association is not responsible for replacing any personal plantings removed by the Seller of a unit from the ornamental planting area in front of or on the side of each unit. These items are to be considered part of the personal property of a unit (non-permanent items) and are subject to Buyer /Seller negotiations and the terms of the Purchase and Sale Contract.

24. Personal Gardens.

(a) Flower boxes, pots, and other plant containers are limited to decks, patios, or deck railings.

(b) Personal gardens and plantings are allowed with the approval of the Executive Board.

(c) Approved personal gardens are the sole responsibility of the unit owner and/or tenant. The unit owner shall assume all expense for plantings and continued maintenance.

(d) If any unit is sold where a personal garden has been established by an owner or tenant, it will be the *unit seller's* responsibility to restore the bed to its original grassy area or to leave funds in escrow at closing for the Association to restore the area. The only exception to this would be if the *unit purchaser* notifies the Association in writing that he/she would continue to maintain the garden bed.

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

25. Exterior Decorations.

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

26. Decks, Patios and Privacy Fences.

(a) Decks, patios and porches ("decks") are designated limited common areas for the specific use of the unit owner/tenant. The land on which a deck sits is common area of the Association and under the control of the Association.

(b) Decks at the Condominium are to remain decks and shall not be walled in, roofed over or in any way turned into a building of any kind.

(c) Repairs or modification to a deck (including enlargement) requires compliance with the Condominium's Deck Specifications, if any, and advance approval of specific plans by the Executive Board.

(d) Unit owners/tenants are responsible for regularly clearing their decks of snow to prevent damage to the deck and to the adjoining building structure.

(e) Decks shall not be considered additional storage space for the unit owner's personal property.

(f) Decks and the personal property used in the enjoyment of the deck shall be kept in a neat and orderly condition at all times.

(g) Hot tubs or any similar devices are not allowed on any common or limited common area.

(h) The Association may adopt Deck Specifications for the condominium to provide for additional rules and regulations concerning decks.

27. Mailboxes.

(a) The Condominium has on common mailbox for the use of all Owners. Private mailboxes are not allowed.

28. Signs.

(a) Subject to the terms of the Declaration, no business, political or personal signs of any type are allowed on the grounds, attached to any part of a building, or in any window at the Condominium, except as approved by the Executive Board.

29. Tag Sales.

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

30. Solicitation.

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

31. Information and Emergency Contact.

(a) Information related to any changes in occupancy (rental or seasonal) or unit ownership, changes in mortgage holders, changes in insurance policies or agents, and significant interior alterations shall be reported promptly to the Board. Such information shall also be furnished when specifically requested by the Board.

(b) All unit owners shall provide to the Board, upon request or on an annual basis, the name, address and phone numbers of all persons who have emergency access to the unit.

(c) Unit owners who are away for extended periods of time, either on vacation or because of seasonal use of their condominium unit, are responsible for arranging with a neighbor, friend or contractor to have their unit checked periodically to insure that all systems are operable and no damage has occurred. It is essential that a member of the Board be notified as to the person(s) who have this responsibility and who has access to the unit.

32. Insurance.

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

(b) Many insurance companies doing business in Maine offer specific policies for condominium owners and renters. Unit owners and renters should consult with their insurance agent to design a policy to meet their needs.

(c) A typical condominium policy may include coverage for:

- Building Property: items of real property which pertain directly to your unit and may include alterations and permanent installations.
- Personal Property: items owned by the insured and structures not permanently attached to the unit.
- Personal liability: covers claims brought against the insured for damages because of bodily injury or property damage.

(d) The Condominium maintains a master policy to cover losses sustained in common areas and structural systems. If you suffer a loss that you believe should be claimed against the Association policy, you should do so through a member of the Condominium Executive Board. The insurer providing coverage at the time of the claim will make any determination of coverage under the policy.

33. Access to Units For Repair and Emergency.

(a) The Association has the irrevocable right, to be exercised by the Executive Board, to enter a unit from time to time during reasonable hours as may be necessary for the inspection, maintenance or replacement of any of the common or limited common areas, facilities or systems therein or accessible therefrom.

(b) The Association has the irrevocable right, to be exercised by the Executive Board, whenever deemed necessary and regardless of whether the owner is present or not, to enter a unit for the emergency inspection and repair therein necessary to prevent damage to the common areas, facilities and systems or to another unit or units.

(c) In order to facilitate entry in the case of an emergency or absence, the unit owner, if required by the Board, shall provide a working key to the dwelling to a neighbor or to a Board member.

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

(a) Unit owners who wish to rent their property must use a standard lease form, approved by the Executive Board, and must require tenants to show proof of contents insurance.

(b) Unit owners must not suspend their own condominium owner's insurance policy during the period of rental.

(c) Unit owners who rent their property to another for any period of time must obtain a written acknowledgment from the tenant that they have been given a copy of the Condominium's Rules and Regulations and that they will abide by them during the period of their residence. A copy of this statement must be given to the Executive Board prior to occupancy.

(d) Regardless of the terms of rental, the timely payment of unit monthly fees and special assessments during the rental period remains the responsibility of the unit owner. In the event of non-payment, regardless of who should be making payments, the unit owner is ultimately responsible and will be assessed late charges and is subject to liens and other collection expense.

35. Procedures.

(a) Emergencies (i.e. structural, plumbing, hazardous spills, life safety matters) shall be communicated to a Board member immediately.

(b) Work requests, suggestions or complaints to the Board shall be submitted in writing. Requests for hearings on any issue shall be submitted in the same manner.

(c) Any personal or phone contact with a Board member shall only be made during reasonable hours of the day.

(d) A group of unit owners seeking to make a joint work request, suggestion or complaint shall designate a spokesperson for communications with the Board.

36. Violations of Rules and Policies Including Financial Obligations.

(a) When a violation of a Rule or Regulation occurs or when a financial obligation is not met in accordance with policy, a written warning shall be delivered to the unit

owner stating the complaint, the appropriate rule and the penalty or assessment of expense, if applicable.

(b) In cases of repeated complaints and/or lack of payment following the warning letter, a fine or additional penalty may be imposed.

(c) Any unit owner has the right to appeal a Board decision in writing to the Executive Board and to request a hearing before the Board.

(d) All unit owners must understand that assessments and penalties related to non-compliance with rules and regulations, expenses for which an owner is liable, and unpaid financial obligations *may become a lien against the violating Owner's Unit* if not satisfied in a reasonable period of time.

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

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

These Rules and Regulations were unanimously approved by the Executive Board at a special meeting on the _____ day of November 2005.