

**BY-LAWS OF
CROSSROAD APARTMENTS ASSOCIATION**

**ARTICLE I
NAME AND LOCATION OF THE CORPORATION**

The name of this Corporation is CROSSROAD APARTMENTS ASSOCIATION. It is located in North Yarmouth, County of Cumberland, State of Maine.

ARTICLE II

The purposes of this Corporation are as follows: (1) to establish the association of Unit Owners required by the terms of Chapter 31 of Title 33 of the Maine revised Statutes Annotated (West 1988) as amended, which Chapter is known as the "Maine Condominium Act" for the operation and maintenance of Crossroad Apartments located in North Yarmouth, Maine; (2) to establish and maintain a residential, social, educational, recreational and area improvement program for the Unit Owners in CROSSROAD APARTMENTS ASSOCIATION; (3) to encourage and assist in that passage of laws, ordinances, rules and regulations which will promote the safety, welfare and improvements of Crossroad Apartments; (4) in addition to all the powers, authority and responsibilities granted to or imposed upon this Association by the laws of the State of Maine, specifically including those set forth or referred to in the said Maine Condominium Act, this Association shall have the following specific powers to the extent permitted by law: to adopt and amend budgets for review as expenditures and reserves; to levy and collect assessments and other charges against members as Unit Owners in order to provide funds to operate said Condominium; to purchase, maintain, repair, replace and restore real and personal property; to obtain insurance of all types for the protection of the Unit Owners and Property of the Association; to pledge and mortgage Property of the Association; to appoint agents to hire employees, managers and independent contractors and to make contracts; to adopt and amend By-Laws, rules and regulations; to promulgate rules and regulations for the members of the Association; and generally to do any and all lawful acts necessary or convenient for the fulfillment of the foregoing purposes, including without limitation all powers enumerated in 33 M.R.S.A. Section 1603-102, as that may from time to time be amended.

ARTICLE III

Section 1. The members shall consist of all the Unit Owners of Crossroad Apartments as appears on surveys, plats and plans thereof duly recorded in Cumberland County Registry of Deeds, in accordance with the provisions of the Declaration of Condominium for Crossroad Apartments recorded in the Cumberland County Registry of Deeds, by which the said property has been submitted to the provisions of the Maine Condominium Act of the State of Maine,

within which Declaration these By-Laws have been included. For the purposes of these By-Laws the definition of all the words, terms and phrases which have been defined by the Maine Condominium Act shall be controlled by the definitions set forth therein. Unit Owners of Units in Crossroad Apartments shall be members of Crossroad Apartments Association.

Section 2. Except as provided herein or in the Declaration, membership shall not be transferable. The membership of each Unit Owner shall terminate upon a sale, transfer or other disposition of his ownership interest in the Property, accomplished in accordance with the provisions of the Declaration, and thereupon the membership and any other interest in the common fund shall automatically transfer to and be vested in the next owner or owners succeeding to such ownership interest. The Association may, but shall not be required to, issue certificates or other evidence of membership therein.

ARTICLE IV MEETING AND MEMBERS

Section 1. Meeting of the membership shall be held at the Property or at such other place as may be specified in the Notice of Meeting.

Section 2. The first annual meeting of the members shall be held within Sixty (60) days after the closing of the sales of seventy percent (70%) in percentage interest of all of the Units at Crossroad Apartments unless another date and time may be specified by the President in a written notice to the Unit Owners. Thereafter, an annual meeting of the members shall be held on the third Saturday of the month of _____, or in the event that day is a legal holiday, on the first day thereafter which is not a legal holiday, in each succeeding year, or such other date as may be approved by the Executive Board from time to time. At such meeting the Executive Board shall be elected by ballot of the members in accordance with the provisions of Article V of these By-Laws. The members shall also transact such other business as may properly come before them.

Section 3. It shall be the duty of the President, or in his absence or disability, the duty of the Secretary, to call a Special Meeting of the members as directed by resolution of the Executive Board or upon a Petition signed by the owners of Twenty percent (20%) of the ownership interest in the common elements or areas. The notice of any Special Meeting shall state the time, place and purpose thereof. No business shall be transacted at a Special Meeting except as stated in said Notice unless with the consent of Four-Fifths (4/5) of the members present, either in person or by proxy, but such consent shall be presumed unless there is an objection by a member present in person or by proxy.

Section 4. It shall be the duty of the Secretary, or upon his failure or neglect, then of any officer or member, to mail by United States mail, postage prepaid, a Notice of each Annual or Special Meeting stating the purpose, the time and place thereof to each member of record.

Section 5. The presence, either in person or by proxy, of the Owners of at least thirty percent (30%) of the ownership interest in the Common Elements or areas shall be requisite for, and shall constitute, a quorum for the transaction of business at all meetings of members.

Section 6. If at any meeting of members a quorum shall not be in attendance, those members who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time at which the original meeting was called.

Section 7. The aggregate number of votes for all Unit Owners shall be One Hundred (100) and shall be divided among the respective members in accordance with their respective percentages of ownership interest in the common areas and facilities. If any Unit Owner consists of more than One (1) person, the voting rights for such Unit Owner shall not be divided but shall be exercised only as a Unit. The Declarant designated in the Declaration and any successor to the rights of the Declarant, may exercise the voting rights with respect to any Unit, title to which is in the Declarant or in any successor to the rights of the Declarant respectively. Unless by express provisions of the Maine Condominium Act or these By-Laws, or the Declaration, a different vote is required, majority vote based upon respective percentages of ownership interests of those present.

Section 8. The vote of any corporate, partnership or trust member may be cast on its behalf by any officer, partner, trustee, agent or employee of such member and any such member may appoint its officer, partner, trustee, agent or employee or any other member as its proxy. Any individual member may appoint in writing his or her spouse or another person as a proxy. Each such proxy must be filed with the Secretary prior to the commencement of a meeting, or at any subsequent time that delivery of proxies is required.

ARTICLE V EXECUTIVE BOARD

Section 1. The affairs of the Association shall be governed by a Board of Directors. Such governing body shall constitute the governing body referred to in the Maine Condominium Act of the State of Maine as the "Executive Board" and shall consist of Six (6) persons, members of which are herein referred to as "Directors." Each Director shall be a Unit Owner or the spouse of a Unit Owner; or if a Unit Owner shall be a corporation, partnership or Trust, then an officer, director, partner, trustee, agent or employee of such Unit Owner or an officer or director of the general partner of the partnership except as otherwise provided for in ARTICLE VIII of the Declaration with respect to appointees of Declarant to the Executive Board during the Declarant Control Period stated therein.

Section 2. The Executive Board shall have the powers and duties necessary for the administration of the affairs of the corporation and shall have all powers and duties referred to in the Declaration and the statutes of the State of Maine pertaining to corporation without capital stock, as amended from time to time, by the Maine Condominium Act of the State of Maine to be done by the Executive Board or by the Unit Owners collectively except such acts or things as are by law or by these By-Laws or by the Declaration directed to be exercised and done by the

members individually. The powers of the Executive Board shall include but not be limited to the following:

- (a) To elect the officers of the Association;
- (b) To administer the affairs of the Association and the Property;
- (c) To engage the services of manager or managing agent for the property and to fix the terms of such engagement and the compensation and authority of such manager or managing agent, and to delegate any authority held by the Executive Board;
- (d) To promulgate such rules and regulations concerning the operation and use of the property or of the Common Elements or areas as may be consistent with the Declaration and these By-Laws and to amend the same from time to time;
- (e) To provide for the maintenance, repair and replacement of the Common Elements and areas; to provide insurance as authorized by the Declaration; and
- (f) To estimate and adopt an annual operating budget and to provide for the assessment and collection from the Unit Owners their respective shares of the estimated expenses as hereinafter provided.

Section 3. At the first Annual Meeting of members, the terms of office of Two (2) Directors shall be fixed for Three (3) years; the terms of office of Two (2) Directors shall be fixed at Two (2) years and the term of office of Two (2) Directors shall be One (1) year. At the expiration of the initial terms of office of each respective Director, his successor shall be elected to serve a term of Three (3) years. The Directors shall hold office until their successors have been elected and qualified. If the number of Directors shall be increased, the terms of such additional Directors shall be fixed so that the terms of at least One-Third (1/3) of the persons on the Board shall expire annually.

Section 4. Vacancies in the Executive Board caused by any reason, including the failure of a Director to continue to meet the qualifications of office, may be filled by a vote of a majority of the remaining Directors and the person so elected shall remain in office until a successor Director is elected by the membership at the next regularly scheduled Annual Membership Meeting.

Section 5. Annual Meetings of the Executive Board shall be held immediately following the Annual Meeting of the members and at the same place. Special Meetings of the Board may be called by the President or a majority of the Board on Three (3) days' notice to each Director by mail or telegraph. Directors may waive Notice of a meeting or consent to or take any action without a formal meeting.

Section 6. At all meetings of the Executive Board, a majority of the Directors shall constitute a quorum for the transaction of business and any action may be taken by the majority of those present.

Section 7. Any Director may be removed from office by the vote of members owning at least a majority of the ownership interest in the Common Elements or areas. Directors shall receive no compensation for their services except as expressly provided by a resolution duly adopted by the members.

Section 8. The Board shall have no authority to approve or authorize any capital expenditure in excess of an amount equal to common charges for two current calendar months nor to authorize the Association to enter into any contract for a term of more than Two (2) years except with the approval of a majority of the Unit Owners.

Section 9. It shall be permissible for the original Executive Board, who are members of or employed by the Declarant, to contract with the Declarant and affiliated corporations of the Declarant without fear of being charged with self-dealing.

ARTICLE VI OFFICERS

Section 1. The officers of the Association shall be a President, a Secretary, a Treasurer and such assistant to such officers as the Board may deem appropriate, which officers shall be elected at Annual Meeting of the Executive Board and shall hold office at the pleasure of the Board.

Section 2. Any officer may be removed at any meeting by the affirmative vote of the majority of the other members of the Executive Board, either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.

Section 3. Each respective officer of the Association shall have such powers and duties as are usually vested in such office of a corporation without capital stock, including without limitation as follows:

(a) The President shall be a Director and shall preside at all meetings of the members and of the Executive Board.

(b) The Secretary shall keep minutes of all meetings of the members of the Executive Board and shall have custody of the Association seal and have charge of the membership transfer books and such other books, papers and documents as the Executive Board and these By-Laws may prescribe.

(c) The Treasurer shall be responsible for Association funds and securities and for keeping full and accurate accounts of all receipts and disbursements in Association books of account kept for such purposes;

(d) The same person may be elected and serve as a Secretary and Treasurer.

Section 4. The officers shall receive no compensation for their services except as expressly provided by a resolution duly adopted by the members.

ARTICLE VII
FISCAL MANAGEMENT

Section 1. The fiscal year of the Association shall begin on the first day of January each year, except the first fiscal year of the Association shall begin at the date of incorporation. The commencement date of the fiscal year herein established shall be subject to change by the Executive Board.

Section 2. Books and accounts of the Association shall be kept under the direction of the Treasurer and in accordance with customary accounting principles and practices. Within a reasonable time after the close of each fiscal year, the Association shall furnish its members with a statement of the income and disbursements of the corporation for such prior fiscal year.

The Association shall make available to Unit Owners and Lenders upon request current copies of the Declaration, By-Laws, Rules and Regulations, and the Association's books, records and financial statements. Any holder, insurer or guarantor of a first mortgage shall be entitled upon request to review and receive an audited financial statement of the Association for the preceding accounting year.

Section 3. With respect to each fiscal year, the Board shall estimate the amount required by the Association to meet its expenses for such year, including but not limited to the following terms:

- (a) Management and administrative expenses;
- (b) The estimated cost of repairs, maintenance and replacements of Common Elements and areas;
- (c) The cost of such utilities as may be furnished by the Association;
- (d) The amount of such reserves as shall be reasonably established by the Board, including general operating reserves, reserves for contingencies, and reserves for replacements; and
- (e) Such other expenses of the Association as may be approved by the Executive Board including operating deficiencies, if any, for prior periods.

Within Thirty (30) days from the commencement of each fiscal year, the Board shall cause an estimated annual budget to be prepared based on its estimations of annual expenses, and copies of such budget shall be furnished to each member.

On or before the first day of each month of the fiscal year covered by such estimated annual budget, each member shall pay as his respective monthly assessment one-twelfth (1/12) of his proportionate share of the amount designated in the estimated annual budget and membership assessments shall be the same as his respective percentage ownership in the Common Elements or areas.

Until the annual budget for a fiscal year is sent to each member by the Board, the member shall continue to pay that amount which had been established on the basis of the previous estimated annual budget.

If any member shall fail or refuse to make payment of his proportionate share of the common expenses when due, the amount thereof shall constitute a lien on the interest of the member in the Property. The Association and the Board shall have the authority and obligation to exercise and enforce any and all rights and remedies provided in the Maine Condominium Act, the Declaration or these By-Laws, or as are otherwise available at law or in equity for the collection of all unpaid assessments. Suit to recover a money judgment for unpaid common expenses shall be maintainable with all costs and reasonable attorney's fees without foreclosing or waiving the lien securing same.

Section 4. If at any time during the course of any fiscal year the Board shall deem the amount of the membership assessments to be inadequate by reason of a revision in its estimated of either expenses or other income, the Board shall prepare and cause to be delivered to be members a revised estimated annual budget for the balance of such fiscal year and thereafter monthly assessments shall be determined and paid on the basis of such revision.

Section 5. With respect to any Units owned by the Declarant and any successor to the rights of the Declarant, the Declarant and any successor to the rights of the Declarant shall pay a monthly assessment determined in the same manner as the monthly assessment is determined for all other Unit Owners, which shall not be assessed until such time as the Unit is legally created.

Anything herein or in the Declaration to the contrary notwithstanding, the Declarant and any successor to the rights of the Declarant shall have the right, so long as Declarant owns a Unit, to utilize any Units Owned by Declarant or any successor to the rights of the Declarant respectively as models or general or sales offices for sale and promotion purposes including the sale and promotion of property or projects other than the property and shall have the right to utilize the Common Elements and areas for such purposes and in such manner as the Declarant and any successor to the rights of the Declarant may reasonably be required.

Section 6. Any mortgagee of a Unit may file a copy of its mortgage with the President and the Secretary shall maintain such information in the record of ownership of the Association. After the filing of the mortgage, and upon the request of the mortgagee of any Unit Owner who is in default in the payment of monthly assessments or other amounts due the Association, the mortgagee at its option may pay, the delinquent amounts, and send to the mortgagee a copy of any notice to the mortgagor of default or violation of the condominium documents, or any proceedings by the Association relating thereto.

ARTICLE VIII
INSURANCE

Section 1.

(a) Except as otherwise provided in Section 5 of this Article VIII, all insurance policies relating to the property shall be purchased by the Executive Board, and as such, shall be for the use and benefit of the individual Owners. Neither the Executive Board nor the managing agent nor the Declarant shall be liable for failure to obtain any coverages required by this Article or for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverages from reputable insurance companies, or if such coverages are so available only at demonstrably unreasonably costs.

(b) Each such policy shall provide that:

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

2. Such policy shall not be canceled, invalidated, or suspended due to the conduct of any Unit Owner (including his invitees, agents, and employees) or of any member, officer, or employee of the Executive Board or the managing agent.

3. Such policy may not be canceled or substantially modified (including cancellation for nonpayment of premium) and the insurer may not refuse to renew without at least thirty days prior written notice to the Executive Board or the managing agent.

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

(d) All policies of insurance shall be written by reputable companies licensed to do business in the State of Maine. Physical damage policies shall be in form and substance acceptable to the Mortgagees.

Section 2. Physical Damage Insurance.

(a) The Executive Board shall obtain and maintain a blanket, "all-risk" form policy of fire insurance with extended coverage, vandalism, malicious mischief, windstorm, sprinkler leakage, debris removal, cost of demolition, and water damage endorsements, insuring the entire property (including all of the Units and the bathroom and kitchen fixtures initially installed therein by the Declarant and the replacement thereto installed by the Declarant but not including furniture, wall coverings, furnishings, or other personal property supplied or installed by Unit Owners), together with air conditioning equipment and other service machinery contained therein and covering the interest of the Unit Owners' Association, the Executive Board and all

Unit Owners and their Eligible Mortgagees, and their interest may appear, (subject, however) to the loss payment and adjustment provision in favor of the Executive Board and the trustees contained in Section 6 of this Article in an amount equip to 100% of the then current replacement cost of the property (exclusive of the land, excavations, foundations, and other items normally excluded from such coverage), without deduction from depreciation (such amount to be redetermined annually by the Executive Board with the assistance of the insurance company affording such coverage).

(b) Such policy shall also provide:

(1) The following endorsements (or equivalent): (i) “no control;” (ii) “contingent liability from operation of building laws or codes,” (iii) “increase cost of construction” or “condominium replacement cost;” (iv) “agreed amount” or elimination of co-insurance clause; and (v) “inflation guard;” (vi) if applicable, steam boiler and machinery coverage endorsement which provides that the insurer’s minimum liability equals the lesser of Two Million Dollars (\$2,000,000.00) or the insurable value of the buildings housing any boiler or machinery; and (viii) Special condominium endorsement.

(2) That any “no other insurance” clause expressly excludes individual Unit Owners’ policies from its operation so that the physical damage policy purchased by the Executive Board shall be deemed primary coverage and any individual Unit Owners’ policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Executive Board hereunder provide for or be brought into contribution with insurance purchased by individual Unit Owners or their Executive Mortgagees unless otherwise required by law.

(3) The maximum deductible amount shall be the lesser of Ten Thousand Dollars (\$10,000.00) or Ten percent (10%) of the policy face amount. Any coverage related to the individual Units shall be the less of One Thousand Dollars (\$1,000.00) or Ten percent (10%) of the Units replacement cost.

(c) A duplicate original of the policy of physical damage insurance, all renewals thereof, and any subpolicies of certificates and endorsements issued thereunder together with proof of payment of premiums shall be delivered by the insurer of every Mortgagee at least thirty (30) days prior to expiration of the then current policy. Prior to obtaining any policy of physical damage insurance or any renewal thereof the Executive Board shall obtain an appraisal from an insurance company, or such other source as the Executive Board may determine, of the current replacement cost of the property (exclusive of the land, excavations, foundations, and other items normally excluded from such coverage), without deduction for depreciation, for the purpose of determining the amount of physical damage insurance to be secured pursuant to this Section 2. All mortgagees shall be notified promptly of any event giving rise to a claim under such policy.

Section 3. Liability Insurance. The Executive Board shall obtain and maintain comprehensive general liability (including libel, slander, false arrest, and invasion of privacy coverage and errors and omissions coverage for Directors) and Property damage insurance in such limits as the Executive Board may from time to time determine but in no event no less than

One Million Dollars (\$1,000,000.00) for bodily injury and property damage for any single occurrence, insuring each member of the Executive Board, the managing agent, each Unit Owner, and the Declarant against any liability to the public or to the Unit Owners (and their invitees, agents, and employees) arising out of, or incident to, the ownership and/or use of the Common Elements. Such insurance shall be issued on a comprehensive liability basis and shall contain (i) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured; (ii) hired and non-owned vehicle coverage; (iii) host liquor liability coverage with respect to events sponsored by the Unit Owners' Association; (iv) deletion of Owners' Association, and (v) a "severability of interest" endorsement which shall preclude an insurer from denying liability to a Unit Owner because of negligent acts of the Unit Owner's Association or another Unit Owner. The Executive Board shall review such limits once a year, but in covering all claims for bodily injury or property damage arising out of one occurrence. Reasonable amounts of "umbrella" liability insurance in excess of the primary limits shall also be obtained.

Section 4. Other Insurance. The Executive Board shall obtain and maintain:

(a) Adequate fidelity coverage naming the Association as obligee to protect against dishonest acts on the part of officers, directors, trustees, and employees of the Unit Owners' Association, and all others who handle, or are responsible for handling funds of the Unit Owners' Association including the managing agent. Such fidelity bonds shall: (i) name the Unit Owners' Association as an obligee; (ii) be written in an amount not less than the greater of (a) the maximum funds in custody of the Association or management agent at any time during the term of the bonds, or (b) a sum equal to three months assessments on all Units plus reserve funds; and (iii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression;

(b) If required by any governmental or quasi-governmental agency including, without limitation, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, flood insurance in accordance with the then applicable regulations of such agency;

(c) Workers' Compensation insurance if and to the extent necessary to meet the requirements of law;

(d) If required by the Executive Board, broad form machinery explosion insurance in an amount not less than Five Hundred Thousand Dollars (\$500,000.00) per accident per location;

(e) Such other insurance as the Executive Board may determine or as may be requested from time to time by the majority of the Unit Owners.

Section 5. Separate Insurance. Each Unit Owner shall be required, at his own expense, to obtain insurance for his own Unit, for his and the Association's benefit, covering his property interest in the Unit as well as upon any improvements made by him to his Unit under coverage normally called "Condominium Unit Owners Policy," and may obtain insurance covering his personal property; provided, however, that no Unit Owner shall be entitled to exercise his right to acquire or maintain such coverage so as to decrease the amount which the Executive Board,

on behalf of all Unit Owners, may realize under any insurance policy maintained by the Executive Board, on behalf of all Unit Owners, may realize under any insurance policy maintained by the Executive Board or be brought into contribution with insurance coverage obtained by the Unit Owner. All such policies shall contain waivers of subrogation. No Unit Owner shall obtain separate insurance policies except as provided in this Section 5.

Each Unit Owners shall be responsible for the deductible with respect to the Association's insurance for damage to the interior of the Unit.

Section 6. Insurance Trustees.

(a) All physical damage insurance policies purchased by the Executive Board shall be for the benefit of the Unit Owners' Association, the Unit Owners, their Mortgagees, and the Declarant, as their interests may appear. Policies shall contain the standard Mortgagee clause, or equivalent endorsement (without contribution) or shall be otherwise endorsed to fully protect all eligible Mortgagees interests. If the Federal National Mortgage Association or the servicers for the Eligible Mortgagees it holds; such servicer's name shall be followed by the phrase "its successors and assigns."

(b) The Insurance Trustee shall not be liable for payment of premiums, the renewal of the policies, the sufficiency of coverage, the form or contents of the policies, the correctness of any amounts received on account of the proceeds of any insurance policies nor for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid to it and to hold the same in trust for the purposes elsewhere stated in these By-Laws, for the benefit of the Unit Owners and lien holders as their interests may appear.

ARTICLE IX USE AND OCCUPANCY RESTRICTIONS

Section 1. Except as hereinabove provided with respect to the uses permitted by the Declarant, no Unit shall be used for any other purpose than as a private dwelling for the member and his immediate family or by a person and such person's immediate family to whom the member shall have leased his Unit subject to all provisions of these By-Laws and the Declaration. No commercial, industrial, or business use, or enterprise of any nature or description shall be carried on at a Unit, except that a home office or use by an Owner only without signs, and without any employees other than residents of the Unit, without any outside storage and without customers or business invitees coming to a Lot for business purposes. The conduct of business activity shall be carried on so that it is not apparent or detectable by sight, sound, or smell from the exterior of the Unit, the business activity conforms to all zoning requirements for the Units; and the business activity is consistent with the residential character of the Property. PROVIDED HOWEVER that nothing in these By-Laws shall be construed to prohibit the Declarant from exercising any Development Rights, easements and Special Declarant Rights reserved to the Declarant under the Declaration and the Maine Condominium Act.

No member nor a lessee of any member shall permit or suffer anything to be done or kept upon the property which will increase the rate of insurance on the property or on the contents thereof or which will obstruct or interfere with the rights of other occupants or annoy them by unreasonable noises or otherwise, nor will he commit or permit any nuisance or commit or suffer any immoral or illegal act to be committed anywhere in or upon the property. No Unit may be leased for a period of less than thirty (30) days.

Section 2. Each member shall maintain his own Unit in good condition, order and repair at his own expense. No Unit Owner shall display, store or use any signs or articles whatsoever on the outside of his Unit nor in any window or doorway other than such draperies, curtains or shades as may be permitted in accordance with the rules and regulations established by the Board. No member may paint, decorate, or otherwise alter or modify in any way the outside of his Unit, or install outside of his Unit any canopy, awning, covering or structure or addition of any kind whatsoever without the prior written consent of the Board.

Section 3. Trash, garbage and other waste shall be kept only in sanitary containers and shall be disposed of in such a manner as may be prescribed from time to time in rules and regulations established by the Board. No articles of personal property belonging to any Unit Owners shall be stored in any portion of the Common Elements or areas except in the storage area specifically designated for the respective Unit Owner by the Board or the managing agent.

Section 4. No member shall overload the electrical wiring in the building or operate any machinery, appliances, accessories or equipment in such a manner as to cause, in the judgment of the Board, any unreasonable disturbance or make any alterations to or connections with the heating or plumbing systems without the prior written consent of the Board.

Section 5. No member shall make structural changes to the Unit without the approval of the Executive Board. Non-structural changes are permitted so long as they are contained within the Unit. Rules and regulations may provide for exclusivity in the common areas immediately adjacent to each Unit. The common interest and nature of the common areas shall not prohibit erection of roof overhangs, balconies, sundecks, screen patios, television antennas or landscaping.

Section 6. Each member shall keep his garage door shut when it is not in use in order to prevent pipes from freezing and for aesthetic purposes.

ARTICLE X AMENDMENT

These By-Laws may be amended or modified at any time, or from time to time, by the action or approval of not less than seventy-five (75%) of the Unit Owners; provided that the By-Laws affecting the rights or interests of the Declarant shall not be amended or modified without the written consent of the Declarant and any successor Declarant so long as the Declarant or any successor Declarant owns any Unit in CROSSROAD APARTMENTS and provided further than no amendment or modification shall be contrary to the requirements of Section 1603-106 of the

Act. Following proper passage of any amendment the President and Secretary may prepare, execute, certify and record same on behalf of the Association.

Reference is hereby made to additional restrictions on amendment of the By-Laws as set forth in Paragraph 10.5.7.(c) of the Declaration.

ARTICLE XI LIABILITY OF OFFICERS

Section 1. No Director or officer of the Association shall be liable for acts or defaults of any office or member or for any loss sustained by the Association or any member thereof, unless the same has resulted from his own willful misconduct or gross negligence.

Section 2. Every director, officer, and member of the Association shall be indemnified by the Association against all reasonable costs, expenses, and liabilities (including counsel fees) actually and necessarily incurred by or imposed upon him in connection with any claim, action, suit, proceedings, investigation, or inquiry of whatever nature in which he may be director, officer or member of the Association at the time of the incurring or imposition of such costs, expenses, or liabilities, except in relation to matters as to which he shall be finally adjudged in such action, suit, proceeding, investigation or inquiry to be liable for willful misconduct, gross negligence in the performance of his duties, or in the absence of such final adjudication, any determination of such liability by the opinion of legal counsel selected by the Association. The foregoing right of indemnification shall be in addition to and not in limitation of all rights to which such person may be entitled as a matter of law and shall inure to the benefit of the legal representatives of such person.

ARTICLE XII MISCELLANEOUS

Section 1. Captions. The headings in the By-Laws are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

Section 2. Gender, Number Etc. The use of the singular number in these By-Laws shall be deemed to include the plural, the plural the singular, and the use of any one gender shall be deemed applicable to all genders.

Section 3. Severability. The invalidity of any provisions of these By-Laws shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of the By-Laws, and in such event, all of the other provisions of the By-Laws shall continue in full force and effect as if such invalid provision had never been included herein.

DECLARATION OF CROSSROAD APARTMENTS

THIS DECLARATION (the "Declaration") is executed as of the ____ day of _____, 2020, by **Walnut Hill Investments, LLC**, a Maine limited liability company, with a principal place of business in the Town of North Yarmouth, County of Cumberland and State of Maine, (the "Declarant") pursuant to the Maine Condominium Act (the "Act") Chapter 31 of Title 33 of the Maine Revised Statutes Annotated (West 1988).

ARTICLE I

CREATION OF CONDOMINIUM: DEFINED TERMS

1.1 Declaration of Property. The Declarant, owner in fee simple of that certain lot or parcel of land (the "Land") in the Town of Cumberland, County of Cumberland and State of Maine, more particularly described in **Schedule A** of all buildings and improvements to be constructed on the Land and all easements, and improvements to be constructed on the Land and all easements, rights, privileges and appurtenances thereunto belonging (collectively, the "Property") hereby submits the Property to the Act and declares that the terms of this Declaration shall run with the Property and be binding upon, and inure to the benefit of, all owners and any and every portion of the Property and their respective heirs, successors and assigns, and the Declarant hereby creates with respect to the Property, a condominium as defined in Section 1601-103(7) of the Act (the "Condominium"). The initial Plat entitled "Walnut Hill Investments, Crossroad Apartments, 352 Walnut Hill Road, North Yarmouth, Maine" dated May 2020, as revised though _____, 2020, prepared by Sevee & Maher Engineers was approved by the North Yarmouth Planning Board on _____, 2020, and recorded in the Cumberland County Registry of Deeds in Plan Book _____, Page _____. Supplemental Plat prepared by Sevee & Maher Engineers consisting of sheet _____ dated _____, entitled Crossroad Apartments Condominium Plan, and initial Plans prepared by Sevee & Maher Engineers consisting of sheets _____ of _____ Crossroad Apartments Condominium, all generally dated _____, 2020 are being recorded at the Cumberland County Registry of Deeds herewith.

1.2 Defined Terms. Capitalized terms not otherwise defined in this Declaration, as it may be amended from time to time, or the Plats and Plans, shall have the same meaning as specified in the Act. The following terms which are not otherwise defined in this Declaration shall have the following specific meanings in this Declaration.

1.2.1 "Building" means any building erected or to be erected on the Land described in Paragraph 3.2 containing one or more Units, whether in vertical or horizontal arrangement, as well as other improvements comprising a part of a Building or intended to be used for purposes incidental to the use of a Building.

1.2.2. “By-Laws” means such governing regulations for the Association as are adopted pursuant to the Act and this Declaration for the regulation and management of the Property, including such amendments thereof as may be adopted from time to time.

1.2.3 “Declarant” means **Walnut Hill Investments, LLC**, its successors and assigns as may be designated by it as successor Declarant hereunder, or designated by any such previously designated successor, by an instrument recorded in the Cumberland County Registry of Deeds.

1.2.4. “Eligible Insurer” means an insurer or governmental guarantor of a Mortgage held by an Eligible Mortgage holder which has delivered written notice to the Association in the same fashion as described in Subparagraph 1.2.5. stating the name and address of such insurer or guarantor and containing the same information and statements with respect to such insurer or guarantor that are required pursuant to Subparagraph 1.2.5. with respect to such holder.

1.2.5. “Eligible Mortgage Holder” shall have the same meaning as set forth in Section 1602-119 of the Act.

1.2.6. “Limited Common Expenses” mean (a) the Common Expenses associated with the maintenance, repair or replacement of a Limited Common Element which shall be assessed against the Units to which that Limited Common Element is assigned equally, or in proportion to the relative Common Expense Liabilities of such Units as between themselves, as the Executive Board may periodically determine, and in accordance with Section 1603-115(c)(1) of the Act; and (b) the Common Expenses for services benefiting fewer than all Units; which are assessed exclusively against the Units benefited generally in accordance with the use of such services as permitted by Section 1602-115(c)(2) of the Act, and determined by the Executive Board.

1.2.7. “Mortgage” means a recorded mortgage or deed of trust encumbering a Unit in the Condominium held by a Mortgagee or an Eligible Mortgage Holder.

1.3. Interpretation. In the event of any conflict or discrepancy between this Declaration, the By-Laws, and the Plats and Plans, the provisions of this Declaration shall govern the By-laws and the Plats and Plans.

ARTICLE II

IDENTIFICATION AND LOCATION OF CONDOMINIUM: ASSOCIATION

2.1. Name of Condominium. The name of the Condominium is Crossroad Apartments.

2.2. Name and Association. The name of the Unit Owners Association organized under and identified in Section 1603-101 of the Act (the “Association”) is Crossroad Apartments Association. The bylaws of the Association are attached hereto as **Exhibit A**.

2.3. Location of Condominium. The Condominium is located in the Town of North Yarmouth, County of Cumberland and State of Maine and the address of the Condominium is 352 Walnut Hill Road, North Yarmouth, Maine.

ARTICLE III
DESCRIPTION OF PROPERTY AND UNITS

3.1. Description of the Property. The legally sufficient description of the Property included in the Condominium is set forth in Schedule A and the location and dimensions of the Property included in the Condominium are depicted on the Plat. The initial Plat was recorded in the Cumberland County Registry of Deeds on _____, 2020, in Plan Book _____, Pages _____, as supplemented by Plats and Plans recorded herewith, and future plans may be recorded at the said Registry.

3.2. Location and Dimensions of Building. The location and dimensions of each building and other improvements to be erected on the Land are depicted on said Plat and Plans. As set forth in Section 5.1, the units and buildings and related improvements initially depicted on the Plats and Plans need not be built and the Declarant reserves the right to alter the same.

3.3. Maximum Number of Units. The Declarant has not initially created any Units. The Declarant has reserved the right to create additional units, pursuant to Section 5.1.

3.4. Creation of Units. With respect to future Units, Schedule B shall be amended to set forth the identifying number and type of each Unit created by amendment to this Declaration and to the Plats and Plans for a description of each identifying number, and locations and dimensions of the vertical boundaries and horizontal boundaries of each Unit, the Common Elements to which the Unit has direct access and any other information necessary to identify the Unit.

3.4.1. Upper and Lower (horizontal) Boundaries: The upper and lower boundaries of each Unit shall be the following boundaries extended to an intersection with vertical (perimetric) boundaries.

3.4.1.A. Upper Boundary: The plane of the lower horizontal surface of the roof rafters.

3.4.1.B. Lower Boundary: The horizontal plane of the top surface of the undercoated concrete floor slab of the Units.

3.4.2. Vertical (perimetric) Boundaries; The vertical boundaries of each Unit shall be the interior vertical planes at the stud line the interior surface of the Unit's perimetric walls, extended to the intersections with each other and with the upper and lower Unit boundaries.

3.4.3. The Unit boundaries shall also be defined as set forth in Section 1602-102(1) through (4) of the Act.

3.4.4 Each Unit shall include the following items:

- (a) All interior partitions (excepting those portions thereof which are load-bearing), interior doors and interior stairways wholly within the unit;
- (b) Finish flooring, floor coverings, carpeting and the like, and finish wall and ceiling coverings (including paint, wallpaper, furring, gypsum board and any other materials constituting any part of the finished surfaces thereof);
- (c) Windows, doors, and garage doors providing access to the common elements including their locks, hardware and garage door tracks, but excluding their frames, thresholds and sills;
- (d) Bathroom fixtures, water heaters, and kitchen appliances, and any fireplace(s) or hearth(s);
- (e) Electrical wiring, equipment outlets and lighting devices from the point where the feed wire enters the unit's circuit breaker distribution box inwards, and portions of heating, water and sewer utility lines, pipes and equipment serving only that unit and located within its general boundary lines as herein described; and,
- (f) The interior of the garage attached to the unit and the attic areas.

Except as specified in this Declaration, all spaces and improvements within a Unit's boundaries are a part of that Unit. A Unit generally does not include: the exterior walls, the roof, rafters and foundation, land; the pipes, wires, conduits, flues, ducts, pipes, or other heating and utility lines running through a Unit which serve more than one Unit or which serve the common elements or which serve another Unit.

3.5. Allocated Interests. The Allocated Interests allocated to each Unit shall be listed and allocated to the Units per amendment to Schedule B. Each Allocated Interest has been rounded to the nearest one hundredth of one percent (0.00%). The formula for determining the interest allocated to each Unit shall be as follows:

100%

TOTAL NUMBER OF UNITS

The Declarant reserves the right to adjust the Allocated Interest of any Unit, pursuant to its development rights as stated in Article V.

3.6. Relocation of Unit Boundaries. Subject to applicable provisions of this Declaration and of law and environmental and land-use ordinances and regulations, the subdivision of Units horizontally or vertically and relocation of horizontal or vertical boundaries between the Units will be permitted at the expense of the Unit Owner of the Unit or Units to be so subdivided or

relocated, subject to compliance with the provisions therefor stated in Section 1602-112 and Section 1603-113 of the Act.

In the event of relocation of Unit boundaries or subdivision pursuant to this Paragraph there shall be a re-allocation of allocated interests. Such revised allocated interests shall be in the form of a percentage determined by dividing the number one by the total of all Units in the condominium and multiplying the results by one hundred.

3.7. Alteration of Units. Alterations of units is permitted in accordance with Section 1602-111 of the Act.

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

ARTICLE IV
COMMON ELEMENTS, LIMITED COMMON ELEMENTS AND APPLICABLE PROVISIONS

4.1. Common Elements. The Common Elements are shown on the Plats and Plans.

4.2. Allocation of Limited Common Elements. The location and dimensions of all Limited Common Elements, except for the portions of the Property described as Limited Common Elements pursuant to Section 1602-102(2) and 94) of the Act, and the identifications of the Unit or Units to which the Limited Common Elements are hereby allocated are described in this Paragraph 4.2. and the Plat and Plans. The allocation of Limited Common Elements to the Units cannot be altered except with the written consent of at least 67% of all Unit Owners and at least 51% of all Mortgagees of record. The walkways, steps, and skids depicted on the Plat and Plans servicing more than a single Unit are Limited Common Elements allocated to the Units in the Building to which they are attached. The following portions of the Property serving a single Unit, but located outside the Unit's boundaries, are each allocated as a Limited Common Element to the unit which it serves.

4.2.1. Functional porches, balconies, decks and patios as depicted on the Plat and Plans, if any.

4.2.2. Door frames sills hinges and closure, if any.

4.2.3. Shutters, awnings, window boxes, door steps and stoops designed to serve the Unit, if any.

4.2.4. Driveway spaces as shown on the Plat and Plans adjoining each Unit.

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

4.3.1. The Common Elements shall be used only for the furnishing of the services and facilities for which the same are reasonably suited and which are incident to the use and occupancy of the Units. Notwithstanding the foregoing, each owner of a Unit shall have the right to post in front of his Unit on the outside of the Building in which his Unit is situated, a non-illuminated sign not to exceed an area of one-half foot by one foot publishing the name of the Owner and the address of identifying number of his unit.

4.3.2. No Unit Owner shall obstruct any of the Common Elements nor shall any Unit Owner place or cause or permit anything to be placed in or on any of the Common Elements (except those areas designed for such storage by the Executive Board). Nothing shall be altered or constructed in or removed from the Common Elements except with the prior written consent of the Executive Board, or its designee, as appropriate.

ARTICLE V DEVELOPMENT RIGHTS

5.1. Expansion. Declarant reserves the right but not the obligation to legally create from time to time up to _____ additional units and appurtenant limited common areas as a part of the Units as described above on the Land as described in the attached Schedule A until the Seventh (7th) anniversary date of the recording of this Declaration in the Cumberland County Registry of Deeds.

5.1.1. The projected location and approximate dimensions of the additional units and limited common elements for are shown on the Plats and Plans. Said additional buildings, units and limited common elements may not be built with the configurations or in the locations as shown on the Plats, and the DECLARANT EXPRESSLY RESERVES THE RIGHT TO VARY SUCH BUILDINGS, UNITS, LIMITED COMMON ELEMENTS AND THEIR LOCATIONS in its discretion. Upon the addition of such units and limited common elements, which may occur in such stages and in such order as the Declarant determines, they shall be fully integrated into the Condominium as if this Declaration had been originally executed and recorded containing the additional Building Phase(s) and the Allocated Interests of the units shall be reallocated in accordance with the formulas set forth in this Declaration and as more particularly set forth in the amendment adding said Building Phase(s). All such future units and limited common elements shall be consistent with the initial units in terms of the quality of construction, general architectural style and principal materials, provided that the Declarant may substitute construction materials and technique of equal or better quality and, upon the addition thereof to the Condominium, must be substantially completed. All restrictions in

or created by authority of this Declaration affecting the use, quality or alienation of units shall apply to such Building Phases including, without limitation, the restriction to residential use. Declarant need not add said Building Phases or and said limited common elements to the Condominium and hence said buildings, units and limited common elements NEED NOT BE BUILT. All improvements within a future Building Phase must be substantially completed upon the addition to the Condominium. The Declarant must exercise its right hereunder within twenty (20) years of the recording of this Declaration.

5.1.2. In order to exercise any of the development rights reserved by the Declarant hereunder, the Declarant shall prepare, execute and record in the Cumberland County Registry of Deeds an amendment to the Condominium Declaration. Said amendment shall become effective upon recording without the consent of any other person. Pursuant to Schedule B attached hereto, and the amendment, an identifying number will be assigned to each new unit created and the allocated interest will be reallocated among all units pursuant to Section 5.1.3. below.

5.1.3. Redetermining Allocated Interests and Assessments. The allocated interest allocated each Unit shall be determined by the formula set out in 3.5 and subject to Schedule B. The total amount of common expense shall be reassessed against the Units pursuant to the formula set out in 3.5.

5.1.4. No Amendment Prior to Sale of All Units. This ARTICLE V and Section 3.3. and 3.5. shall not be amended or waived without the consent of all persons holding Declarant Rights duly recorded in the Cumberland County Registry of Deeds. The benefits of ARTICLE V and all other special rights of Declarant set forth in this Declaration, the By-Laws or otherwise, as amended from time to time, may be transferred in whole or part by recorded instrument specifically referring to this Section and executed by Declarant and its successor or assignee.

5.2. Withdrawal. Declarant reserves the right to withdraw any Land described on the attached Schedule A, on which the Declarant has not legally created any Units and appurtenant Limited Common Areas, subject to receipt of applicable governmental approvals and provided however that easements provided below shall be maintained. At the signing of this Declaration, the only Land that cannot be withdrawn is the Land that is described in Schedule B, attached hereto. The Declarant shall have the right to withdraw the Land until the Seventh (7th) anniversary date of the recording of this Declaration.

If the Declarant exercises its right and does withdraw Land, the Declarant shall be granted, together with each Unit Owner an easement, as a means of ingress, egress and regress to and from the withdrawn Land and the adjoining public streets and for the maintenance repair of utility lines, pipes, wires, conduits, mains and the sewer pump station. The Declarant shall also have all rights contained in Paragraphs 6.7 and 6.8 below, including but not limited to, the right to connect with and make use of utility lines, wires, pipes and conduits located on the Property for construction purposes on the Property provided that Declarant shall be responsible for the cost of service so used.

5.3 Assignment. All or any part of the rights, powers or reservations of Declarant contained in this Declaration may be assigned by Declarant to any person or entity which will assume the duties and obligations of Declarant related to the rights, powers or reservations assigned. Upon the recording of a document in said Registry of Deeds by which Declarant assigns any of such rights, powers or reservations and by which the assignee assumes the duties and obligations of Declarant related to the rights, powers or reservations assigned, the assignee shall become a successor Declarant as to such rights, powers or reservations assigned and shall have the same rights and powers and be subject to the same duties and obligations with respect to the rights, powers or reservations assigned as are given to and assumed by Declarant herein, and Declarant shall be relieved from all liability with respect to the rights, powers, reservations, duties and obligations hereunder which are assumed by the assignee.

ARTICLE VI
EASEMENTS and SPECIAL DECLARANT RIGHTS

6.1. Utilities, Pipes and Conduits. Each Unit Owner shall have an easement in common with all other Unit Owners to use all pipes, wires, chimney flues, ducts, cables, conduits, public utility lines and other Common Elements serving his Unit and located in any of the other Units. The Executive Board of the Association shall have the right to grant to third parties such additional utility easements as shall be deemed reasonable by the Executive Board in connection with the supply of utility services to the Units and or Common Elements.

6.2. Ingress, Egress and Regress. Each Unit Owner shall have an easement, subject to reasonable rules and regulations established by the Executive Board, in common with all other Unit Owners as a means of ingress, egress and regress to and from the Property and the adjoining public streets.

6.3. Condominium Association and Executive Board Access. Declarant reserves in favor of itself, the Association and its Executive Board, officers, agents and employees, the managing agent, and every other person authorized by the Executive Board the irrevocable right and easement to have access to each Unit as provided in Section 1603-107(a) of the Act.

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

discretion of Declarant. This easement shall continue until Declarant has conveyed all Units in the Condominium to purchasers.

6.5. Declarant's Easement for Construction. Declarant reserves the easement, right and privilege without let or hindrance with respect to the construction of the Units, Common Elements, Limited Common Elements and other improvements of the elements, Limited Common Elements and other improvements of the Condominium, to go upon any and all of the Property for purposes of construction, reconstruction, maintenance, repair, renovation, replacement, or correction of the Units and Common Elements. Furthermore, Declarant reserves as an easement in the Units and Common Elements pursuant to Section 1602-116 of the Act.

6.6. Encroachments. Each Unit shall have an easement to the extent necessary for structural and subadjacent support over every other Unit and over the Common Elements, and each Unit and the Common Elements shall be subject to an easement for structural and lateral support in favor of every other Unit. An easement for encroachments exists pursuant to Section 1602-114 of the Act.

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

6.8. Declarant's Right to Grant Easements. Declarant shall have the right, until the Declarant has conveyed all Units in the condominium to Purchasers to grant and reserve easements and rights-of-way through, under, over and across the property for construction purposes, and for the installation, maintenance and inspection of the lines and appurtenances for public or private water, sewer, drainage, gas, electricity, telephone and other utilities.

6.9. Common Elements Easement in Favor of Unit Owners. The Common Elements (including, but not limited to, the Limited Common Elements) shall be and are hereby made subject to the following easements in favor in the Units benefited.

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

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

6.10. Termination and Transfer of Special Declarant Rights. Declarant reserves the right to transfer from time to time to any one or more transferees any or all of the foregoing Easements and Reserved Special Declarant Rights in accordance with Section 1603-104 of the Act. All such Reserved Special Declarant Rights shall cease upon the conveyance of all Units to third parties other than a successor Declarant.

ARTICLE VII

ASSESSMENTS FOR COMMON EXPENSES AND MAINTENANCE OF PROPERTY

7.1. Allocation of Assessments of Common Expenses. The total amount of common Expense shall be assessed against the Units in the following proportions: **(See Schedule B attached).**

7.1.1. The common Expenses that are not assessed as Limited Common Expenses shall be assessed against all the Units in proportion of the relative Allocated Interests of all the Units. Included in such Common Expenses shall be a working capital fund established in an amount adequate to cover the initial two (2) months of the estimated monthly common expenses.

7.1.2. Assessments to pay a judgment against the Association shall be made as a Limited Common Expense against the Units included in the Condominium at the time the judgment was entered.

7.1.3. Heat, air conditioning, electricity and telephone services shall be supplied by the public utility company serving the area directly to each Unit through a separate meter and each Unit Owner shall be required to pay the bills for heat, air conditioning, electricity and telephone service consumed or used in his Unit. The heat, air conditioning and electricity serving the Common Elements shall be separately metered, and the Executive Board shall pay all bills for heat, air conditioning and electricity consumed in the Common Elements as a Common Expense assessable for all the Owners of Units. Water and sewer services shall be supplied by the water and sewer district serving the area to all of the Units and Common Elements through one or more building meters and the Executive Board shall pay or cause to be paid by a Common Expenses all charges for water consumed on the Property promptly after the bills therefor are rendered. All improvements intended for future phases will be substantially completed prior to annexation. Such future improvements will be consistent with the initial improvements in terms of quality of construction.

Common expense assessments are due and payable monthly.

7.2. Lien for Assessments. The total annual assessment levied against each Unit for Common Expenses and Limited Common Expenses shall be a lien against said Unit as provided in Section 1603-116 of the Act.

7.3. Limited Common Elements, Maintenance. The Association shall maintain, repair and replace all Limited Common Elements as required by this Declaration and shall assess as a

Limited Common Expense the Common Expenses associated with the maintenance, repair or replacement of each Limited Common Element (except for Common Expenses associated with structural repairs or replacements) against the Units to which the Limited Common Element is assigned or appurtenant in proportion to the relative Allocated Interests of such Units as between themselves, provided that the Association shall also have the right to assess an individual Unit for Limited Common Expenses associated with such Unit if the Limited Common Expenses shall be incurred due to the negligence, neglect or misconduct of the Owner of such Unit or if the time giving rise to the expense shall be for the benefit of that Unit only. However, the Unit Owner of any unit to which a Limited Common Element balcony, deck, patio or terrace, if any is appurtenant, shall perform the normal maintenance for such limited common element, including keeping it in a clean and sanitary condition, free and clear of ice, snow and any accumulation of water, but if that Limited Common Element, or any other Limited Common Element in a building, is allocated to more than one Unit, the Association shall be responsible and shall assess the costs thereof as a Limited Common Expense including washing and necessary replacement with substitutions of similar color, size, quality and style. The Association shall be responsible for all structural repairs and replacements of all Limited Common elements except for windows, and the costs thereof shall be assessed to all Unit owners as a Common Expense, unless such repair or replacement shall be necessitated by the negligence, neglect or misconduct of fewer than all of the Unit Owners, in which case such costs shall be assessed to the Unit Owners responsible as a Limited Common Expense.

7.4. Maintenance of Common Elements. The Association shall be responsible for the maintenance, repair and replacement (unless, in the opinion of the Executive Board, such expense was necessitated by the negligence, misuse or neglect of a Unit Owner) of all of the Common Elements (subject to paragraph 7.3 regarding the Limited Common Elements) whether located inside or outside of the Units, the cost of which shall be charged to the Unit Owners as a Common Expense. The maintenance, repair and replacement of Common Elements located within a Unit, or for which the Unit Owner is otherwise responsible, to the extent required for Units, shall be furnished by the Association as a part of the Common Expense or, if fewer than all of the Units are benefited, the Limited Common Expenses.

Declarant does not propose any professional management contract covering maintenance or management of the Condominium or any aspect thereof; however, Declarant reserves the right to manage the Condominium during the Declarant Control Period. Any such management contract which may be entered into by the Declarant or the Association shall be for the term not longer than one (1) year.

7.4.1. Maintenance of Common Elements includes: the maintenance of the planting and landscaping, the maintenance of the roads, drives, parking areas and sidewalks within **Crossroad Apartments**, the exterior lighting and the storm drainage. _____ shall remain a private road and the Association shall be responsible for maintaining the road, which begins _____.

7.4.2. Maintenance of Common Elements shall include the maintenance of the sewer pumping station. The Association shall be responsible for entering into a

maintenance agreement whereby the pump station shall be inspected and maintained on a quarterly basis or for assuming any prior such agreement entered into by the Declarant.

7.4.3. Maintenance of Common Elements shall include the maintenance of the fire hydrants located in the project. The Declarant and/or the Association, depending upon the timeliness of the agreement, shall be responsible for entering into a maintenance agreement with the Yarmouth Water District for the maintenance of the hydrant.

7.4.4. Crossroad Apartments. Every owner of any Unit in Crossroad Apartments (hereinafter referred to as "Lot/Unit Owners"), shall be a member of the **Crossroad Apartments Homeowners Association** as described in the Declaration of Crossroad Apartments, recorded in the Cumberland County Registry of Deeds in Book _____, Page _____. Membership shall be appurtenant to and may not be separated from lot ownership. All Owners shall be entitled to one vote for each lot owned. The Association shall maintain any and all facilities used or available for use in common (hereinafter referred to as "common areas" such as roads until accepted by the Town of North Yarmouth and the Open Space as shown on the Plan) by all members of the corporation in a reasonable state of repair including maintenance and repair of any drainage facilities associated with those lots. Maintenance of Common Elements, utilized by Crossroad Apartments shall be the joint responsibility of the Lot/Unit Owners. By purchasing a Unit in Crossroad Apartments, the Unit Owners agree to abide by the shared maintenance percentage.

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

7.6. Liability of Owner. Each Unit Owner shall be liable, and the Association shall have a lien against his Unit, for the expense of maintenance, repair or replacement of any damage to the Common Elements including Limited Common Elements such as windows or another Unit caused by such Unit Owner's act, neglect or carelessness or by that of any member of such Unit Owner's family, or such Unit Owner's guests, employee, agents, lessees, or their pets, and the Association shall have the right to cure, correct, maintain, repair or replace such damaged Common Elements. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit of its appurtenances. Nothing herein

contained, however, shall be construed so as to modify any waiver by insurance companies of rights or subrogation against such Unit Owner.

7.7. Working Capital Fund. To ensure that the Owners' Association will have the funds to meet unforeseen expenditures or to purchase any additional equipment or services, the Declarant shall establish a working capital fund equal to two months' estimated common charges for each Unit. Such funding by Declarant shall not be considered as advance payments of regular assessments. Each Unit's share of the working capital fund shall be collected at the time of the sale of the Unit is closed and then shall be transferred to the Owners' Association for deposit to a segregate fund within Sixty (60) days after closing has been held for the first Unit, Declarant shall pay each unsold Unit's share of the working capital fund to the Owners' Association. The developer or sponsor shall then reimburse itself for this payment from the funds collected at closing when unsold Units are sold.

7.8. Insurance. Commencing not later than the time of the first conveyance of a Unit to a person other than the Declarant, the Association shall obtain that insurance and fidelity bond described in Article VIII of the By-Laws. Insurance shall be paid for by the assessments for common expenses.

ARTICLE VIII ASSOCIATION OF UNIT OWNERS: VOTING: DECLARANT CONTROL

8.1. The Association, Powers. The Association is a nonprofit and non-stock corporation organized under Title 13-B of the Maine Revised Statutes of 1964, as amended. The membership and powers of the Association are as set forth in Section 1603-102 of the Act. Upon acceptance of a deed of conveyance, a Unit Owner thereby becomes a member of the Association.

8.2. Executive Board Powers; Declarant Control Period. Except as otherwise provided in Section 1603-103(b) of the Act, the Executive Board may act on behalf of the Association, shall have all of the powers necessary for the administration of the affairs of the Association and may do all such acts and things as are not by the Act, this Declaration, or the By-Laws required to be exercised and done by the Association. The affairs of the Association shall be governed by an Executive Board composed of no less than three (3) and no more than six (6) persons. Prior to the Transition Election provided for by subparagraph 8.2.1., the Executive Board shall be composed of three (3) natural persons and after the Transition Election, the Executive Board shall be composed of six (6) natural persons. The members of the Executive Board appointed by the Declarant during the Declarant Control Period can be appointed, removed and replaced from time to time by the Declarant without the necessity of obtaining resignations and the Declarant shall have the right during the Declarant Control Period to appoint, remove and replace from time to time any and all officers of the Association. The appointees of the Declarant need not be Unit Owners. After the Transition Election, all members of the Executive Board shall be Unit Owners or spouses of Unit Owners, or in the case of a Unit Owner which is a corporation, partnership, trust or estate, a designated agent thereof.

8.2.1. The transition from Declarant-appointed members of the Executive Board to Unit Owners other than the Declarant shall occur no later than Sixty (60) days after 75% of all Units have been constructed and conveyed to a person other than a successor Declarant.

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

8.3. Voting. Voting shall be in accordance with Section 1603-110 of the Act; provided, however, that the rights of mortgagees under Section 1602-119 are not hereby altered.

8.4. Access to Records. The Association shall make available to any Unit Owners or Lenders upon request current copies of the Declaration, By-Laws, Rules and Regulations and the Association's books, records and financial statements.

Any holder, insurer or guarantor of a first mortgage on any Unit shall be entitled, upon request of the Association, to any audited financial statement for the Association covering the preceding accounting year of the Association.

8.5. Rights of Action. Any individual Unit Owner or group thereof shall have rights of action against the Association, and the Association shall have a similar action against any individual Unit Owner or group of Unit Owners, for failure to comply with the provisions of these Declarations, the Association's By-Laws, and decisions of the association.

ARTICLE IX RESTRICTIONS ON USE, OCCUPANCY AND ALIENATION OF UNITS

9.1. Use and Occupancy Restrictions of Units. Each Unit shall be occupied and used subject to the following restrictions:

9.1.1. Except for areas of the Condominium designated for recreational use, no Unit shall be used for other than single-family residential purposes by the Unit Owner, the Unit Owner's family related by blood, marriage or adoption, and the tenants and guests of the Unit Owner or the Unit Owner's family. No commercial, industrial, or business use, or enterprise of any nature or description shall be carried on at a Unit, except that a home office or use by an Owner only without signs, and without any employees other than residents of the Unit, without any outside storage and without customers or business invitees coming to a Lot for business purposes. The conduct of business activity shall be carried on so that it is not apparent or detectable by sight, sound, or smell from the exterior of the Unit, the business activity conforms to all zoning requirements for the Units; and the business activity is consistent with the residential

character of the Property. PROVIDED HOWEVER that nothing in this Declaration or the By-Laws shall be construed to prohibit the Declarant from exercising any Development Rights, easements and Special Declarant Rights reserved to the Declarant hereunder.

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

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

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

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

9.2. Leasing Restrictions. All leases of Units must be in writing in a form approved by the Board. No Unit shall be rented for transient or hotel purposes or in any event for an initial period less than thirty (30) days and no portion of any Unit (other than the entire Unit) shall be leased for any period. No Unit Owner shall lease a Unit other than on a lease: (a) requiring the lessee to comply with the Condominium Documents and rules and regulations of the Association; (b) providing that failure to comply therewith constitutes a default under the lease; and (c) providing that the Executive Board has the power to terminate the lease or to bring summary proceedings to evict the tenant in the name of the lessor thereunder after thirty (30) days prior written notice to the Unit Owner, in the event of a default by the lessee in the performance of the lease. The Executive Board may suggest or require a standard form lease for use by Unit Owners. Each Unit Owner of a Unit shall, promptly following execution of any lease of a Unit, forward a conformed copy thereof to the Executive Board.

9.3. Lease of Units Owned by Declarant. The Declarant retains and reserves the right, subject to the restrictions contained in the foregoing Section 9.2, to enter into leases with any persons for the occupancy of any of the Units owned by Declarant.

9.4. Voluntary Resale of Units. The following provisions apply to the sales of Units by all Unit Owners other than the Declarant:

9.4.1. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to the date of recordation of a conveyance in fee of such Unit Owner. In a voluntary transfer of a Unit, the grantee of the Unit shall be jointly and severally liable with the grantor for all unpaid assessments and special assessments for Common Expenses made by the Executive Board against the grantor up to the time of the recordation of grantor's transfer, without prejudice to the grantee's right to recover from the grantor the amount paid by the grantee therefor. However, any person who shall have entered into an agreement to purchase a Unit from a Unit Owner shall be entitled to a certificate from the Executive Board as provided by Section 1604-108(b) of the Act, and the grantee shall not be liable for, nor shall the Unit conveyed by subject to a lien for, any assessments or unpaid special assessments made by the Executive Board against the grantor for Common Expenses in excess of those disclosed on such certificate. No For Sale signs to be shown without Board's consent or without Board's approval.

9.4.2. A voluntary transfer for the purpose of this Paragraph 9.4. shall be considered any sale, lease, gift, testate or intestate distribution, or the transfer of ownership by any person or entity.

9.4.3. All Unit Owners shall comply with Section 1604-108 of the Act. Except as provided in this Paragraph 9.4., there are no other restrictions governing the voluntary transfer of a Unit.

ARTICLE X MORTGAGES OF UNITS: RIGHTS OF MORTGAGEES

10.1. Right to Mortgage. Each Unit Owner shall have the right to mortgage or encumber his own respective Unit together with the Allocated Interests appurtenant to such Unit. No Unit Owner shall have the right or authority to mortgage or otherwise encumber in any manner whatsoever the Common Elements or any part thereof.

10.2. Identification of Mortgages. A Unit Owner who mortgages his Unit shall notify the Executive Board in writing of the name and address of his Mortgagee(s).

10.3. Mortgage Foreclosure. Any Mortgagee of a Unit that obtains title to the Unit pursuant to the remedies provided in the Mortgage, or through a completed foreclosure of the Mortgage, or through deed (or assignment) in lieu of foreclosure, shall take the Unit with the Allocated Interests appurtenant thereto free of claims for unpaid assessments for Common

Expenses, interest and costs levied against such Unit which accrue prior to the acquisition of title to such Unit by the Mortgagee.

10.4. Notice to Eligible Mortgage Holder of Insurer. The Association shall send written notice by prepaid United States mail to each Eligible Mortgage Holder and Eligible Insurer of the following proposed actions whether within a reasonable period prior to the taking of any of such proposed actions or at the time that notice thereof is given to Unit Owners unless another time is specified herein:

10.4.1. Any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit upon which there is a first Mortgage held, insured or guaranteed by such Eligible Mortgage Holder or Eligible Insurer, as applicable;

10.4.2. Notice to the Eligible Mortgage Holder and Eligible Insurer of the Mortgage to which such Owner's Unit is subject of any delinquency in the payment of assessments for Common Expenses or any other charges owed by an Owner of that Unit, or any other default in the performance or payment by such Unit Owner of any obligation under this Declaration, the By-Laws or any rules or regulations of the Association, which delinquency or other default continues for a period of Sixty (60) days;

10.4.3. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

10.4.4. The proposed use of any proceeds of Property insurance required to be obtained and maintained by the Association pursuant to the By-Laws for purposes other than repair, replacement and restoration of the Property substantially in accordance with this Declaration, the By-Laws, the Plat and Plans, and the original elevation thereof and original building Plans and specifications;

10.4.5. The adoption by the Executive Board of any proposed budget, the date of the meeting of Unit Owners scheduled to consider ratification of such proposed budget, and a summary of the proposed budget;

10.4.6. Any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders as specified in Paragraphs 10.5;

10.4.7. The termination of the condominium;

10.4.8. A change in the Allocated Interests appurtenant to any Unit, a change in the boundaries of a Unit, or the subdivision of a Unit except for such changes created by the Declarant as a consequence of the exercises of any Development Rights reserved in this Declaration by the Declarant;

10.4.9. The merger or consolidation of the Condominium with another condominium;

10.4.10. The conveyance or subordination of a security interest of or upon any portion of the Common Elements.

10.5 Mortgagee Approval Rights.

10.5.1. The prior written approval of at least Eighty Percent (80%) of the Unit Owners and Sixty-Seven Percent (67%) of the Eligible Mortgage Holders shall be required to terminate or abandon the Condominium for reasons other than substantial destruction or condemnation of the Condominium. Notwithstanding the vote of the Owners and Mortgage Holders, the approval by the Town of North Yarmouth may be required.

10.5.2. The prior written approval of at least Fifty-One Percent (51%) of the Eligible Mortgage Holders and Eighty Percent (80%) of the Unit Owners shall be required for the termination or abandonment for substantial loss to the Units, Common Elements, or both.

10.5.3. The prior written approval of at least Sixty-Seven percent (67%) of the eligible Mortgage Holders shall be required to alter or change any Allocated Interests.

10.5.4. If professional management has been required previously by any Eligible Mortgage Holder, irrespective of the time when such person became an Eligible mortgage Holder, any subsequent decision to establish self-management by the Association shall require the prior consent of at least Sixty-Seven percent (67%) in voting interest of the Unit Owners and the approval of at least Fifty-One percent (51%) of the Eligible Mortgage Holders.

10.5.5. Any abandonment, partition, subdivision, encumbrance, sale or transfer of any of the Common Elements (except for granting easements for utilities or the public purposes consistent with the intended use of the Common Elements) by act or omission shall require the prior written approval of at least Eighty percent (80%) in voting interest of the Unit Owners and Sixty-Seven percent (67%) of the Eligible Mortgage Holders.

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

10.5.7. With respect to amendments to the Condominium Documents:

10.5.7.(a) The consent of at least Eighty percent (80%) of the Unit Owners and the approval of at least Sixty-Seven percent (67%) of the Eligible

Mortgage Holders shall be necessary to terminate the Condominium not as a result of destruction, damages or condemnation.

10.5.7.(b) The consent of at least Eighty percent (80%) of the Unit Owners and the approval of at least Fifty-One percent (51%) of the Eligible Mortgage Holders shall be necessary to terminate the condominium as a result of destruction, damages or condemnation to the Condominium.

10.5.7.(c) Except for the amendments described in the introductory Paragraph of Article XIV, the written consent or approval of at least Fifty-One percent (51%) of the Eligible Mortgage Holders shall be required to add or amend any material revisions of the Condominium Documents which establish, provide for, govern or regulate any of the following:

- (1) Voting;
- (2) Assessments, assessment liens or subordination of such liens;
- (3) Reserves for maintenance, repair and replacement of the Common Elements (or Units if applicable);
- (4) Insurance or fidelity bonds;
- (5) Rights to use the Common Elements;
- (6) Responsibility for maintenance and repair of the Common Elements of the Condominium;
- (7) Expansion or contraction of the condominium or the addition, annexation or withdrawal of property to or from the Condominium;
- (8) Boundaries of any Unit;
- (9) The interest of the Common Elements or Limited Common Elements;
- (10) Convertibility of Units into Common Elements or of Common Elements into Units;
- (11) Leasing of Units;
- (12) Imposition of any right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer, or otherwise convey his Unit;
- (13) Any provisions which are for the express benefit of Mortgages, Eligible Mortgage Holders of Eligible Insurers.

An addition or amendment to the condominium Documents shall not be considered material if it is for the purpose of correcting technical errors.

An Eligible Mortgage Holder who receives a written request to approve additions or amendments to the condominium Documents who does not deliver to the requesting party a negative response within Thirty (30) days after the giving of notice shall be deemed to have approved such request in writing.

10.6 Other Rights of Eligible Mortgage Holders. In the event of any default by a Unit Owner in payment of assessments or performance of obligations pursuant to the Condominium Documents, the Eligible Mortgage Holder of the Mortgage on such Owner's Unit shall have the right but not the obligation to cure such default.

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

ARTICLE XI EASEMENTS AND LICENSES

11.1. Recorded Easements and Licenses. Aside from those shown on the Plat and Plans or referenced in this Declaration, there are no recorded easements and licenses appurtenant to or included in the Condominium, aside from the utility easements which may be recorded after the date hereof.

ARTICLE XII NOTICE TO UNIT OWNERS AND ASSOCIATION

12.1. To Unit Owner. All notices, demands, bills, statements or other communications affecting the Condominium shall be given to Unit Owners by the Association in writing and shall be deemed to have been duly given if delivered personally securing receipt thereof, or sent by United States Mail, postage prepaid, or if such notification is of a default or lien, sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the Unit Owner at the address which the Unit Owner shall designate in writing and filed with the Secretary of the Association or if no such address is so designated, the address of the Unit of such Unit Owner who is the record owner thereof.

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

12.3. To Eligible Mortgage Holder, etc. All notices, demands, statements or other communications affecting the Condominium given by the Association to any Eligible Mortgage Holder and Eligible Insurer shall be in writing and shall be deemed to have been duly given by the Association if delivered personally securing a receipt therefor or sent by United States Mail, postage prepaid, addressed to the Eligible Mortgage Holder at the address identified pursuant to Subparagraph 1.2.5. and the Eligible Insurer at the address identified pursuant to Subparagraph 1.2.4.

ARTICLE XIII
TAXATION

13.1. The Units Not Yet Separately Assessed. In the event that for any year real estate taxes assessed by the Town of North Yarmouth are not separately taxed and assessed to each separate Unit Owner but are taxed on the Property as a whole, than each Unit Owner shall pay his proportionate share thereof in accordance with his respective Allocated Interests.

ARTICLE XIV
AMENDMENTS

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

14.2. After First Conveyance. After the first conveyance by the Declarant of a Unit, an amendment to this Declaration shall be made in accordance with Section 1602-117 of the Act; provided that any such amendment shall also require the consent of Fifty-One percent (51%) of all Eligible Mortgagees; and, provided further, that this paragraph shall not override any specific amendment requirement elsewhere set forth in this Declaration which is more restrictive.

ARTICLE XV
TERMINATION OF CONDOMINIUM

15.1. Termination. The Condominium shall not be terminated except as provided in, and subject to, Section 1602-118 of the Act.

ARTICLE XVI
APPLICABILITY: COMPLIANCE AND DEFAULT: EMINENT DOMAIN

16.1. Applicability. This Declaration shall be applicable to the Condominium. All present and future owners and tenants, their guest, licensees, servants, agents and employees shall be permitted to use the Common Elements and shall be subject to this Declaration, the By-laws and to such rules and regulations as may be issued by the Executive Board from time to time to govern the conduct of its members and the use and occupancy of the Property. Ownership, rental or occupancy of any of the Units in the Condominium shall be conclusively deemed to mean that said Owner, tenant or occupant of any of the Units in the Condominium has accepted and ratified this Declaration, the By-laws and the rules and regulations of the Association and will comply with them. The acceptance of a deed or conveyance (other than as security) or the entering into a lease or the entering into an occupancy of any Unit (other than possession by a Mortgagee prior to either the completion of foreclosure or the acceptance of a deed to the Unit subject to the Mortgage held by such Mortgagee) shall signify that the provisions of this Declaration and the By-laws, the rules and regulations of the condominium and the decisions of the Executive Board are accepted and ratified by such Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having any time, interest or estate in such Unit, as though such

provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

16.2. Compliance:

16.2.1. Each Unit Owner shall be governed by and shall comply strictly with the terms, covenants, conditions and restrictions of this Declaration, By-Laws and the rules and regulations adopted pursuant thereto, and the same as they may be amended from time to time.

16.2.2. The Executive Board and committees appointed by the Executive Board in accordance with the By-Laws shall have the power to adopt, amend and enforce compliance with, such reasonable rules and regulations relative to the operation, use and occupancy of the Units and the Common Elements consistent with the provisions of this Declaration and the Act, including, but not limited to the appointment of such committees and the enactment and enforcement of such enforcement procedures and penalties for violations as the Executive Board shall deem appropriate.

16.2.3. The failure of the Declarant, or the Executive Board, or any committee appointed by the Executive Board, or any Unit Owner to enforce any covenant, restriction or other provision of the Act, the Condominium Documents or the rules and regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

16.3. Arbitration. The following procedures shall apply to claims, disputes, and other matters in question between the Declarant, on the one hand, and the Association or the other Unit Owners on the other hand.

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

16.4. Eminent Domain. If part of the Common Elements shall be taken or condemned by any authority having power of eminent domain, the Association shall notify the Owners and Eligible Mortgage Holders of the Units affected and shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority, and the portion of the award attributable to the Common Elements taken shall be paid to the Association for the use and benefit of the Unit Owners and their Mortgagees as their interest may appear. The Association shall divide any portion of the award not used for any

restoration or repair of the remaining Common Elements among the Unit Owners and their Mortgagees, as their interests may appear, in proportion to their Allocated Interests in the Common Elements prior to such taking or condemnation, but the portion of the award attributable to the acquisition of any Limited Common Element shall be equally divided among the Owners of the Units to which such Limited Common element was allocated at the time of such taking or condemnation and their Mortgagees, as their interests may appear. Each Unit Owner appoints the Association as attorney-in-fact for the purpose described in this paragraph. Notwithstanding anything to the contrary in this Paragraph 16.4., lien holders on any Unit, Common Element or Limited Common element, shall have a lien on any such awards in other of priority of their respective liens.

ARTICLE XVII LIMITATION OF LIABILITY

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

17.1.1. Shall not be liable for the failure of any service to be obtained by the Executive Board and paid for by the Association, or for injury or damage to persons or property caused by the elements or by another Unit Owner or person on the Property, or resulting from electricity, gas, water, rain, dust or sand which may leak or flow from the outside or from any part of the building, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or the Executive Board;

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

17.1.3. Shall have no personal liability in contract to a Unit Owner or any other person or entity under any agreement, check, contract, deed, lease, mortgage, instrument or transaction entered into by them on behalf of the Executive Board members' duties;

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

17.1.5. Shall have no personal liability in tort to a Unit Owner of any person or entity, direct or imputed, by virtue of acts performed by or from them, except for the Executive Board members' own willful misconduct or gross negligence in the performance of their duties; and

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

17.2. Indemnification. Each member of the Executive Board, in his capacity as an Executive Board members, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being or having been a member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not he is an Executive Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Executive Board member and/or officer if adjudged guilty of willful misconduct or gross negligence in the performance of his duties; provided that, indemnification hereunder with respect to any criminal action or proceeding is permitted only if such Executive Board member and/or officer had no reasonable cause to believe his conduct was unlawful. The indemnification by the Unit Owners set forth in this Paragraph shall be paid by the Association on behalf of the Unit Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Executive Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit Owners or otherwise.

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

ARTICLE XVIII GENERAL PROVISION

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

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

part of this Declaration. Any Exhibits are attached to this Declaration for purposes of identification only and shall not for any purposes or reasons be deemed as part of this Declaration.

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

18.4. Severability. The invalidity of any provisions of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

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

IN WITNESS WHEREOF, **Walnut Hill Investments, LLC**, has caused this Declaration to be executed as of the date and year first above written, by _____, its _____, thereunto duly authorized.

Signed, Sealed and Delivered in the

Walnut Hill Investments, LLC, Inc.

By: _____

Name:

Its:

STATE OF MAINE
CUMBERLAND, ss.

Date: _____, 2020

Personally appeared before me _____, _____ of Walnut Hill Investments, LLC, who being duly sworn did declare that the execution of this Declaration of Condominium is his free act and deed and the free act and deed of Walnut Hill Investments, LLC, acting in his/her above stated capacity.

Before me,

Notary Public/Attorney at Law

SCHEDULE A

To be provided by surveyor

The above described parcel being land as described in deed to Walnut Hill Investments, LLC recorded in the Cumberland County Registry of Deeds in Book 36584, Page 141. Reference is also made to the plan of Crossroad Apartments recorded in said Registry in Plan Book _____, Pages _____. Bearings are referenced to grid north, Maine State Plane Coordinate System, West Zone.

The above-described premises are conveyed subject to easements, conditions, notes and restrictions as shown on the aforementioned Plan and on the supplemental Plans recorded herewith, the terms of which are incorporated herein.

Subject to and together with the benefit of utility easement of record perpetual easements for ingress and egress, utilities and drainage facilities as shown the Plats recorded at the Cumberland County Registry of Deeds.

SCHEDULE B

No Units are initially being created pursuant to the Declaration.

The Declarant has reserved the right to create a total of **22** Units. Upon the creation of additional Units, the allocated interests for each Unit shall change pursuant to Article V of this Declaration.

Allocation of common interest and common expense liability is based upon a per capital allocation to each Unit. This allocation shall apply to any and all reallocation of interest resulting from the addition or withdrawal of Units so that all such Units will have equal common element interest and common expense liability after any such reallocation. Voting rights are allocated on the basis of one vote per Unit.