55101

DECLARATION OF CONDOMINIUM

THIS DECLARATION (the "Declaration") is executed as of the date of Nov. 26 1986, by PARK-ONE ELEVEN, INC. (the "Declarant") pursuant to the Maine Condominium Act, Chapter 31 of title 33 of the Maine Revised Statutes of 1964, as amended (the "Act").

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 City of Biddeford, County of York and State of Maine more particularly described in Schedule A and of all buildings and improvements constructed and to be constructed on the Land and all easements, rights, privileges and appurtenances thereunto belonging (collectively, the "Property") hereby publishes and declares that the Property shall be conveyed subject to the convenants, easements and restrictions contained in the Act and in this Declaration which shall run with the Property and be binding upon, and inure to the benefit of, all owners of any and every portion of the Property and their respective heirs, successors and assigns; that the Property is hereby submitted to the provisions of the Act; and that the Declarant hereby creates with respect to the Property a condominium as defined in Section 1601-103 (7) of the Act (the "Condominium").

The Property is depicted on the Plats of the Land (the "Plats") and Plans of such buildings and improvements constructed and to be constructed thereon (the "Plans") the originals of which Plats and Plans are recorded herewith in York Registry of Deeds.

The Declarant hereby reserves with respect to the Property the Development Rights including any right or rights (a) to create Units, Common Elements and Limited Common Elements pursuant to the provisions of this Declaration within the Condominium and Property (the "Convertible Real Estate") and to create and construct on the Convertible Real Estate any Buildings and improvements containing those created Units, Common Elements

and Limited Common Elements; and (b) to subdivide or convert into Common Elements, or create Units, Common Elements, and Limited Common Elements pursuant to the provisions of this Declaration within, certain Units designated pursuant to this Declaration as subject to such Development Rights (the "Divisible Units").

1.2. Defined Terms. As provided in Section 1601-103 of the Act, capitalized terms not otherwise defined in the Declaration as it may be amended from time to time, or the Plats and Plans, shall have the same meanings as specified in the Act. The following terms which are not otherwise defined in this Declaration shall have the following specific meanings in this Declaration:

1.2.1. "Allocated Interests" mean (a) the Common Element Interest, (b) the Common Expense Liability and (c) the Votes in the Association, allocated to each Unit pursuant to this Declaration.

1.2.2. "Association" means the association of the Unit Owners organized as a nonprofit corporation under the Maine Non Profit Corporation Act.

1.2.3. "Building" means any building erected or to be erected on the Land 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.

1.2.4. "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.

1.2.5. "Common Elements" mean all portions of the Condominium other than the Units.

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

1.2.7. "Common Expenses" mean and include, but are not limited to, (a) the cost of maintenance, management, operation, repair and replacement of the Common Elements and such Limited Common Elements and such parts of the Units as to which pursuant to this Declaration it is the responsibility of the Association to maintain, repair and replace, (b) the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Executive Board pursuant to the

provisions of this Declaration and the fees and disbursements of the Insurance Trustee if any, (c) such amounts as the Executive Board may deem necessary to provide for general operating reserve funds, reserve funds for replacements and contingencies, and such other reserve funds as the Executive Board may periodically establish, (d) sums that the Executive Board may deem necessary to compensate for any deficits in receipts over expenses for the previous fiscal year, and (e) the charges and fees for energy, electricity, heat, water, electricity, gas and sewer services furnished to the Condominium to the extent not separately metered to individual Units and charged to individual Unit Owners; and (f) such other costs and expenses that may be declared by the Act, this Declaration, the By-Laws, or resolution or agreement by the Executive Board, Unit Owners, or any two or more of the foregoing, to be Common Expenses of the administration, operation, maintenance and repair of the Condominium and Property and the rendering to Unit Owners of all related services.

1.2.8. "Condominium Documents" mean this Declaration the Plats, Plans and the By-Laws.

1.2.9 "Declarant Control Period" means the entire time period which extends from the date of the recording of this Declaration until the earlier of: (a) seven (7) years following conveyance of the first Unit to a Purchaser, or (b) sixty (60) days after the conveyance of 75% of the Units which Declarant has reserved the Development Rights to create to Purchasers.

1.2.10 "Common Expense Liability" means the allocation to each Unit of the respective liability for Common Expenses. The Common Expense Liability allocated to the Unit is a percentage equal to the Common Element Interest appurtenant to the respective Unit.

1.2.11. "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 1.2.12. 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 1.2.12. with respect to such holder.

1.2.12. "Eligible Mortgage Holder" means the holder of record of a recorded first Mortgage encumbering a Unit in the condominium which has delivered written notice to the Association by prepaid United States mail, return receipt requested, or by delivery in hand securing a receipt therefor, stating the name and address of the said holder of a Mortgage, the name and address of the Owner of the Unit encumbered by such Mortgage, the

identifying number of such Unit, and containing a statement that such Mortgage is a recorded first Mortgage.

1.2.13. "Executive Board" has the meaning provided in Section 1601-103 (13) of the Act.

1.2.14. "Limited Common Elements" mean those portions of the Common Elements the exclusive use of which is reserved as an appurtenance to one or more, but fewer than all, of the Units as indicated and allocated pursuant to this Declaration.

1.2.15. "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 (b) the Common Expenses for services benefitting fewer than all the Units, which are assessed exclusively against the Units benefitted generally in accordance with the use of such services as permitted by Section 1603-115 (c) (2) of the Act, as determined by the Executive Board.

1.2.16. "Majority Vote" or "Majority of Unit Owners" shall mean a vote by the Owners of those Units to which are allocated more than 50% of the Votes in the Association that are cast in person or by proxy at any meeting of the Association at which a quorum is present and any specified percentage of Unit Owners means such percentage in the aggregate of all the Votes in the Association allocated to the Units. The approval by a specified percentage of Eligible Mortgage Holders shall mean the approval by the Eligible Mortgage Holders that hold record Mortgages on Units representing the same specified percentage of the votes in the Association allocated to all the Units subject to Mortgages held by Eligible Mortgage Holders.

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

1.2.18. "Mortgagee" means the holder of a recorded Mortgage or deed of trust encumbering a Unit in the Condominium.

1.2.19. "Purchaser" means a Unit Owner other than the Declarant or a Mortgagee.

1.2.20. "Recorded" means that an instrument has been duly entered of record in the Registry of Deeds in and for York County, Maine.

1.2.21. "Special Declarant Rights" have the meaning provided in Section 1601-103 (25) of the Act and include Development Rights reserved by Declarant and the rights reserved by the Declarant in Article VII and Paragraph 9.2.

1.2.22. "Unit" means a part of the Property designated for any type of separate ownership or occupancy, which has a direct exit to a public street or way, or to a Common Element or Common Elements leading to a public street or way. The "size" of each Unit is the number of square feet of floor space therein determined by reference to the dimension shown on the Plans. As the context shall require, the term "Unit" shall include the term "Divisible Unit".

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; PARK ONE-ELEVEN CONDOMINIUM ASSOCIATION

2.1. Name of Condominium. The name of the Condominium is PARK ONE-ELEVEN CONDOMINIUM.

2.2. Name of Association. The name of the Unit Owners Association organized under and identified in Section 1603-101 of the Act (the "Association") is PARK ONE-ELEVEN CONDOMINIUM ASSOCIATION.

2.3. Location of Condominium. The Condominium is located in the City of Biddeford, County of York and State of Maine and the address of the Condominium is 415 Alfred Street, Biddeford, Maine.

ARTICLE III

DESCRIPTION OF PROPERTY AND UNITS

3.1. Description of the Property. A 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 Plats, recorded herewith in York Registry of Deeds.

3.2. Location and Dimensions of Building. The location and dimensions, or proposed location and dimensions, of each Building and other improvements to be erected on the Land, or as to which the Declarant has reserved the right to erect or not to erect on

the Land and the Common Elements are depicted on the Plats and on the Plans.

3.3. Maximum Number of Units. The Declarant has created pursuant to this Declaration the Units identified on Schedule B. The Declarant reserve the Development Right to create a maximum number of seven (7) Units in the Property, Convertible Real Estate and the divisible Units, or any two or more of the foregoing.

3.4. Creation of Units. Reference is made to Schedule B for the identifying number and type of each Unit created by this Declaration and to the Plats and Plans for a description of each Unit created by this Declaration including each Unit's identifying number, the 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.

3.5. Unit Boundaries. The boundaries of each Unit created pursuant to this Declaration are situated as shown on the Plats and Plans and shall consist of:

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

3.5.1.1. Upper Boundary: The horizontal plane of the lower horizontal surface of the roof or ceiling joists for each Unit.

3.5.1.2. Lower Boundary: The horizontal plane of the top surface of the undecorated concrete floor slab or the unfinished subflooring of the Unit, as the case may be.

3.5.2. Vertical (perimetric) Boundaries: The vertical boundaries of each Unit shall be the vertical planes at the stud or lath line of the back surface of its perimetric walls, extended to the intersections with each other and with the upper and lower Unit boundaries.

3.5.3. The Unit shall include the heating, hot water and air conditioning apparatus exclusively serving the Unit whether or not located within the boundaries of the Unit and all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, funished flooring and any other materials constituting any part of the finished surfaces thereon, located within the boundaries of the Unit.

3.5.4. Subject to the provisions of subparagraph 3 above, if any chute, flue, duct, wire, conduit, bearing wall, bearing column, or any other fixture lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element allocated solely to that Unit, and any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the Common Elements.

3.5.5. Subject to the provisions of subparagraph 4 above, all spaces, interior partitions and other fixtures and improvements within the boundaries of a Unit are a part of the Unit.

3.5.6. Subject to the provisions of s.bparagraphs 3 and 4 above, any shutters, awnings, windows, window boxes, doorsteps, stoops, porches and all exterior doors and windows and other fixtures designed to serve a single unit, but located outside the unit, areLimited Common elements, assigned exclusively to that Unit.

3.6. Allocated Interests. The Allocated Interests allocated to each Unit are listed and allocated to the Units in Schedule B. Each Allocated Interest has been rounded to the nearest one hundredths of one percent (0.01%). The Allocated Interest appurtenant to each respective unit is a percentage determined by dividing the entire square floor footage of that unit at the time of its creation, by the square floor footage of all units (including that unit) then existing in the Condominium. The Allocated Interest shown for each Unit is subject to change in the following circumstances:

3.6.1. If the Declarant exercises its Development Right reserved pursuant to Paragraph 6.1 to subdivide and to convert into Common Elements, and to create one or more Units, Limited Common Elements, Common Elements or a combination of Units, Limited Common Elements, and Common Elements within, any or all portions of a Divisible Units, the Allocated Interests allocated to such a Divisible Unit will be reallocated among the Units created therefrom on the basis of (a) dividing the Allocated Interests allocated to the Divisible Unit at the time the Development Right is exercised by (b) (i) the number of Units which originally may be created in that Divisible Unit minus (ii) the number of Units previously created in that Divisible Unit.

3.6.2. If the Declarant exercises its Development Right reserved pursuant to Paragraph 5.1 to add more Units to the Condominium by creating additional Units on all or any portion of the Convertible Real Estate, the Allocated Interests set forth in Schedule B will decrease and the Allocated Interests shall be re-

allocated among all the Units, both existing and newly-created, on the basis of the formula for the allocation of Allocated Interests provided in Paragraph 3.6.

3.6.3. If Declarant exercises its Development Right reserved pursuant to Paragraph 6.1 to convert Divisible Units entirely into Common Elements, the Allocated Interests of each Unit will be increased and the Allocated Interests allocated to Divisible Units that are converted into Common Elements shall be re-allocated among the other Units in the Condominium in proportion to the Allocated Interests allocated to such other Units prior to said conversion.

3.7. 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 Units will be permitted at the expense of the Unit Owners of the Unit or Units to be so subdivided and the boundaries of which are to be so relocated, subject to compliance with the provisions therefor stated in Section 1602-113 and Section 1602-112 of the Act.

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

3.9. Relocation by Declarant. The Declarant reserves the right until the expiration of ten (10) years from the recording of this Declaration to relocate the horizontal or vertical boundaries between adjoining Units owned by Declarant and to reallocate between such Units their Allocated Interests subject to compliance with Section 1602-112 of the Act.

3.10. Alterations by Unit Owner. A Unit Owner may make non-structural improvements and alterations to the interior of his Unit but no Unit Owner may make any improvements or alterations or do any work whatsoever which would impair the structural integrity or mechanical systems of the Buildings, lessen the support of any portion of the Condominium, or jeopardize the soundness or safety of the Property. No Unit Owner shall impair any easement or hereditament therein without

the unanimous consent of the Unit Owners affected thereby. No Unit Owner shall alter any of the Common Elements or paint or otherwise change the appearance of the Common Elements (including the Limited Common Elements) or paint or otherwise change the exterior appearance of his Unit (including, but not limited to, the exterior surfaces of doors) or any other portion of the Condominium without the prior written approval of the Executive Board of the Association or a committee appointed by the Board pursuant to the By-Laws.

3.11 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 dimension of all Limited Common Elements, except for the portions of the Property described as Limited Common elements pursuant to Section 1602-102 (2) and (4) of the Act, and the identifications of the Unit of Units to which the Limited Common Elements are hereby allocated are described in this Paragraph 4.2, on Schedules B-1, B-2, in subparagraphs 3.5.4., 3.5.6, and the Plats and Plans. The allocation of Limited Common Elements to the Units cannot be altered except with the written consent of the Owners and Mortgagees of record of the Units affected by the reallocation of Limited Common Elements and in compliance with Section 1602-108 (b) of the Act at the expense of the Owners of the Units involved. The walkways, decks, and steps depicted on the Plats and Plans serving more than a single Unit, are Limited Common Elements allocated to the Units in the building to which the walkways, decks or steps, are attached. The following portions of the Property serving a single Unit, but located outside that Unit's boundaries are each allocated as a Limited Common Element to the Unit which it serves:

4.2.1. Functional porches, or loading docks.

4.2.2. Doors leading from Units to porches, balconies, or loading docks and their related frames, sills and hardware.

4.2.3. Doors leading from the Unit to the Common Elements and any associated door paneling, frames, glassware, buck, trim, sills and hardware including lock and chime assembly, hinges and closure.

4.2.4. Shutters, awnings, window boxes, windows, door steps and stoops designed to serve the Unit.

4.3. Common Elements to Remain Undivided. The Common Element Interest of a Unit shall be inseparable from each Unit, and any conveyance, lease, devise or other disposition or mortgage or other encumbrance of any Unit shall extend to and include the Common Element Interest, whether or not expressly referred to in the instrument effecting such transfer. Except as other wise provided by law or this Declaration: the Common Element Interests and the fee titles to the respective Units conveyed therewith, shall not be separately conveyed, transferred, alienated or encumbered and each of said Common Element Interests shall be deemed to be conveyed, transferred, alienated or encumbered with its respective Unit notwithstanding that the description in the instrument of conveyance transfer, alienation or encumbrance may refer only to the fee title to the Unit. The Common elements shall remain undivided and no action for partition or division of any part thereof shall be permitted, unless otherwise provided by law and permitted by this Declaration.

4.6. Amendment of Interest in Common Elements. Except with respect to the subdivision or conversion of Units as provided in Paragraph 3.9, the creation of Units and/or Divisible Units as provided in Articles V and VI, or as otherwise provided in the Act, the Common Element Interest appurtenant to each Unit shall have a permanent character, shall be inseparable from each Unit and shall not be altered or changed except by the recording of an amendment to this Declaration, duly executed by all of the Unit Owne-s and all of the holders of record of any first Mortgage liens upon Units.

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

4.7.1. Any Unit Owner in default in the payment of any amount due to the Association or in violation of any provision of this Declaration, the By-Laws, or the rules and regulations of

the Association, which violation continues for 30 days after written notice thereof by the Association to the Unit Owner may be prohibited by the Executive Board from the use and enjoyment of any and all of the Common Elements not essential to access to the Unit, in addtion to all other remedies available to the Executive Board.

4.7.2. Parking of motor vehicles by Unit Owners, the tenants, guests, visitors, and invitees shall be only in the spaces in the Common Elements designated as spaces for parking. No unattended vehicle shall at any time be left in such a manner as to impede the passage of traffic or to impair access to parking areas. No storage of any objects shall be permitted in the Common Elements. Parking areas and Common Elements shall at all times be kept free of unreasonable accumulations of debris or rubbish of any kind.

4.7.3. Unit Owners shall not erect fences, signs, canopies, or other structures, plant or remove trees or shrubs, or materially alter the grading or landscaping, or do any other thing which affect the appearance from the exterior of the Buildings or grounds including Limited Common Elements except as provided in the Declaration or in accordance with the written permission of the Executive Board or a Committee established by the Board.

4.7.4. Except for such signs as may be posted by the Declarant for promotional or marketing purposes, no signs of any character shall be erected, posted or displayed upon, in from or about any Unit or Common Element except as otherwise provided in this subparagraph, Paragraph 7.4., the By-Laws, or any rules promulgated in writing by the Association, without the prior written approval of the Executive Board or a Committee designated by the Executive Board. The foregoing provisions of this subparagraph shall not apply to a Mortgagee in possession of a Unit as a result of foreclosure, judicial sale or a proceeding in lieu of foreclosure.

4.7.5. No Unit Owner shall obstruct any of the Common Elements nor shall any Unit Owner place or cause or permit anything to be placed on or in any of the Common Elements (except those areas designated for such storage by the Condominium Documents or the Executive Board without the approval of the Board or a Committee designated by the Executive Board. 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.

4.7.6. 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.

ARTICLE V
CREATION OF ADDITIONAL UNITS, LIMITED COMMON ELEMENTS AND/OR COMMON ELEMENTS ON CONVERTIBLE REAL ESTATE

5.1. Reservation. The Declarant hereby designates as Convertible Real Estate all of the Property described in Schedule A, the Plats and Plans upon which Units have not yet been created. Declarant reserves the Development Right and option until the seventh (7th) anniversary date of the recording of this Declaration to create and construct from time to time additional Units, Common Elements, Limited Common Elements, or any two or more of the foregoing, and to create and to construct any buildings and improvements to contain the additional Units, Common Elements and Limited Common Elements, on any or all portions of the Convertible Real Estate described in Schedule A, the Plats and Plans, in compliance with Section 1602-110 of the Act and this Declaration without the consent of any Unit Owner or Mortgagee and to create and construct within the Convertible Real Estate any Buildings and improvements to contain the additional Units, Common Elements and Limited Common Elements. Upon the creation of additional Units on any or all portions of the Convertible Real Estate, the Allocated Interests shall be re-allocated among all the existing and additional Units in accordance with Paragraph 3.6. Additional Units, Common Elements and Limited Common Elements created on the Convertible Real Estate shall be deemed included in the Condominium immediately upon the recordation of the amendment to this Declaration, the Plats and Plans as required by Sections 1602-110 (a) and 1602-109 (f) of the Act. The Development Right to create and construct additional Units, Common Elements, Limited Common Elements, or any two or more of the same, within the Convertible Real Estate may be terminated prior to such anniversary date only upon the recording by the Declarant of an amendment to this Declaration. The Declarant reserves the right to create and construct Units, Common Elements and Limited Common Elements and Divisible Units on any or all portions of the Convertible Real Estate any time, at different times, in any order, without limitation and without any requirement that any other Development Right reserved by the Declarant be exercised at any time. The Declarant reserves the right to designate Common Elements on the convertible Real Estate which may be subsequently allocated as Assignable Limited Areas. The Declarant reserves the right to create on any or all portion of the Convertible Real Estate, Divisible Units.

5.2. Assurances. The Declarant makes no assurances as to the boundaries of the portions of the convertible Real Estate on

which the Declarant will create and construct additional Units, Common Elements or Limited Common Elements, the order in which the Declarant will create and construct additional Units, Common Elements, Limited Common Elements, or any two or more of the foregoing, on those portions and whether if Declarant will so create and construct Units, Common Elements, Limited Common Elements, or any two or more of the foregoing on any portion of the convertible Real Estate, the Declarant will create and construct Units, Common Elements, Limited Common Elements or any two or more of the foregoing on any or all other portions of the convertible Real Estate. The Declarant makes no assurances as to whether it will create any Units, Common Elements, Limited Common Elements, or any two or more of the foregoing, on any portion or portions of the Convertible Real Estate if the Declarant exercises any other Development Right or Rights reserved in this Declaration. The maximum number of Units on the Convertible Real Estate will not exceed four (4) Units which declarant may create on the convertible Real Estate by designating Convertible Real Estate as Divisible Units and by creating additional Units on Convertible Real Estate. The Declarant makes no assurances as to what Buildings and improvements may be constructed on the Convertible Real Estate but such Buildings and improvements will be reasonably compatible with existing Buildings and improvements in the Condominium in terms of general architectural style, quality of construction, and principal materials, provided that Declarant may substitute construction materials of equal or better quality, and that the Declarant may change the combination, size, height and arrangement of Building and Unit types. The Declarant makes no assurances as to the location of any Building or other improvements that may be made on the Convertible Real Estate but such Buildings and improvements will be located approximately as shown on the Plats and Plans, provided that Declarant may change the location of Buildings or Recreational Facilities if marketing factors so indicate. Units will not be created on the Convertible Real Estate that have not been substantially completed. All restrictions in or created by authority of this Declaration affecting the use, occupancy and alienation of Units will apply to the Units created in the Convertible Real Estate.

ARTICLE VI

CONVERSION OF DIVISIBLE UNITS INTO UNITS, LIMITED COMMON ELEMENTS OR COMMON ELEMENTS

6.1. Reservation. Declarant reserves the Development Right and option until the seventh (7th) anniversary date of the recording of this Declaration from time to time to designate

Units in the Convertible Real Estate as Divisible Units and to subdivide and to convert into Common elements, and to create one or more Units, Limited Common Elements, Common Elements or a combination of Units, Common Elements and Limited Common Element within, any or all portions of the Divisible Units and to convert entirely into Common Elements the Divisible Units, all in compliance with Section 1602-110 of the Act and this Declaration without the consent of any Unit Owner or Mortgagee. The Declarant shall assign and divide the allocated interest of any such divisible unit in accordance with the formula (based on square footage) as set forth in Paragraph 3.6. Upon the subdivision or conversion into Common Elements of, or the creation of one or more Units within, any or all portions of a Divisible Unit, the Allocated Interests allocated to such Divisible Unit shall be reallocated as provided in subparagraph 3.6. Upon the conversion of a Divisible Unit entirely into Common Elements, the Allocated Interest appurtenant to such Divisible Unit shall be reallocated as provided in subparagraph 3.6.3. Additional units, Common Elements and Limited Common Elements created within Divisible Units shall be deemed included in the Condominium immediately upon the recording of the amendment to this Declaration, the Plats and Plans required by Section 1602-110 (a) and 1602-109 (f) of the Act. The Development Rights to so subdivide, convert, and create Units, Common Elements and Limited Common Elements within the Divisible Units may be terminated prior to such anniversary date only upon the recording by Declarant of an amendment to this Declaration. The Declarant reserves the said right to so subdivide, convert, and create Units, Common Elements and Limited Common Elements within, any or all portions of the Divisible Units, at any time, at different times, in any order, without limitation, and without any requirement that any other Development Right reserved by the declarant be exercised at any time.

6.2. Assurances. The Declarant make no assurances as to the boundaries of the portions of the Divisible Units that Declarant will subdivide, convert, or create Units, Limited Common Elements, or Common Elements within, the order in which those portions of the Divisible Units may be subdivided, converted, or created into Units, Limited Common Elements or Common Elements, and whether if created into Units, Limited Common Elements or Common Elements any or all other portions of the Divisible Units will be so subdivided, converted, or created. The Declarant makes no assurances as to whether any portion of the Divisible Units will be subdivided, converted or created into Units, Limited Common Elements or Common Elements if the Declarant exercises any right to subdivide, convert, or create into Units, Limited Common Elements, or Common Elements, any other portions of Divisible Units, or if the Declarant exercises any other Development Right or Rights reserved in this Declaration.

ARTICLE VII
EASEMENTS

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

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

7.4. Declarant's Easement for Marketing. The Declarant reserves the right with respect to its marketing of Units to use the Common Elements and Limited Common Elements for the ingress and egress of itself, its officers, employees, agents, contractors and subcontractors and for prospective purchasers of Units, including the right of such prospective purchasers to park

in parking spaces. The Declarant also reserves the right to use any Units owned or leased by the Declarant as models, management offices, sales offices for this project or customer service offices. The Declarant reserves the right to relocate the same from time to time within the Property; upon relocation, the furnishings thereof may be removed. The Declarant further reserves the right to maintain on the Property such advertising signs as may comply with applicable governmental regulations, which may be placed in any location on the Property and may be relocated or removed, all at the sole discretion of the Declarant. The Declarant shall also have the right to restrict the use of certain Common Element parking spaces to sales purposes and to use such spaces for sales purposes. The Declarant shall have the right to erect temporary offices on the Common Elements for 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 the Declarant has conveyed all Units in the Condominium to Purchasers which the Declarant has reserved the Development Rights to create.

7.5. Declarant's Easement for Construction. The 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 Condominium, to go upon any and all of the Property for purposes of construction, reconstruction, maintenance, repair, renovation, replacement or correction of the Units or Common Elements. Furthermore, the Declarant reserves an easement in the Units and Common Elements pursuant to Section 1602-116 of the Act for the purpose of discharging Declarant's obligations and exercising the development Rights and other Special Declarant Rights reserved pursuant to his Declaration. This easement shall continue until the Declarant has conveyed all Units in the Condominium to Purchasers which the Declarant has reserved the Development Rights to create.

7.6. Declarant's Easement to Correct Drainage. Declarant reserves an easement on, over and under those portions of the Common Elements not located within a Building for the purpose of maintaining and correcting drainage of surface water in order to maintain reasonable standards of health, safety and appearance. The easement created by this Paragraph expressly includes the right to cut any trees, bushes, or shrubbery, to grade the soil, or to take any other action reasonably necessary to achieve this purpose, following which the Declarant shall restore the affected property as closely to this original condition as practicable. The reservation of this right does not and shall not result in the imposition of an obligation. This easement shall continue until the Declarant has conveyed all Units in the Condominium to

Purchasers which the Declarant has reserved the Development Rights to create.

7.7. Encroachments. Each Unit shall have an easement to the extent necessary for structural and subjacent support over every other Unit and over the Common Elements and each Unit and the Common Elements shall be subject to an easement for structural and lateral support in favor of every other Unit. If any portion of the Common Elements or Limited Common Elements hereafter encroaches upon any Unit, or if any Unit hereafter encroaches upon any other Unit or upon any portion of the Common Elements or Limited Common Elements, as a result of settling or shifting of any Building or Buildings in which they are located or otherwise than as a result of the purposeful or negligent act or omission of the Owner of the encroaching Unit, or of the Association in the case of encroachments by the Common Elements of Limited Common Elements, a valid easement appurtenant to the encroaching Units, Common elements or Limited Common Elements for the encroachment and for the maintenance of the same shall exist for so long as the encroachment shall exist. In the event that any Building or Buildings shall be partially destroyed as a result of fire or other casualty or as a result of a taking by the power of, or in the nature of, eminent domain or by an action or deed in lieu of condemnation, and then is rebuilt, encroachments of a portion or portions of the Common Elements or Limited Common Elements upon any Unit or of any Unit upon any other Unit or upon any portion of the Common elements of Limited Common elements, due to such rebuilding, shall be permitted, and valid easements appurtenant to the encroaching Units, Common Elements or Limited Common Elements for such encroachments and the maintenance thereof shall exist so long as that Building as so rebuilt shall stand.

7.8. Declarant's Right to Connect With Utilities. The Declarant further reserves an easement to connect with and make use of utility lines, wires, pipes and conduits located on the Property for construction purposes on the Property, provided that Declarant shall be responsible for the cost of service so used, and to use the Common Elements for ingress and egress and construction activities and for the storage of Units and Common elements. This easement shall continue until the Declarant has conveyed all Units in the Condominium to Purchasers which the Declarant has reserved the Development Rights to create.

7.9. Declarant's Right to Grant Easements. The Declarant shall have the right, until the Declarant has conveyed all Units in the Condominium which Declarant has reserved the Development Rights to create 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. The Units and Common Elements shall be, and are hereby, made subject to easements in favor of the Declarant, appropriate utility and service companies and governmental agencies or authorities for such utiility and service lines and equipment as may be necessary or desirable to serve any portion of the Property. The easements created in this Paragraph shall include, without limitation rights of Declarant, or the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate and replace gas lines, pipes and conduits, water mains and pipes, sewer and drain lines, elevators, telephone wires and equipment, television equipment and facilities (cable or otherwise), air conditioning, heating systems, ventilation systems, electric wires, conduits and equipment and ducts and vents over, under, through, along and on the Units and Common Elements. Notwithstanding the foregoing provisions of this Paragraph, unless approved in writing by the Unit Owner or Unit Owners affected thereby, any such easement through a Unit shall be located either in substantially the same location as such facilities or similar facilities existed at the time of first conveyance of the Unit by the Declarant, or so as not to materially interfere with the use or occupancy of the Unit by its occupants. This easement shall expire after all the Units have been conveyed to Purchasers and the Declarant has completed all warranty-related work and non-warranty-related work to the Condominium.

7.10. Alteration of Units by Declarant. To the fullest extent permitted by law and applicable zoning, land use and environmental ordinances, regulations and statutes, the Declarant reserves the right without the vote or consent of the Executive Board, any Unit Owner or any Mortgagee until all the Units have been conveyed to Purchasers, to change the size, number, architectural style, principal materials, height, elevation, arrangement, and location of Units, Buildings not containing Units conveyed to Purchasers, and other improvements. Any single change or all changes in the aggregate shall not be substantial.

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

7.11.1. For the installation, repair, maintenance, use, removal and/of 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 a part of or serve any Unit and which pass across or through a portion of the Common Elements.

7.11.2. For the installation, repair, maintenance, use, removal and/or replacement of lighting fixtures, electrical receptacles, panel boards and other electrical installations which are a part of or serve any Unit but which encroach into a part of a Common Elements adjacent to such Units; 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.

7.11.3. For driving and removing nails, screws, bolts and other attachment devices into the Unit side surface of the studs which support the dry wall or plaster perimeter walls bounding the Unit, the bottom surface of floor joists above the Unit and the top surface of the floor joists below the Unit to the extent such nails, screws, bolts and other attachment devices may encroach into a part of a Common Elements adjacent to such Unit; provided that any such action will not unreasonably interfere with the common use of any part of the Common Elements, adversely affect either the themal or acoustical character of the Building or impair or structurally weaken the building.

7.12. Rental Operations on Convertible Real Estate, and Divisible Units by Declarant. The Declarant shall have the right to operate any Convertible Real Estate or Divisible Units as a rental project. The Declarant may establish and maintain all offices, signs and other accoutrements normally used in the operation of such rental properties in the sole discretion of the Declarant. The Declarant may, in the sole discretion of Declarant, lease portions of any Convertible Real Estate of Divisible Units so long as the Declarant pays the expenses attributable to such rental operations, and such operations shall be for the benefit of the Declarant and neither the Association nor any Unit Owner (other than the declarant) shall have any right or interest in the profits or losses thereof.

7.13. Transfer of Special Declarant Rights. Declarant reserves the right to transfer from time to time to any one or more transferees any or all reserved Special Declarant Rights in accordance with Section 1603-104 of the Act.

ARTICLE VIII
ASSESSMENTS FOR COMMON EXPENSES AND MAINTENANCE OF PROPERTY

8.1. Allocation of Assessments of Common Expenses. The total amount of Common Expenses shall be assessed against the Units in the following proportions:

8.1.1. The Common Expenses that are not assessed as Limited Common Expenses shall be assessed against all the Units in proportion to the relative Allocated Interests of all the Units.

8.1.2. (a) If a Limited Common Expense benefits more than a single Unit, that Limited Common Expense shall be assessed solely against all the Units benefited in proportion to the relative Allocated Interests of such Units as between themselves, as the Executive Board may determine, (b) if a Limited Common Expense only benefits a single Unit, that Limited Common Expense shall be assessed solely against the Unit benefited, as the executive Board shall determine and (c) if a Limited Common Expense is associated with the maintenance, repair or replacement of a Limited Common Element, that Limited Common Expense shall be assessed against all the Units to which that Limited Common Element is allocated, equally, or in proportion to the relative Allocated Interests of such Units as between themselves or assessed solely against the only Unit to which that Limited Common Element is allocated, as the Executive Board shall determine.

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

8.1.4. 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, water, air conditioning, electricity and telephone services consumed or used in his Unit. If any separate charge or assessment for sewage disposal is ever made by the City, or any sanitary or sewage district, each unit owner shall be responsible for and pay his own charge or assessment therefor.

The Declarant shall not be liable for any assessments for any Units until after the later to occur of sixty (60) days after the first conveyance of a Unit to a Purchaser or the Association makes its first common Expense assessment.

8.2. Lien for Assessments. The total annual assessment levied against each Unit for Common Expenses including Limited Common Expenses, revised Common Expenses including Limited Common Expenses, or any special assessment, and any other sums duly levied against the Unit pursuant to this Declaration, the By-Laws, or the Act, all interest thereon and charges for late payment thereof and legal fees and other costs of collection thereof, and fines, penalties and fees as provided in this

Declaration or the By-Laws shall constitute the personal liability of the Owner of the Unit so assessed and also shall, until fully paid, constitute a lien against the Unit in favor of the Association from the date upon which such assessment, special assessment or other sum such as interest becomes due as provided in Section 1603-116 of the Act. Such lien shall, with respect to annual assessments, be effective on the first day of each fiscal year of the Association as to the full amount of the annual assessment, and, as to special assessments and other sums duly levied including Limited Common Expenses assessed against a Unit Owner for maintenance, repair or replacement of a Limited Common Element, on the first day of the next month with begins more than ten (10) days after delivery to the Unit Owner of notice of such special assessment or levy. Such lien is prior to all other liens and encumbrances on a Unit except (a) liens and encumbrances recorded before the recordation of this Declaration, (b) a first Mortgage recorded before or after the date which the assessment sought to be enforced becomes delinquent, and (c) liens for real estate taxes and other governmental assessments or charges against the Units; provided, however, that such lien is not subject to the provisions of 14 M.R.S.A. Section 4651 and 18-A M.R.S.A. Section 2-201, et seq., as they or their equivalents may be amended or modified from time to time.

8.3. Reduction of Expenses and Surplus Funds. All receipts from payments, fees or charges for the use, rental, operation, or allocation as a Reserved Common Element, of any and all Common Elements shall be applied first to reduce the Common Expense relating to the use of that Common Element giving rise to such Common Expense and any excess thereof shall be applied to Common Expenses generally; and all receipts from any assessments for Limited Common Expenses shall be applied first to reduce the Limited Common Expense retaining to the service afforded to the Unit benefited and any excess shall then be applied to Common Expenses generally. Any amounts accumulated from assessments for Common Expenses and income from the operation of the Common Elements to which such Common Expenses pertain in excess of the amount required for actual Common Expenses and provision for Common Expenses and any payment of reserves for future Common Expenses shall be credited to each Unit Owner in proportion to their respective Common Expense Liabilities to reduce until exhausted the next monthly installments due from Unit Owners.

8.4. Real Estate Subject to Development Rights. The Declarant alone is responsible and liable for all expenses in connection with the Convertible Real Estate and Divisible Units and any income or proceeds from such Convertible Real Estate and Divisible Units inures and is payable to the Declarant.

8.5. 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 structual repairs or replacements) against the Units to which the Limited Common Element is assigned or appurtenant in proportion to the relative Allocated Interest 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 said purposes applicable to such Unit if the Limited Common Expense shall be incurred due to the negligence, neglect or misconduct of the then Owner of such Unit or if the item 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, or terrace 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 to the Units benefited. Any Unit Owner permitted by the Executive Board to use a Reserved Common Element or a specific portion of the Common Elements for storage is responsible for the maintenance and care of such portion and shall use the same in a safe and sanitary manner. The Unit Owner shall maintain windows allocated to his Unit as a Limited Common Element including washing and necessary replacements 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 responsible as a Limited Common Expense.

8.6. Maintenance of Common Elements. The Association shall be responsible for the maintenance, repair and replacement (unless, if 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 8.5. 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 except as otherwise provided in Paragraph 8.5. with regards to Limited Common Elements. The maintenance, repair and replacement of Common Elements located within a Unit, or for which the Unit Owner is otherwise responsible, to the extent required for the functioning of or for connecting utilities to the Property and Units shall be

furnished by the Association as part of the Common Expenses or, if fewer than all of the Units are benefited, the Limited Common Expenses.

8.7. 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 to the Common Elements resulting from his failure or negligence to make any of the repairs required by this Article. Each Unit Owner shall perform his responsibility in such manner as shall not unreasonably disturb or interfere with the other Unit Owners. Each Unit Owner shall promptly report to the Executive Board or the managing agent any defect or need for repairs for which the Association is responsible.

8.8. 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 of another Unit caused by such Unit Owner's act, neglect or carelessness or by that of any member of such Unit Owner's family, or such Unit Owner's guests, employee, agents, lessees, or their pets, which the Association shall have the right to cure, correct, maintain, repair or replace. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of any Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation against such Unit Owner.

ARTICLE IX
ASSOCIATION OF UNIT OWNERS; VOTING: DECLARANT CONTROL

9.1. 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, and is the governing body for all the Unit Owners with respect to the administration, maintenance, repair, replacement, cleaning, sanitation, management and operation of the Common Elements, and the making of any additions or improvements thereto as provided in this Declaration and in the By-Laws, but nothing herein

contained shall be construed so as to preclude the Association from delegating any of these duties to a manager or agent or to any other person subject to the authority of the Association. The membership of the Association at all times shall consist exclusively of all Unit Owners, or, following any termination of the Condominium as provided in Section 1602-118 of the Act, of all former Unit Owners entitled to distributions of proceeds under said Section 1602-118, or their heirs, successors or assigns but shall not include persons having an interest in a Unit solely as security for an obligation. Each Unit Owner shall automatically become and be a member of the Association as long as he continues as a Unit Owner and upon the termination of the interest of the Unit Owner in the Condominium his membership and any interest in the common funds of the Association shall thereupon automatically terminate and transfer and inure to the next Unit Owner or Owners succeeding him in interest. The Association shall have all the powers granted pursuant to Section 1603-102 of the Act including the powers to assign its right to future income.

9.2. 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 or this Declaration or the By-Laws required to be exercised and done by the Association itself. The affairs of the Association shall be governed by an Executive Board composed of no less than three (3) and no more than five (5) persons. Prior to the Transition Election provided for by subparagraph 9.2.1., the Executive Board shall be composed of three (3) natural persons and after the Transition Election, the Executive Board shall be composed of five (5) 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 without the necessity of obtaining resignations. The appointees of the Declarant need not be Unit Owners. After the Transition Election at least a majority of the members of the Executive Board shall be Unit Owners or spouses of Unit Owners, or in the case of a Unit Owner which is a corporation, partnership, trust or estate, a designated agent thereof.

9.2.1. The transition from Declarant-appointed members of the Executive Board to Unit Owners other than the Declarant shall occur as follows:

9.2.1.1. Within ninety (90) days after conveyance of two (2) of the Units to Purchasers, a special meeting of the Association and a special election shall be held at which one member of the Executive Board designated by the Declarant shall resign and the Unit Owners shall elect one (1) person that is a Unit Owner to replace the Executive Board member that resigned. Only Unit Owners other than the Declarant may vote at such special election.

9.2.1.2. No later than the earlier of (a) sixty (60) days after the conveyance of 75% of the Units to Purchasers or (b) seven (7) years following conveyance of the first Unit to a Purchaser, or at such earlier date as the Declarant in its sole discretion shall specify, the Transition Meeting of the Association and Transition Election shall be held at which all of the members of the Executive Board appointed by the Declarant and elected at the special election described in paragraph 9.2.1.1 shall all resign, and the Unit Owners, including the Declarant if the Declarant owns one or more Units, shall thereupon elect five (5) successor members of the Executive Board to act in the place and instead of those resigning.

9.2.2. 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, but in that event it may require, for the duration of the Declarant Control Period, that specified actions of the Association or Executive Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before such actions can become effective. In determining whether the Declarant control Period has terminated, the percentage of the Units conveyed is presumed to be that percentage which would have been conveyed if all the Units were included in the Condominium that the Declarant has created or reserved in this Declaration the Development Rights to create.

ARTICLE X

RESTRICTIONS ON USE, OCCUPANCY AND ALLIENATION OF UNITS

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

10.1.1. No unit or other portion of the condominium shall be used for any purpose not permitted by the City of Biddeford zoning ordinance in force at the time for the zone in which this condominium is located, or for any purpose other than professional office use. Provided that nothing in this Declaration or the By-Laws shall be construed to prohibit the Declarant from exercising any easements and Special Declarant

Rights reserved by the Declarant pursuant to Article VII for purposes including promotional, marketing or display purposes, from using any appropriate portion of the Common Elements for exercising these reserved rights, settlement of sales of Units and for customer service purposes, or from leasing Units owned by Declarant as provided in this Declaration.

10.1.2. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Property of any part thereof applicable for normal use as permitted in said Zone 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.

10.1.3. 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.

10.1.4. 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 another Unit or the Common Elements by the Owner or occupant of any other Unit, or which creates or results in a hazard or nuisance on the Property.

10.2. Leasing Restrictions. No Unit Owner shall lease a Unit for a term longer than (1) month other than on written form of 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 the execution of any lease of a Unit, forward a conformed copy thereof to the Executive Board.

10.3. Lease of Units Owned by Declarant. The Declarant retains and reserves the right free and clear and not subject to the restrictions contained in the foregoing Paragraphs to enter into leases with any persons for the occupancy of any of the

Units owned by Declarant.

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

10.4.1. 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 by the Owner. In a voluntary transfer of a Unit, the grantee of the Unit shall be jointly and severally liable with the grantor for all unpaid assessments and special assessments for Common Expenses made by the Executive Board against the latter up to the time of the recordation of grantor's transfer, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any person who shall have entered into an agreement to purchase a Unit from a Unit Owner shall be entitled to a certificate from the Executive Board as provided by Section 1604-108 (b) of the Act, and the grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any assessments or unpaid special assessments made by the Executive Board against the grantor for Common Expenses in excess of those disclosed on such certificate.

10.4.2. A voluntary transfer for the purpose of this Paragraph 10.4. shall be considered any sale, lease, gift, testate or intestate distribution, or the transfer of ownership of a corporation owning a Unit.

10.4.3. All Unit Owners shall comply with Section 1604-108 of the act. Except as provided in this Paragraph 10.4, there are no other restrictions governing the voluntary transfer of a Unit.

ARTICLE XI

MORTGAGEES OF UNITS: RIGHTS OF MORTGAGEES

11.1. 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 except his own Unit and his own respective Allocated Interests appurtenant to his Unit.

11.2. Identification of Mortgagee. A Unit Owner who mortgages his Unit shall notify the Executive Board in writing of the name and address of his Mortgagee (s) and shall file a conformed copy of the note and Mortgage with the Executive Board.

11.3. 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 such claims for unpaid assessments for Common Expenses, interest and costs levied against such Unit which accrue prior to the acquisition of title to such Unit by the Mortgagee, other than the proportionate share of the Common Expenses which become due and payable from and after the date on which the Mortgagee shall acquire title to the Unit through a completed foreclosure or deed (or assignment) in lieu of foreclosure.

11.4. Notices to Eligible Mortgage Holder or 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 either within a reasonable period prior to the taking of any of such proposed actions or at the time that notice thereof is given to Unit Owners unless another time is specified herein:

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

11.4.2. 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 and regulations of the Association, which delinquency or other default continues for a period of sixty (60) days;

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

11.4.4. 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 Plats and Plans, and the original elevation thereof and original building plans and specifications.

11.4.5. 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;

11.4.6. Any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders as specified in Paragraph 11.5.

11.4.7. The termination of the Condominium;

11.4.8. 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 exercise of any Development Rights reserved in this Declaration by the Declarant;

11.4.9. The merger of consolidation of the Condominium with another Condominium;

11.4.10. The conveyance or subjection to a security interest of any portion of the Common Elements.

11.5. Mortgage Approval Rights:

11.5.1. The prior written approval of at least eighty percent (80%) of the Unit Owners and sixty-seven (67%) percent of the Eligible Mortgage Holders shall be required to terminate or abandon the Condominium for reasons other than substantial destruction or condemnation of the Condominium.

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

11.5.3. The prior written approval of at least sixty-seven (67%) percent of the Eligible Mortgage Holders shall be required to alter or change the Allocated Interests except with respect to the subdivision or conversion of Units as provided in Paragraph 3.9, the creation of Units and/or Limited Common Elements in the Convertible Real Estate and/or Divisible Units as provided in Articles V and VI, or as otherwise provided in the Act.

11.5.4. 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 (67%) percent in voting interest of the Unit Owners and the approval of at least fifty-one (51%) percent of the Eligible

Mortgage Holders.

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

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

11.5.7. With respect to amendments to the Condominium Documents:

11.5.7.1. The consent of at least eighty (80%) percent of the Unit Owners and the approval of at least sixty-seven (67%) percent of the Eligible Mortgage Holders shall be necessary to terminate the Condominium not as a result of destruction, damages or condemnation.

11.5.7.2. The consent of at least eighty (80%) percent of the Unit Owners and the approval of at least fifty-one (51%) percent of the Eligible Mortgage Holders shall be necessary to terminate the Condominium as a result of destruction, damages or condemnation to the Condominium.

11.5.7.3. Except for the amendments to this Declaration executed and recorded by Declarant pursuant to the exercise of Development Rights reserved in this Declaration and the amendments described in the introductory Paragraph to Article XV the written consent or approval of at least fifty-one (51%) percent of the Eligible Mortgage Holders shall be required to add or amend any material provisions of the Condominium Documents which establish, provide for, govern or regulate any of the following:

(a) Voting;

(b) Assessments, assessment liens or subordination of such liens;

(c) Reserves for maintenance, repair and replacement of the

Common Elements (or Units if applicable);

(d) Insurance or fidelity bonds;

(e) Rights to use of the Common Elements;

(f) Responsibility for maintenance and repair of the Common Elements of the Condominium;

(g) Expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium;

(h) Boundaries of any Unit;

(i) The interest in the Common Elements or Limited Common Elements;

(j) Convertibility of Units into Common Elements or of Common Elements into Units;

(k) Leasing of Units;

(l) 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;

(m) Any provisions which are for the express benefit of Mortgages, Eligible Mortgage Holders or 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 received 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.

11.6. Voting and Other Rights of Eligible Mortgage Holders.

In the event of any default by a Unit Owner in payment of assessments or performance of obligations pursuant to the Condominium Documents as more fully described in subparagraph 11.4.2., the Eligible Mortgage Holder of the Mortgage on such Owner's Unit shall have the right but not the obligation to cure such default, In addition to, but not by way of limitation of, all rights granted to Eligible Mortgage Holders pursuant to Paragraph 9.3. of this Declaration to cast the Votes allocated to

a Unit in lieu of the Unit Owner, an Eligible Mortgage Holder, or its representative, shall have the right to attend meetings of the Association and Executive Board for the purposes of discussing the termination of the Condominium, a change in the Allocated Interests of a Unit, a change in the boundaries of a Unit or a subdivision of a Unit, the merger or consolidation of the Condominium with another condominium, the conveyance or subjection to a security interest of any portion of the common Elements, the proposed use of any proceeds of hazard insurance for purposes other than the repair or restoration of the damaged Property, or the adoption of any proposed budget by the Executive Board.

11.7. Rights of First Refusal Notwithstanding anything to the contrary elsewhere contained in this Declaration, the By-Laws or said Rules and Regulations, in the event that this Declaration or the By-Laws contain, or the Unit Owners in the future adopt, any right of first refusal in the case of the sale of any Unit, such right of first refusal shall not impair the right of any mortgagee to:

(a) Foreclose or take title to the Unit pursuant to the remedies provided in the Mortgage.

(b) Accept a deed (or assignment) in lieu of foreclosure in the event of a default by a mortgagor, or

(c) Sell or lease a Unit acquired by the procedures hereinabove set forth.

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

ARTICLE XII

EASEMENTS AND LICENSE

12.1. Recorded Easements and Licenses. The recording data for recorded easements and licenses appurtenant to or included in the Condominium, or to which any portion of the Condominium is or may become subject by virtue of the exercise by Declarant of any reservation contained in this Declaration, are stated and set forth in Schedule A.

ARTICLE XIII

NOTICES TO UNIT OWNERS BY ASSOCIATION

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

13.2. 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 to the Secretary of the Association at the address of the Unit of which the Secretary is the record Unit Owner.

13.3. 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 1.2.11. and to the Eligible Insurer at the address identified pursuant to subparagraph 1.2.11.

ARTICLE XIV
TAXATION

14.1. Separate Taxation. If there is any Unit Owner other than the Declarant, each Unit and its Allocated Interests shall be deemed to be a separate tax parcel and shall be separately taxed and assessed by the City of Biddeford. Neither the Buildings, the Property nor any of the Common Elements shall be deemed to be or assessed as a separate tax parcel other than any portion of the Common Elements containing Convertible Real Estate or Divisible Units.

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

ARTICLE XV
AMENDMENTS

Except in the case of amendments to this Declaration that may be executed and recorded by the Declarant pursuant to the provisions of this Declaration granting the declarant the right to unilaterally amend the same, and except in cases of amendments to this Declaration that may be unilaterally executed and recorded by the Association as described in Sections 1601-107, Eminent Domain, 1602-108(c), Allocation of Limited Common Elements, 1602-113, Subdivision of Units and 1602-117(a), Amendment of Declaration, of the Act and cases of amendments to this Declaration by certain Unit Owners, as described in Sections 1602-108(b), Reallocation of Limited Common Elements., 1602-112(a), Relocation of Boundaries Between Adjoining Units, 1602-113(b), Subdivision of Units, or 1602-118(b), and subject to the other provisions of this Declaration and of the Act, this Declaration, the Plats and the Plans may be amended as follows:

15.1. 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 reamend this Declaration in any manner that the Declarant may deem appropriate.

15.2. After First Conveyance. After the first conveyance of a Unit by a Declarant as contemplated in the preceding Paragraph, the terms of the following subparagraphs shall apply to the amendment of this Declaration:

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

15.2.2. Resolution. An amendment may be proposed by either the Executive Board or by Unit Owners holding in the aggregate no less than twenty (20%) percent of the votes in the Association. No resolution of the Executive Board adopting a proposed amendment or any proposed amendment shall be effective unless it has been adopted at a meeting of the Association duly called and held in accordance with the By-Laws by the affirmative vote of at

least sixty-seven (67%) percent in voting interest of the Unit Owners and then executed and recorded as provided in subparagraph 15.2.5.

15.2.3. Agreement. In the alternative, an amendment may be made by an agreement signed by the record Owners of Units to which are allocated 100% of the Votes in the Association in the manner required for the execution of a deed and acknowledged by at least one of them, and such amendment shall be effective when certified and recorded as provided in subparagraph 15.2.5.

15.2.4. Proviso. Provided, however, that except as otherwise permitted by the Act and provided in this Declaration, no amendment may increase the number of Units or change the boundaries of any Unit, the Allocated Interests allocated to a Unit, or the uses to which any Unit is restricted without the unanimous consent of the Unit Owners and the consent of Eligible Mortgage Holders of Mortgages on Units to which at least two-thirds of the votes in the Association are allocated. No amendment of this Declaration shall make any change which would in any way affect any of the rights, privileges, powers and options of the Declarant, its successors or assigns, unless the Declarant, or its successors or assigns, shall join in the execution of such amendment.

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

15.2.6. Notice and Challenge. No action to challenge the validity of an amendment to this Declaration adopted by the Association pursuant to this Article may be brought more than one year after such amendment is recorded. After each amendment to this Declaration adopted pursuant to this Article has been recorded, notice thereof shall be sent to all Unit Owners and to all Eligible Mortgage Holders at the address last furnished to the Executive Board, but failure to send such notices shall not affect the validity of such amendment.

ARTICLE XVI
TERMINATION OF CONDOMINIUM

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

Act, by agreement of Unit Owners of Units to which at least eighty (80%) percent of the Votes in the Association are allocated and of Eligible Mortgage Holders holding of record Mortgages on Units to which are allocated those percentages of the Votes in the Association as more particularly provided in Paragraph 11.5.

ARTICLE XVII
APPLICATION; COMPLIANCE AND DEFAULT; EMINENT DOMAIN

17.1. Applicabilty. This Declaration shall be applicable to the Condominium. All present and future Owners and tenants, their guests, licensees, servants, agents, employees and any other person or persons that shall be permitted to use the Common Elements shall be subject to this Declaration, the By-Laws and to such rules and regulations as may be issued by the executive Board from time to time to govern the conduct of its members and the use and occupancy of the Property. Ownership, rental or occupancy of any of the Units in the Condominium shall be conclusively deemed to mean that said Owner, tenant or occupant has accepted and ratified this Declaration, the By-Laws and the rules and regulations of the Association and will comply with them. The acceptance of a deed or conveyance (other than as security) or the entering into of a lease or the entering into of occupancy of any Unit (other than possession by a Mortgagee prior to either of 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 decisons of the executive Board are accepted and ratified by such Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

17.2. Compliance

17.2.1. 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.

17.2.2. 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.

17.2.3. 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.

17.3. Arbitration. All claims, disputes and other matters in question between the Declarant, on the one hand, and the Association or any Unit Owners on the other hand, arising out of or relating to, this Declaration, the By-Laws, or the deed to any Unit or the breach thereof, except for claims which have been waived by the acceptance of a deed, shall, at the written request of the Declarant, be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association than obtaining unless the parties mutually agree otherwise. This 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.

17.3.2. Notice. Notice of the demand for arbitration shall be filed in writing with the other parties and with the American Arbitration Association. The demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations or other principle of law and equity.

17.4. Eminent Domain. If part of the Common Elements shall be taken or condemned by any authority having the power of eminent domain, the Association shall notify the Owners and Eligible Mortgage Holders of the Units affected and shall represent the Unit Owners in any condemnation proceedings or in negotiation, settlements and agreements with the condemning authority, and the portion of the award attributable to the Common Elements taken shall be paid to the Association for the use and benefit of the Unit Owners and their Mortgagees as their interests may appear. 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 purposes described in this paragraph. Notwithstanding anything to the contrary in this Paragraph 17.4, lien holders on any Unit, Common Element or Limited Common Element, shall have a lien on any such awards in order of priority of their respective liens.

ARTICLE XVIII
LIMITATION OF LIABILITY

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

18.1.1. 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 Buildings, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or the Executive Board;

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

18.1.3. 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;

18.1.4. Shall not be liable to a Unit Owner, or such Unit Owner's tenants, employees, agents, customers or guests, for loss or damage caused by theft of or damage to personal property left by such Unit Owner or his tenants, employees, agents, customers or guests in a Unit, or in or on the common Elements or Limited Common Elements, except for the Executive Board members' own

willful misconduct or gross negligence;

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

18.1.6. 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 performance of their duties, except for the Executive Board members' own willful misconduct or gross negligence.

18.2. Indemnification. Each member of the Executive Board, in his capacity as an Executive Board member, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being or having been a member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not he is an Executive Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Executive Board member and/or officer is adjudged guilty of willful misconduct or gross negligence in the performance of his duties; provided that, 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.

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

ARTICLE XIX
GENERAL PROVISIONS

19.1. 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.

19.2. Captions. The headings in this Declaration are for purposes of reference only and shall no limit or otherwise affect the meaning hereof. Any tables of contents or indices are attached to this Declaration for purposes of reference and convenience only and shall neither limit nor otherwise affect the meaning hereof nor be deemed as part of this Declaration. References in this Declaration to Articles, 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 third Declaration.

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

19.4. 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.

19.5. 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 Documents shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies, or privileges as may be granted to such party hereunder or by any instruments or documents incorporated herein by reference or at law or in equity.

IN WITNESS WHEREOF, PARK ONE-ELEVEN INC, as Declarant, has caused this Declaration to be executed by Richard W. Banfield its President, thereunto duly authorized as of the date above written.

Signed, Sealed and Delivered
in presence of

PARK ONE-ELEVEN INC.

By: _____
Richard W. Banfield
Its President

"Declarant"

STATE OF MAINE
County of York

NOV. 26, 1986

Personally appeared Richard W. Banfield, President of PARK ONE-ELEVEN, INC. and acknowledged the foregoing Declaration to be his free act and deed in his said capacity and the free act and deed of said corporation.

Before me,

_____
Notary Public

My Commission Expires: May 12 1992

John D Bradford
Print or type name of
Notary Public

SCHEDULE A

A certain lot or parcel of land, with the buildings thereon, situated in Biddeford, in the County of York and State of Maine, bounded northerly by the Alfred Road, westerly by land of William Denson, southerly by land of Greenwood Cemetery Assoiation and easterly by land of heirs of Gilman P. Littefield, containing three acres more or less.

Being the same premises conveyed to Elizabeth Moulen and Matthew A. Moulen as joint tenants by deed of Daniel P. Armstrong, dated February 9, 1949 and recorded in York Registry of Deeds, Book 1110, Page 10, from which deed the above description is quoted verbatim. Upon the death of Elizabeth Moulen on May 18, 1954, said Matthew A. Moulen became sole owner of said property.

Said property was more fully described in a warranty deed to a predecessor in title, Frank H. Moulen from Pierre L. Lamoureux, dated April 13, 1908, and recorded in said Registry in Book 571, page 42, as follows:

"A certain lot or parcel of land, with the buildings thereon, situated on the Southwesterly side of the 'Alfred Road' so-called in said Biddeford and bounded and described as follows: Beginning on said Road at the westerly corner of land formerly of Daniel Littlefield, thence southerly at right angle with said road, by said Littlefield land and land now or formerly of Saco Water Power Company, twenty two and six sevenths (22 6/7) rods; thence at a right angle Westerly fourteen (14) rods; thence at right angle northerly twenty two and six sevenths (22 6/7) rods to said Road; thence Easterly by said Road fourteen (14) rods to the point of beginning."

Said property is conveyed subject to the esaements and rights of way granted to Penultimate Destination by deed dated December 3, 1984 and recorded in said Registry in Book 3431, Page 296, as follows:

"Perpetual easements through property owned by grantor corporation in Biddeford in the County of York and State of Maine on the southerly side of the Alfred Road (or Street) being the former Moulen property, so-called, and conveyed to grantor by deed of Karl J. Moulen, Personal Representative of the Estate of Matthew A. Moulen dated August 7, 1984 and recorded in said Registry in Book 3353, Page 90.

(1) A perpetual easement for the introduction, use, maintenance, repair and replacement as necessary, of underground

telephone lines, electrical lines and water and sewage disposal pipes and necessary appurtenances thereto, in the locations where the same are now installed through said property of grantor, from said Alfred Road to the sideline of property of grantee.

Said lines, pipes and other elements are designed to service both the properties of grantor and grantee, so the easements here granted are in common with grantor, its successors and assigns, including all purchasers of units in its business park and any others having rights therein.

A perpetual right of way, in common with grantor, its successors and assigns, including purchasers of units in its business park, and any others having rights therein, to use the existing road through said property of grantor as it now exists from the said Alfred Road to the sideline of grantee's property, for ingress and egress to and from said property of grantee.

If grantor, its successors or assigns, shall ever desire to change the location of said road, or any of said underground utility easements, it shall have the right to do so at its expense, provided grantee, its successors and assigns have equivalent access and/or utility service in such relocated locations.

SCHEDULE B

PARK ONE-ELEVEN OFFICE CONDOMINIUM

UNITS AND ALLOCATED INTERESTS

Bldg #	Area	%Exist	% Total
Unit - A1	4,916 sq. ft.	36.82%	17.27%
Unit - A2	2,998 sq. ft.	22.45%	10.54%
Unit - D	5,439 sq. ft.	40.73%	19.11%
Total Area Existing	13,353 sq. ft.	100.00%	
(Convertible Real Estate)			
Unit - B1	4,916 sq. ft.		17.27%
Unit - B2	2,998 sq. ft.		10.54%
Unit - C1	2,278 sq. ft.		8.00%
Unit - C2	4,916 sq. ft.		17.27%
Total Area Projected	15,108 sq. ft.		
Combined Total Area	28,461 sq. ft.		100.00%