

## BYLAWS

### RENIHAN MEADOW CONDOMINIUM

#### ARTICLE I

##### PLAN OF UNIT OWNERSHIP

1. Purpose. The administration of the Condominium shall be governed by these Bylaws which are annexed to the Declaration of the Renihan Meadow Condominium and are made a part thereof, and all present and future holders of any interest in the Condominium shall be members of the Renihan Meadow Condominium Association which is a "condominium management association" organized and operated to provide for the acquisition, construction, management, maintenance and care of "association property" as those terms are defined in Section 528 of the Internal Revenue Code. No part of the net earnings of said Association shall inure (other than by acquiring, constructing or providing management, maintenance and care of "association property" and other than by a rebate of excess assessments pursuant to Article V, Section 1 (c) hereof) to the benefit of any Unit Owner.

2. Definitions. Capitalized terms not otherwise defined in these Bylaws shall have the meanings specified in the Declaration and in Section 3 of the Condominium Act.

3. Bylaws Applicability. The provisions of these Bylaws are applicable to the Property, and the use, occupancy, sale, lease or other transfer thereof. All present and future Owners, tenants, future tenants, their guests, licensees, servants, agents, employees and any other Person who shall use the facilities of the Condominium, shall be subject to these Bylaws and to the Rules of the Condominium. The acceptance of a deed of conveyance or the entering into a lease or the act of occupancy of a Unit or any other portion of the Condominium shall constitute an acknowledgement that such Owner, tenant or occupant has accepted and ratified these Bylaws, the provision of the Declaration and the Rules and will comply with them.

4. Office. The office of the Condominium and of the Board of Directors shall be located at the Condominium or at such other place as may be designated from time to time by the Board of Directors.

#### ARTICLE II

##### UNIT OWNERS' ASSOCIATION

1. Composition. All of the Unit Owners, acting as a group in accordance with the Condominium Act, the Declaration and these Bylaws, shall constitute "Renihan Meadow Condominium Association" or the "Unit Owners' Association" or the "Association," which shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the assessments for Common Expenses, arranging for the management of the Condominium, and performing all of the acts that may be required to be performed by the Association by the Condominium Act. Except as to those matters which the Act, the Declaration

or these Bylaws specifically require to be performed by the vote of the Unit Owners, the administration of the Condominium shall be performed by the Board of Directors (as more particularly set forth in Article III).

2. Voting. Each completed Unit shall be entitled to one vote as assigned to such Unit in the Declaration. Since a Unit Owner may be more than one person, if only one of such persons is present at a meeting of the Association, that person shall be entitled to cast the vote appertaining to that Unit. But if more than one of such persons is present, the vote appertaining to that Unit shall be cast only in accordance with the agreement of a majority of the persons, and such consent shall be conclusively presumed if any one of them purports to cast the vote appertaining to that Unit without protest being made forthwith by any of the others to the person presiding over the meeting. As applied to a person which is not a natural person, the word "person" shall be deemed for the purposes of this Section to include, without limitation, any one natural person having authority to execute deeds on behalf of such person which is not a natural person and which is, either alone or in conjunction with another person or persons, a Unit Owner. Except where a greater number is required by the Condominium Act, the Declaration, or these Bylaws, a vote, voting in person or by proxy, is required to adopt decisions at any meeting of the Association, except for election of directors which may be accomplished by a plurality of such votes. If the Declarant owns or holds title to one or more completed Units, the Declarant shall have the right at any meeting of the Association to cast the vote(s) to which such Unit(s) may be entitled.

3. Place of Meeting. Meetings of the Association shall be held at the principal office of the Condominium or at such other suitable place as may be designated by the Board of Directors and stated in the notice of the meeting.

4. Annual Meeting. The first annual meeting of the Association shall be held on a date to be determined by the Declarant, which date shall be within one (1) year after the formation of the Association by the recordation of the Declaration. Notice of such meeting shall be given in accordance with the provisions of Section 6 of this Article II. Thereafter, the annual meetings of the Association shall be held on the same date of each succeeding year, or on such other date within a thirty (30) day period prior to or subsequent to such date (so long as such a meeting is held at least once each calendar year), as may be designated by the Board of Directors and reflected in the said notice. At such annual meetings the Board of Directors shall be elected by ballot of the Owners in accordance with the requirements of Section 4 of Article III. The foregoing notwithstanding, until two (2) years after the recordation of the Declaration or until Units representing three-fourths (3/4ths) of the Percentage Interests appertaining to sixty-four (64) Units have been legally conveyed by the Declarant, whichever first occurs (the "Transition Date"), the Declarant shall be entitled to elect a majority of the members of the Board of Directors. The Association may transact such other business as may properly come before them at such meetings.

5. Special Meetings. It shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Clerk by Owners having not less than 30% of the votes of all Owners. The

notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

6. Notice of Meeting. It shall be the duty of the Clerk to provide notice of each annual meeting or special meeting of the owners in accordance with the provisions of Section 37 of the Condominium Act.

7. Voting Requirements. An Owner shall be deemed to be in good standing and entitled to vote at any annual meeting or at any special meeting of the Association if, and only if, he shall have fully paid all assessments made or levied and due against him and his Condominium Unit by the Board of Directors as hereinafter provided, together with all interest, costs, attorneys' fees, penalties and other expenses, if any, properly chargeable to him, and against his Condominium Unit, at least three (3) days prior to the date fixed for such annual or special meeting. Provided, however, an Owner who is in arrears of condominium fees or assessments shall nevertheless be entitled to vote on amendments to the Declaration or Bylaws but shall not be permitted to vote on any other matter.

8. Proxies. The votes appertaining to any Unit may be cast pursuant to a proxy or proxies in accordance with the provisions of Section 39 IV of the Condominium Act.

9. Quorum. A quorum shall be constituted as provided in Section 38 of the Act.

10. Order of Business. The order of business at all meetings of the Association may be as follows: (a) roll call; (b) recitation of proof of notice of meeting; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) report of Board of Directors; (f) reports of committee; (g) election of directors, if applicable; (h) unfinished business; and (i) new business, any of which may be waived.

11. Conduct of Meeting. The President, or his designate, shall preside over all meetings of the Association and the Clerk shall keep the minutes of the meeting and record in a record book all resolutions adopted by the meeting as well as a record of all transactions occurring thereat. Roberts Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration, these Bylaws or the Condominium Act.

### ARTICLE III

#### BOARD OF DIRECTORS

1. Powers and Responsibilities. The affairs and business of the Condominium shall be managed by a Board of Directors (sometimes herein referred to as the "Board") which shall have all of the powers and responsibilities necessary for the administration of the affairs of the Condominium Act or by these Bylaws directed to be exercised and done exclusively by the Association. The Board of Directors shall have the power from time to time to adopt any Rules deemed necessary for the enjoyment of the Condominium provided that such Rules shall not be in conflict with the Condominium Act, the Declaration or these Bylaws. The Board of Directors may delegate to one of its members the authority to act on behalf of the Board of Directors on all

matters which might arise between meetings of the Board of Directors. In addition to the general duties imposed by these Bylaws, the Board of Directors shall have the power to perform, and shall be responsible for, the following:

(a) Preparation of an annual budget, in connection with which there shall be established the assessment of each Owner for the Common Expenses;

(b) Making assessments against Owners to defray the Common Expenses of the Condominium, establishing the means and methods of collecting such assessments from the Owners, collecting said assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to carry out the administration of the Property. Unless otherwise determined by the Board of Directors, the annual assessments against each Owner for his proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for said month;

(c) Providing for the operation, management, repair, replacement and maintenance of all of the Common Area including designating, hiring and dismissing the personnel necessary therefore, and, where appropriate, providing for the compensation of such personnel and for the purchase or use of equipment, supplies and material to be used by such personnel in the performance of their duties;

(d) Making and amending Rules providing detail concerning the operation, use and enjoyment of the Property (subject to the condition that such Rules shall not be in conflict with the Condominium Act or with the Declaration or these Bylaws, and subject to the provisions of Section II or Article V hereof) and enforcing by legal means and provisions of the Declaration, these Bylaws and such Rules, and bringing any proceedings which may be instituted on behalf of the Owners;

(e) Obtaining and carrying insurance against casualty and liability, as provided in Article VI of these Bylaws, and paying the premium cost thereof and making, or contracting for the making of, repairs, additions, and improvements to, or alterations of, the Property and repairs, to, and restoration of, the Property, in accordance with the other provisions of these Bylaws, after damage or destruction by fire or other casualty;

(f) Opening bank accounts on behalf of the Association and designating signatories required therefore, and keeping books with detailed accounts of the receipts and expenditures affecting the Property, and the administration of the Condominium. The said books shall be available for examination by the Owners, and their duly authorized agents, at reasonable times and places. All books and records shall be kept in accordance with generally accepted accounting practices;

(g) To do such other things and acts not inconsistent with the Condominium Act and with the Declaration which it may be authorized to do by a resolution of the Unit Owners' Association.

2. Managing Agent. The Board of Directors may employ, or contract with, a professional manager or management firm ("Manager") for a fee or compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including but not limited to, the duties listed in Section I of this Article III. The Board of Directors may delegate to the Manager all of the powers granted to the Board of Directors by these Bylaws; provided that any actions by the Manager with respect to the powers set forth in paragraphs (b) and (e), of Section I of this Article III shall require the written consent of the Board of Directors. The term of any employment contract for a Manager may not exceed two (2) years, and any such employment contract shall provide, inter alia, that such agreement may be terminated without cause upon no more than ninety (90) days written notice and without payment of a termination fee.

In the event that a holder of a first mortgage has required professional management (management by someone other than the Association itself, who is regularly employed in the management business) of the Property, any decision to self-manage the Property by the Association must be approved by two-thirds of the Unit Owners and fifty one percent (51%) of the holders of first mortgages (based upon votes appurtenant to such mortgaged units).

3. Number of Directors and Initial Selection of Board. The Board of Directors shall be composed of seven (7) persons. Directors must be Owners or spouses of Owners, or, where a Person who is an Owner is not a natural person, any natural person having authority to execute deeds on behalf of such Person.

4. Election and Term of Office. The term of office for each of the seven Directors shall be fixed by the Board of Directors and once so fixed may not be amended except by amendment of the bylaws in accordance with Article IX of these bylaws.

5. Organization Meeting. The first meeting of the members of the Board of Directors following the annual meeting of the Association shall be held within ten (10) days after the annual meeting at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present thereat.

6. Regular Meetings. Regular meetings of the Board of Directors may be held without call or notice at such time and place as shall be determined, from time to time, by a majority of the directors, provided that notice of the first regular meeting following any such determination shall be given to directors not present when such determination is made. At least two (2) such meetings shall be held during each twelve month period after the annual meeting of the Association. A regular meeting shall be held immediately after, and at the same place as, the annual meeting of the Association.

7. Special Meetings. Special meetings of the Board of Directors may be called by the President on five (5) business days' notice to each director. Such notice shall be given personally or by mail, telephone or telegraph, and such notice shall state the time, place and purpose of the

meeting. Special meetings of the Board of Directors shall be called by the President or Clerk in like manner and on like notice on the written request of at least two (2) directors.

8. Waiver of Notice. Before or within ten (10) days after any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

9. Board of Director's Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

10. Vacancies. Vacancies in the Board of Directors caused by any reason other than removal of a director by a vote of the Association shall be filled by vote of the majority of the remaining directors, at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the directors present at such meeting may constitute less than a quorum of the Board; and each person so elected shall be a director for the remainder of the term of the director so replaced; provided, however, that a vacancy in the position held by a director designated by the Declarant pursuant to a right of the Declarant to make such designation shall be filled by the Declarant.

11. Removal of Directors. A director may be removed with or without cause, and his successor elected, at any duly called regular or special meeting of the Association at which a quorum is present, by an affirmative vote of a majority of the votes presented and voting. Any director whose removal has been proposed by the Owners shall be given at least ten (10) days' notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting. Notwithstanding anything in this Section to the contrary, no person selected and designated by the Declarant as a member of the Board of Directors may be removed without the consent of the Declarant and in such event the Declarant shall select and designate his successor.

12. Compensation. No director shall receive any compensation from the Association for acting as such.

13. Conduct of Meetings. The President or, in his absence, a president pro tem elected by the Board, shall preside over all meetings of the Board of Directors and the Clerk shall keep minutes of the meetings of the Board of Directors recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings, which minutes shall be filed in the Record Book of the Association.

14. Report of Board of Directors. The Board of Directors shall present at each annual meeting, and when called for by vote of the Association at any special meeting of the Association, a full and clear statement of the business and condition of the Condominium.

15. Fidelity Bonds. The Board of Directors may require that all directors, officers, agents (including the Manager), employees and volunteers of the Association handling or responsible for handling funds belong to or administered by the Association furnish adequate fidelity bonds. The premiums on such bonds shall constitute a Common Expense. The amount of such bonds shall equal or exceed the funds in the custody of the Association, but in no event shall the amount of the bonds be less than the total of three (3) months' assessment against all Units plus reserve funds.

16. Dispensing with Vote. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

17. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct or bad faith or actions which are willfully contrary to the provisions of the Declaration or of these Bylaws. The Owners shall indemnify and hold harmless each of the Directors from and against (i ) all contract or negligence liability to others arising out of contracts made by, and action taken or omitted by the Board of Directors on behalf of the Owners unless any such contract or action shall have been made, taken or omitted in bad faith, due to willful misconduct or contrary to the provisions of the Declaration or of these Bylaws willfully, and (ii) against expenses (including attorneys' fees), judgements, fines and amounts paid in settlement incurred by such Director in connection with any threatened, pending or completed action, suit or proceeding unless he acted in bad faith or was guilty of willful misconduct or acted contrary to the provisions of the Declaration or these Bylaws willfully. It is intended that the members of the Board of Directors shall have no personal liability (except as Owners) with respect to any contract made or action taken or omitted by them on behalf of the Owners, unless made, taken or omitted in bad faith, due to willful misconduct or willfully contrary to such provisions. It is also intended that the total liability arising out of any contract, action or omission made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors shall be apportioned in equal shares among all Unit Owners. No Unit Owner's liability thereunder shall exceed his equal share. Every written agreement made by the Board of Directors or by the Manager on behalf of the Owners shall, if obtainable, provide that the members of the Board of Directors or the Manager, as the case may be, are acting only as agents for the Owners and shall have no personal liability thereunder (except as Owners), and that each Owner's liability thereunder shall be limited to his equal share of the total liability thereunder.

## ARTICLE IV

### OFFICERS

1. Designation. The principal officers of the Association shall be a President, a Clerk, and a Treasurer, all of whom shall be elected by the Board. The Board may appoint such other officers as in its judgement may be necessary. With the exception of the president, no officer need be a member of the Board. The offices of Treasurer and Clerk may be held by the same person.

2. Election of Officers. The officers of the Association shall be elected initially by the Board at a Special Meeting held on or near the date on which the Declaration is recorded at the Registry, and thereafter annually by the Board at the organization meeting of each new Board and shall hold office at the pleasure of the Board. Any vacancy in an office shall be filled by the Board at a regular meeting or special meeting called for such purpose.

3. Removal of Officers. The officers shall hold office until their respective successors are chosen and accept such office. Any officer elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the whole Board, and his successor may be elected at any meeting of the Board of Directors.

4. President. The President shall be the chief executive officer; he, or his designate, shall preside at meetings of the Association and, if present, at meetings of the Board of Directors, and shall be an ex officio member of all committees; he shall have general and active management of the business of the Condominium and shall see that all orders and resolutions of the Board are carried into effect. He shall have all of the general powers and duties which are usually vested in or incident to the office of president of a stock corporation organized under the laws of the State of New Hampshire.

5. Clerk. The Clerk shall attend all meetings of the Board of Directors and all meetings of the Association, shall record the minutes of all proceedings in the record book of the Association and shall perform like duties for committees when required. He shall keep the record book current and his custody. He shall give, or cause to be given, notice of all meetings of the Association, special meetings of the Board and meetings of the committees and shall perform such other duties as may be prescribed by the Board or President. The Clerk shall compile and keep current at the principal office of the Association, (1) a complete list of the Owners and their last known post office addresses, (2) a complete list of names and addresses of Unit mortgagees, together with conformed copies of mortgages, filed pursuant to Paragraph 6(g) of the Declaration and (3) copies of the Condominium Instruments. These lists and Condominium Instruments shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days.

6. Treasurer. The Treasurer shall have the custody of all funds and securities that are not under the control of the Directors of Manager, and, with the assistance of the Directors or Manager, shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall deposit all money and other valuable effects in such



depositories as may be designated by the Board. Such records shall include, without limitation, chronological listings of all assessments and Common Expenses on account of the Common Area and each Unit, and the amounts paid and the amounts due on such assessments by each Owner. He shall disburse amounts due on such assessments by each Owner. He shall disburse funds as ordered by the Board, where possible taking proper vouchers for such disbursements, and shall render to the President and directors, at the regular meetings of the Board, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the Association. Owners shall have the right to examine the books of the Association at reasonable times and places.

7. Agreements, Contracts, Deeds, Checks, et cetera. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations shall be executed by any officer of the Association, or by such other person or persons as may be designated by the Board of Directors.

8. Compensation of Officers. No officer shall receive any compensation from the Association for acting as such.

## ARTICLE V

### OPERATION OF THE PROPERTY

#### 1. Determination of Common Expenses and Assessments Against Owners.

(a) Fiscal Year. The fiscal year of the Association shall consist of the twelve month period commencing on January 1 of each year and terminating on December 31 of the same year, except that the first fiscal year shall begin at the date of organization and terminate on the next-succeeding December 31. The fiscal year herein established shall be subject to change by the Board of Directors should the Board in its sole discretion deem such change to be in the best interest of the Association.

(b) Preparation and Approval of Budget. Each year the Board of Directors shall adopt a budget for the Condominium containing an estimate of the total amount which it considers necessary during the ensuing fiscal year for the cost of maintenance, management, operation, repair and replacement of the Common Area and any parts of the Units as to which it is the responsibility of the Board of Directors to maintain, repair and replace, including the cost of compensation, materials, insurance premiums, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, the Declaration, these Bylaws or the Association. Such budget shall also include such reasonable reserves as the Board of Directors considers necessary to provide a general operating reserve, and reserves for contingencies and replacements. The Board of Directors shall make reasonable efforts to send to each Owner a copy of the budget, in a reasonably itemized form which sets forth the amount of the Common Expenses payable by each Owner, at least fifteen days in advance of the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each Owner's assessment for the Common Expenses of the Condominium.

(c) Assessment and Payment of Common Expenses. The total amount of the estimated funds set forth in the budget for the fiscal year adopted by the Board of Directors shall be assessed against each Owner of a completed Unit which has been sold and conveyed or rented by the Declarant in proportion to the number of votes in the Association appertaining to his Unit, and shall be a lien against each Owner's Condominium Unit in accordance with the Condominium Act. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven (11) months in such fiscal year, each Owner shall be obligated to pay to the Association one-twelfth (1/12th) of the assessment for such fiscal year made pursuant to the foregoing provisions. Within sixty (60) days after the end of each fiscal year, the Board of Directors shall supply to all Owners an itemized income and expense statement. Any amount accumulated in excess of the amount required for actual expenses and budgeted reserves shall, in the discretion of the Board of Directors, either be rebated to the Owners in accordance with each Owner's votes in the Association by crediting same to the next successive monthly installments due from Owners under the then current fiscal year's budget, until exhausted, or shall be added to reserves. Any net shortage shall, if the Board of Directors deems it advisable, be added according to each Owner's votes in the Association to the installments due in the succeeding six (6) months after the rendering of the accounting.

(d) Reserves. The Board of Directors shall build up and maintain both an adequate operating reserve and an adequate reserve for contingencies and replacements of the Common Area, which shall be funded by regular monthly payments, as provided above. At the end of each fiscal year, all funds accumulated during such year for reserves for contingencies and replacement of Common Area shall be placed in a separate bank account, segregated from the general operating funds, and used only for such purposes. If for any reason, including nonpayment of any Owner's assessment, the reserves are inadequate, the Board of Directors may at any time levy a further assessment which shall be assessed against the Owners according to their respective votes in the Association, and which may be payable in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any further assessment on all Owners by a statement in writing giving the amount and reasons therefore, and such further assessment shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All Owners shall be obligated to pay the adjusted monthly amount or, if the additional assessment is not payable in installments, the amount of such assessments.

(e) Initial Assessment. When the first Board of Directors takes office, it shall determine the budget, as defined in this section, for the period commencing upon the recordation of the Declaration at the Registry and ending on the last day of the fiscal year in which their election occurs. Assessments shall be levied against the Owners during said period as provided in subsection (c) of this Section. The Board of Directors may establish an initial operating reserve through special assessment of each Owner upon purchase of his Condominium Unit from the Declarant.

(f) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of an Owner's obligation to pay his allocable share of the Common

Expenses as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget, each Owner shall continue to pay the monthly charge at the then existing monthly rate established for the previous fiscal period until 10 days after a statement has been mailed or delivered showing the monthly payment which is due under the new annual or adjusted budget.

2. Payment of Common Expenses. All Owners shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article V. No Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Area or by abandonment of his Unit. No Owner shall be liable for the payment of any part of the Common Expenses assessed against his Condominium Unit subsequent to a sale, transfer or other conveyance by him of such Condominium Unit with respect to assessments made against the Unit after the conveyance of it. The purchaser of a Condominium Unit or other acquiring Owner by virtue of any transfer or other conveyance shall be jointly and severally liable with the transferring Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of the conveyance, without prejudice to the acquiring Owner's right to recover from the transferring Owner the amounts paid by the acquirer therefore; subject, however, to the provisions of Section 3 of this Article V relative to recordable statements of unpaid assessments and subject to the provisions of Paragraph 6(b) of the Declaration relative to first mortgages.

3. Recordable Statement of Unpaid Assessments. Any such acquiring Owner or transferring Owner shall be entitled, upon written request, to a recordable statement of the Board of Directors or the Manager setting forth the amount of the unpaid assessments against the transferring Owner and such acquiring Owner shall not be liable for, nor shall the Condominium Unit conveyed be subject to a lien for, any unpaid assessments in excess of the amount therein set forth. Failure to furnish in the manner in which notices are provided pursuant to Section I or Article XI or make available such a statement within seven (7) days from receipt of such requests by the Board or Manager, shall extinguish the lien for unpaid assessments. Payment of a fee not exceeding the maximum allowable under the Condominium Act may be required as a prerequisite for issuance of such a statement.

4. Collection of Assessments. The Board of Directors shall take prompt action to collect any assessments for Common Expenses due from any Owner which remain unpaid for more than sixty (60) days from the due date for payment thereof.

5. Uncollectible Assessments. Any assessments which are not collectible due to waiver or limitation imposed by the provisions of Section 3 above or due to the provisions of Paragraph 7(b) of the Declaration relative to first mortgagees shall be collectible from all Owners, including the purchaser or first mortgagee, in proportion to their respective votes in the Association.

6. Maintenance and Repair.

(a) By the Board of Directors. Except as otherwise provided in Section 6(b) below, the Board of Directors shall be responsible for the maintenance, repair and replacement (unless necessitated by the negligence, misuse, or neglect of an Owner, or of a person gaining access

with said Owner's actual or implied consent, in which case such expense shall be charged to such Owner), of all of the Common Area, including, but not limited to the common use land as described in the Declaration of Restrictions dated \_\_\_\_\_ and recorded in the Grafton County Registry of Deeds, Book \_\_\_\_\_, Page \_\_\_\_\_, whether presently existing or hereafter constructed, the cost of which shall be charged to all Owners as a Common Expense.

(b) By the Owner. Except for the portions of his Unit required to be maintained, repaired and replaced by the Board of Directors, each Owner shall be responsible for the maintenance, repair and replacement, at his own expense, of his Unit, and any part thereof, including but limited to, any interior walls, finished interior surface of perimeter walls, ceiling and floors, window glass of his Unit, entrance doors and window frames (to the unfinished exterior surface thereof), any doors connecting his Unit with Limited Common Area reserved for his Unit (to the unfinished exterior surface thereof), kitchen and bathroom fixtures and appliances, and those parts of the heating and air conditioning, plumbing and electrical systems which are wholly contained within his Unit and serve no other. Each owner shall be responsible for performing the normal maintenance for any Limited Common Area which is appurtenant to his Unit, (except parking areas which shall be the responsibility of the Board of Directors) including keeping it in a clean and sanitary condition and free and clear of snow, ice and any accumulation of water, and shall make, at his own expense, all repairs thereto beyond normal maintenance, caused or necessitated by his negligence, misuse or neglect. Repairs to the Limited Common Area such as painting which are beyond normal maintenance and which are not caused or necessitated by the negligence, misuse or neglect of any individual Owner, shall be the responsibility of the Board of Directors. Each Owner shall keep the interior of his Unit and its equipment and appurtenances in good order, condition, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his Unit. In addition, each Owner shall be responsible for all damage to any and all other Units or to the Common Area resulting from his failure to make any of the repairs required to be made by him by this Section. Each Owner shall perform his responsibility in such manner as shall not unreasonably disturb or interfere with the other Owners. Each Owner shall promptly report to the Board of Directors, or the Manager, any defects or need for repairs for which the Board of Directors is responsible.

(c) Manner of Repair and Replacement. All maintenance, repairs and replacement shall be substantially similar to the original construction and installation, and shall be of first class quality. The method of approving payment vouchers for all repairs and replacements shall be determined by the Board of Directors.

7. Additions, Alterations or Improvements by Board of Directors. Whenever in the judgement of the Board of Directors the Common Area shall require additions, alterations or improvements costing in excess of Five Thousand Dollars (\$5,000) during any period of twelve (12) consecutive months, and the making of such additions, alterations or improvements shall have been approved by a Majority of the Owners, the Board of Directors shall proceed with such additions, alterations or improvements and shall access all Owners for the cost thereof as a Common Expense. Any additions, alterations or improvements costing Five Thousand Dollars (\$5,000) or less during any period of twelve (12) consecutive months may be made by the Board of Directors without approval of the Owners and the cost thereof shall constitute part of the Common Expenses. Notwithstanding the foregoing, if, in the opinion of not less than 66% of the

members of the Board of Directors such additions, alterations or improvements are exclusively or substantially exclusively for the benefit of a limited number of Owner or Owners requesting the same, such requesting Owners shall be assessed therefore in such proportion as they jointly approve or, if they are unable to agree thereon, in such proportions as may be determined by the Board of Directors

8. Additions, Alterations or Improvements by Owners. No Owner shall make any structural addition, alteration or improvement in or to his Unit without the prior written consent thereto of the Board of Directors. No Owner shall paint, decorate or otherwise change the external appearance of his Unit or Limited Common Area, including the doors and windows, without the prior written consent thereto of the Board of Directors. The Board of Directors shall be obligated to answer any written request by an Owner for approval of such proposed structural addition, alteration or improvement or such external change within (60) days after such request, and its failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed addition, alteration, improvement or change. If any application to any governmental authority for a permit to make any such structural addition, alteration or improvement in or to any Unit requires execution by the Association, and provided consent has been given by the Board of Directors, then the application shall be executed on behalf of the Association by the Board of Directors only, without however incurring liability on the part of the Board of Directors or any of them to anyone on account of such addition, alteration or improvement. Subject to the approval of the mortgages of such affected Units, the Board of Directors and any Unit Owner affected, and subject to obtaining any governmental approvals required by law, any Unit may be subdivided or may be altered so as to relocate the boundaries between such Unit and any adjoining Units. The Clerk shall record any necessary amendment to the Declaration to effect such action as provided in Section 31 and 32 of the Condominium Act. The Owner requesting such amendment shall reimburse the Association for all expenses it may incur in making such an amendment. Provided, however, until Units owner by the Declarant shall have been completed and initial deeds of conveyance of such Units shall have been recorded, the Declarant shall have the right to make such alterations or subdivisions without the consent of the Board of Directors, and the Board of Directors shall execute any such application required.

9. Restrictions on Use of Units. To assist the Association in providing for congenial occupancy and the protection of the value of the Units, it is necessary that the Board of Directors have the right and authority to exercise reasonable controls over the use of the Units. Violation of the following enumerated prohibitions shall not be permitted, and the Board of Directors is hereby authorized to take all steps necessary to prevent or discontinue any violations thereof, all at the expense of the violator, (including the Association's costs and attorney's fees):

(a) No decorations, awnings, screens, sun shades or covers, air conditioning equipment, fans, advertisements, signs or posters of any kind shall be affixed to the exterior of a building or otherwise placed, posted in or on the Property as to be visible from the outside of a Unit except as authorized by the Board. This restriction shall not apply to advertisements, signs, or posters utilized by the Declarant, or its agents, in selling or renting the Units.

(b) No clothing, laundry, rugs or other unsightly objects shall be hung from any window or exterior portion of a Unit or in Limited Common Area or otherwise left or placed in such way as to be exposed to public view. All refuse and trash shall be placed in locations specifically designated by the Board, and no garbage or trash shall be permitted to remain in public view.

(c) No animal, other than common household pets with the consent of the Board, shall be kept or maintained on the Property nor shall common household pets be kept, bred, or maintained for commercial purposes on the Property. In no event shall the Board allow more than one pet in a Unit. Pets shall not be permitted outside of Units unless they are on a leash. The person controlling such pet shall be responsible for curbing said pet and shall further be responsible for removing all droppings of such pet. The Board of Directors may make further provisions in the Rules for the control and regulation of household pets in the Condominium. The Owner of a Unit where a pet is kept or maintained shall be responsible and may be assessed by the Board of Directors for all damages to the Property resulting from the maintenance of said pet, and any costs incurred by the Association in enforcing the Rules prescribed by the Board of Directors for the control and regulation of pets in the Condominium and each such Owner shall be deemed to indemnify and hold the Board harmless against such loss or liability resulting from said pet. The Board may, in its sole judgement, revoke the right of any Unit Owner or tenant to keep or maintain a pet if such pet interferes with the rights or comfort of other Unit Owners or tenants. As of October 29, 1988, no dogs will be permitted on the condominium premises. All dogs on the condominium premises as of October 29, 1988 are "grandfathered."

(d) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is unreasonable source of annoyance to its residents or which unreasonably interferes with the peaceful possession or proper use of the Condominium by others. Without limiting the foregoing, no owner, tenant, occupant or their guests shall play music or otherwise create noise in the Common Areas which disturbs any other owner, tenant or occupant.

(e) No Owner, tenant or guest shall allow the installation of wiring for electrical or telephone use, television antenna, air conditioning unit or other machine or equipment, which protrudes through the perimeter walls or the roof of any building or is otherwise visible on the exterior of a building except as installed in original construction or as authorized by the Board. Air conditioners may specifically be permitted subject to procedures for installation to be adopted by the Board.

(f) Nothing shall be done in any Unit or in, on, or to the Common Area or Limited Common Area which may impair the structural integrity of the Property, or which would structurally change a building or improvements thereon except as provided in the Declaration or these Bylaws. Nothing shall be altered or constructed in or removed from the Common Area or Limited Common Area, except upon the written consent of the Board of Directors.

(g) Unless authorized by the Board of Directors, no Owner, tenant or guest shall direct or engage any employee of the Condominium on any private business, nor shall he direct, supervise or in any manner attempt to assert control over any such employee.

(h) No activity shall be done or maintained in any Unit or upon any Common Area or Limited Common Area which will increase the rate of insurance on any Unit or the Common Area or result in the cancellation of insurance thereon, unless such activity is first approved in writing by the Board of Directors. No waste shall be committed in the Common Area or Limited Common Area.

(i) In the use of the Units and the Common Area and Limited Common Area of the Condominium, Owners shall obey and abide by all laws, ordinances and zoning and other governmental regulations affecting the same and all applicable Rules adopted by the Board. The Common Area and Limited Common Area shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the Units.

(j) Owners or tenants shall not be entitled to maintain more than two automobiles, including not more than one truck, within the Condominium at one time. No service, repairs or other maintenance shall be performed upon any such automobile or truck within any Common Area or Limited Common Area. No motorbikes, motorcycles, minibikes or snowmobiles shall be operated within the Condominium, except that a motorcycle, motorbike, or minibike used by an Owner, tenant or guest may be driven to and from a Unit Owner's parking area. No motorbikes, minibikes, snowmobiles, motorized boats, trailers, campers or terrain vehicles shall be parked or allowed to remain within the Condominium except in a protected area designated by the Board of Directors, if the Board of Directors chooses to do so.

10. Right of Access. A right of access shall exist to each Unit in favor of the Board of Directors or the Manager, or any other person authorized by the Board for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or Common Area, or for the purpose of performing installation, alterations or repairs to the mechanical or utility services or other Common Area provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Owner. In case of any emergency, such right of entry shall be immediate whether the Owner is present at the time or not.

11. Rules. Rules concerning the operation and use of the Common Area may be promulgated and amended by the Board of Directors, provided that such Rules are not contrary to or inconsistent with the Condominium Act, the Declaration or these Bylaws. Copies of the Rules shall be furnished by the Board of Directors to each Owner prior to the time when the same shall become effective. A vote of the majority of Owners present in person or by proxy at a meeting of the Association may overrule and declare void any Rule adopted by the Board; provided that notice of the proposal to overrule shall be included in the notice of such meeting.

## ARTICLE VI

### INSURANCE

1. Insurance Required. Pursuant to Section 43 of the Condominium Act, the Board of Directors shall obtain (i ) a master casualty policy affording fire and extended coverage in an

amount equal to the full replacement value of the structures within the Condominium; (ii) a master liability policy covering the Association, the Board, the Manager and agents or employees of the foregoing with respect to the Condominium, and all Owners and other persons entitled to occupy any portion of the Condominium (this shall not be deemed to require that the Board obtain what is commonly known as "officers' and directors' liability" insurance coverage, although the Board may do so), and (iii) such other policies as specified below, which insurance shall be governed by the following provisions to the extent obtainable or possible.

(a) Fire insurance with standard extended coverage endorsements, vandalism and malicious mischief endorsements insuring all the buildings in the Condominium including without limitation all such portions of the interior of such buildings as are for insurance purposes normally deemed to constitute part of the building and customarily covered by such insurance, such as heating and air conditioning and other service machinery, interior walls, all finished wall surfaces, ceiling and floor surfaces including any wall to wall floor coverings, bathroom and kitchen cabinets and fixtures, including appliances which are affixed to the buildings, and heating and lighting fixtures, except for improvements made by individual Owners which are not reported to the insurer, such insurance to be in an amount at least equal to the replacement value of the buildings and to be payable to the Board as trustee for the Owners and their mortgagees as their respective interests may appear.

(b) Public liability insurance in such amounts as the Board may from time to time determine, but in no event shall the limits of liability be less than One Million Dollars, (\$1,000,000) for bodily injury and property damage per occurrence, insuring the Association and all individuals referred to in Section 1 above, against any liability to anyone, and with cross liability coverage with respect to liability claims of any one insured thereunder against any other insured thereunder. This insurance, however, shall not insure against individual liability or negligence occurring within a Unit.

(c) Workman's compensation insurance as required by law.

(d) Such other insurance as the Board may determine.

## 2. General Insurance Provisions.

(a) The Board shall deal with the insurer or insurance agent in connection with the adjusting of all claims covered by insurance policies provided for under Section 1 above and shall review with the insurer or insurance agent, at least annually, the coverage under said policies, said review to include an appraisal of improvements within the Condominium and shall make any necessary changes in the policy provided for under Paragraph 1(a) above (prior to expiration date set forth in any agreed amount endorsement contained in said policy) in order to meet the coverage requirements of such Section.

(b) The Board shall be required to make every effort to see that all policies of physical damage insurance provided for under Section 1 above: (i) shall contain waivers of subrogation by the insurer as to claims against the Association, its employees and agents, members of the Board, the Manager, Owners and members of the family of any Owner who reside with said



Owner, except in cases of arson and fraud; (ii) shall contain a waiver of defense of invalidity or prejudice on account of the conduct of any of the Owners over which the Association has no control; (iii) shall contain a waiver of defense of invalidity or prejudice by failure of the insured, or Owners collectively, to comply with any warranty of condition with regard to any portion of the Condominium over which the insured, or Owners collectively, have no control; (iv) shall provide that such policies may not be cancelled, jeopardized or substantially modified without at least thirty (30) days written notice to all of the insureds thereunder and all mortgagees of Units in the Condominium; (v) shall provide that in no event shall the insurance under said policies be brought into contribution with insurance purchased individually by Owners or their mortgagees; and (vi) shall exclude policies obtained by individual Owners for consideration under any "no other insurance" clause.

### 3. Individual Policies.

(a) Any Owner and any mortgagee may obtain at his own expense additional insurance (including without limitation a "condominium unit-owner's endorsement" for improvements and betterments to a Unit made or acquired at the expense of the Owner and not covered under the master casualty policy referred to in Section 1(a) above). Such insurance should contain the same waiver of subrogation provision as that set forth in Section 2(b) of this Article VI. No such policy shall be written so as to decrease the coverage under any of the policies obtained by the Board pursuant to Section 1(a) above, and each Owner hereby assigns to the Board, as trustee for the Owners and their mortgagees, the proceeds of any such policy to the extent that any such policy does in fact result in a decrease in such coverage, said proceeds to be applied pursuant to the terms hereof as if produced by such coverage. Copies of all such policies (except policies covering only personal property, owned or supplied by individual Owners) shall be filed with the Association.

(b) It is recommended that each Owner obtain at his own expense, in addition to the insurance hereinabove provided to be obtained by the Board of Directors, a "Tenant's Homeowners Policy," or equivalent, to insure against loss or damage to personal property used or incidental to the occupancy of his Unit or Limited Common Area, additional living expense, vandalism or malicious mischief, theft, personal liability and the like. Any such insurance should cover any loss, injury or damage to persons or to floor coverings, appliances and other personal property, not covered in the master policy, and all improvements to his Unit which are not reported to the Board.

(c) In addition to the other requirements of law or imposed by the Declaration or these Bylaws, each Owner, prior to commencement of construction of such improvements, shall for insurance purposes notify the Board of all proposed improvements to his Unit (except personal property other than fixtures) and upon receipt of such notice, the Board shall notify the insurer under any policy obtained pursuant to Section 1(a) hereof, of any such improvements.

4. Notice to Unit Owners. Excepting such policies as are obtained in behalf of the Association prior to the conveyance of the first Unit in the Condominium, when any policy of insurance has been obtained on behalf of the Association, written notice of the obtainment thereof and of any subsequent changes therein or in such initial policies, or termination thereof

shall be promptly furnished to each Unit Owner by the Clerk of the Association. Such notice shall be sent to all Unit Owners of record at the address of their respective Units and to such other addresses as any of them may have designated to the Clerk; or such notice may be hand-delivered by the Clerk or Manager.

## ARTICLE VII

### REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY

1. When Repair and Reconstruction are Required. Subject to the provisions of Section 3(i) of the Declaration, in the event of damage to or destruction of all or part of the buildings in the Condominium as a result of fire or other casualty, the Board of Directors shall arrange for and supervise the prompt repair and restoration of the damaged or destroyed portions of the buildings. Notwithstanding the foregoing, each Owner shall have the right to supervise the redecorating work in his own Unit.

2. Procedure for Reconstruction and Repair.

(a) Immediately after a fire or other casualty causing damage to a building, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the damage to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determine to be necessary. The Board shall contract for such repair and restoration and in doing so shall exercise its sole discretion in selecting from along said estimates.

(b) If the proceeds of insurance, paid to the Board as trustee for the Owners and their mortgagees pursuant to Sections 1(a) and 3(a) of Article VI hereof, are not sufficient to defray completion of reconstruction and repair, or the funds for the payment of the costs thereof are insufficient, assessments in sufficient additional amounts to provide payment of such costs shall be made against the Owners in proportion to their respective votes in the Association. If all or any portion of such assessments are not available to the Board prior to the time that the amounts thereof are needed to provide payment of such costs, the Board may borrow such amounts, in behalf of the Association, and may secure such borrowing by assignment of the liens relative thereto arising pursuant to Section 2 of Article XIII of these Bylaws.

(c) Any such reconstruction or repair shall be substantially in accordance with the original plans and specifications under which the damaged building was originally constructed.

(d) Encroachments upon or in favor of Units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Owner upon whose property such encroachment exists, provided that such reconstruction is substantially in accordance with original plans and specifications under which the damaged building was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the building (as reconstructed) shall stand.

### 3. Disbursements of Construction Funds.

(a) The net proceeds of insurance collected on account of a casualty and any additional amounts collected by the Board of Directors from assessments against Owners on account of such casualty (or borrowed by the Board as provided in Section 2(b) above) shall constitute a construction fund which shall be disbursed in payment of the reconstruction and repair by the Board of Directors.

(b) The construction fund shall be paid by the Board of Directors in appropriate progress payments, to such contractors, suppliers and personnel engaged in performing the work of supplying materials or services for the repair and reconstruction of the building as are designated by the Board of Directors.

(c) It shall be presumed that the first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds; and if there is a balance in the construction fund after the payment of all of the cost of the reconstruction and repair for which the fund is established, such balance shall first be applied to any borrowing pursuant to Section 2(b) above, and the remainder, if any, shall be distributed to the Owners, either directly or as a credit against regular assessments.

(d) When the damage is to both Common Area and Units, the insurance proceeds shall, to the extent practical, be applied first to the cost of repairing the Common Area and the balance to the cost of repairing the Units.

## ARTICLE VIII

### SALES, LEASES, AND ALIENATION OF UNITS

1. No Severance of Ownership. No Owner shall execute any deed, lease, mortgage, or instrument conveying or mortgaging the title to his Unit without including therein the undivided interest of such Unit in the Common Area, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, lease, mortgage, or other instrument purporting to affect such title or one or more of such interests, without including all such title or one or more of such interests, shall be deemed and taken to include the title or interests so omitted, even though the latter shall not be expressly mentioned or described therein. Except to the extent otherwise expressly provided by the Declaration, these Bylaws or the Condominium Act, the undivided interest in the Common Area allocated to any Unit shall not be altered, and any purported transfer, encumbrance, or other disposition of that interest without the Unit to which it appertains shall be void.

2. Payment of Assessments. No owner shall be permitted to convey, mortgage, sell, leave, give, or devise his Unit unless and until he (or his personal representative) shall have paid in full to the Board of Directors all unpaid Common Expenses theretofore assessed by the Board of Directors with respect to his Unit, and shall have satisfied all unpaid liens with respect to his Unit, except mortgages. Where this provision is satisfied at the time of execution of a mortgage, there shall be no requirement that it again be satisfied at the time of a subsequent foreclosure of

such mortgage, or deed in lieu of such foreclosure. In the event that the Unit is subject to one or more outstanding assessments previously levied against such Unit, and the acquiring Owner or the transferring Owner requests a recordable statement pursuant to Section 2 of Article V, the statement shall expressly state any waiver of, or failure or refusal to exercise, the right of the Association to prevent the disposition of such Unit, in any case where such waiver, failure or refusal may exist. Failure or refusal to furnish such a statement as provided in said Section 3 shall not only constitute a waiver of such assessment, but also make the abovementioned prohibition inapplicable to any such disposition of the Unit.

3. Resale of Units. Pursuant to the Condominium Act, specifically, RSA 356- B:58, every prospective unit owner in the event of a resale of a unit or any interest therein by a person other than the Declarant shall have the right to obtain from the Association, prior to the contract date for the purchase and sale of the unit, the following:

(a) A recordable statement setting forth the amount of unpaid assessments, if any, currently levied against the unit in question. Such requests shall be in writing, directed to the principal officer of the Association. Failure to furnish or make available such a statement within ten (10) business days from the receipt thereof shall extinguish the lien created by law, the within Bylaws, and/or the Declaration, as to the condominium unit involved.

(b) A statement of any capital expenditures and major maintenance expenditures anticipated by the Association within the current or succeeding two fiscal years.

(c) A statement of the status and amount of any reserve fund for major maintenance or replacement and any portion of such fund earmarked for any specified project by the Board of Directors.

(d) A copy of the income statement and balance sheet of the Association for the last fiscal year for which such statement is available.

(e) A statement of the status of any pending suits or judgements or legal action in which the Association is a party defendant.

(f) A statement setting forth what insurance coverage is provided for all unit owners by the Association and what additional insurance coverage would normally be secured by each individual unit owner.

(g) A statement that any improvements or alterations made to the unit in question or the limited common areas assigned thereto, by the prior unit owner are not known to be in violation of the condominium instruments. The principal officer of the Association shall furnish the said statements upon the written request of any prospective unit owner within ten (10) days of the receipt of such request.

4. Rider to Lease Agreement. Any unit owner who intends to lease a condominium unit shall attach to the lease a copy of the Association's official "Rider to Lease Agreement" in such form as provided by the Association and not modified in any way. Both the unit owner and tenant shall supply the Association all information requested on the Rider to Lease Agreement, sign it in the space provided and provide a copy to the Association.

## ARTICLE IX

### AMENDMENT TO BYLAWS

1. Amendments. Except as otherwise provided in the Condominium Act and herein, these Bylaws may be modified or amended by the procedure set forth in Paragraph 5 of the Declaration; provided, however, that (a) Section 4 of Article II, and Section 3 of Article III, insofar as they relate to the selection of members of the Board of Directors by the Declarant, (b) Section 2 of Article II, insofar as it provides that the Declarant, so long as it is the Owner of one or more Units, may vote appurtenant thereto, and (c) this Section I of Article IX, may not be amended without the consent in writing of the Declarant, so long as the Declarant shall be an Owner. Furthermore, notwithstanding the foregoing, so long as the Declarant is the Owner of one or more Units, no amendments to the Bylaws or Rules may be adopted which could interfere with the construction, display, sale, lease, or other disposition of such Unit or Units. Notwithstanding the foregoing, until the Transition Date as set forth in Article II, Section of the Bylaws, no amendment to these Bylaws will be effective without the written consent of Declarant. These bylaws may not be amended to reduce, modify, or abolish the obligations of the Association and/or the Board, to control and maintain the common use land as described in the Declaration of Restrictions dated July 10, 1986, and recorded in the Grafton County Registry of Deeds, Book 1634, Page 656.

2. Approval of Mortgages. These Bylaws contain provisions concerning various rights, priorities, remedies and interests of the mortgagees of Units. Such provisions in these Bylaws are to be construed as covenants for the protection of the mortgages on which they may rely in making loans secured by mortgages on the Units. Accordingly, all mortgagees shall be given thirty (30) days notice of all proposed amendments, and no amendment or modification of these Bylaws impairing or affecting the rights. Priorities, remedies or interest of a mortgagee (including the mortgagee's use of a secondary mortgage market, i.e. the sales of mortgages to the Federal Home Loan Mortgage Corporation, etc.) shall be adopted without the prior written consent of such mortgagee. If there is more than one mortgagee holding mortgages on the Units, it shall be sufficient for this purpose to obtain the written consent of the mortgagee or mortgagees holding mortgages on 75% or more of the Units encumbered by mortgages.

## ARTICLE X

### MORTGAGES

1. Notice of Default. The Board shall give written notice to an owner of any default by the Owner in the performance of any obligations under the Act, Declaration and Bylaws. No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to the Declaration of these Bylaws except after ten (10) days written notice to the holder of the first mortgage on the Unit which is the subject matter of such suit or proceeding, provided the Board has been given notice of such mortgage in the manner set forth in Paragraph 6(g) of the Declaration.

## ARTICLE XI

### NOTICE

1. Manner of Notice. Except as otherwise provided in the Declaration and these Bylaws, all notices, demands, bills, statements or other communications provided for or required under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by U.S. Mail, first class postage prepaid, (i) if to be Owner, at the address of his Unit and/or at such other address as the Owner may have designated by notice in writing to the Clerk, or (ii) if to the Association, or the Manager, at the Condominium or at such other address as shall be designated by notice in writing to the Owners pursuant to this Section.

2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes, the Declaration or of these Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto, unless such waiver is ineffective under the provisions of the Condominium Act.

## ARTICLE XII

### COMPLIANCE AND DEFAULT

1. Relief. Each Owner shall be governed by, and shall comply with, all of the terms of the Declaration, these Bylaws, and the Rules, and any amendments of the same. A default by an Owner shall entitle the Association acting through the Board of Directors or the Manager, to the following relief:

(a) Legal Proceedings. Failure to comply with any of the terms of the Declaration, these Bylaws, and the Rules shall be grounds for relief which may include without limiting the same, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in these Bylaws, or any combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association, the Board of Directors, the Manager, or, if appropriate, by any aggrieved Owner.

(b) Additional Liability. Each Owner shall be liable for the expenses of all maintenance, repair or replacement rendered necessary by his acts, neglect or carelessness or the act, neglect or carelessness of any member of his family or his tenants, guests, employees, agents or invitees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by an insurance company of its rights of subrogation.

(c) Costs and Attorneys' Fees. In any proceeding arising out of any alleged default by an Owner or by the Association, the Association shall be entitled to recover the costs of the proceeding and reasonable attorneys' fees if it is the prevailing party in such action.

(d) No Waiver of Rights. The failure of the Association, the Board of Directors, or of an Owner to enforce any right, provision, covenant, or condition which may be granted by the Declaration, these Bylaws or the Rules shall not constitute a waiver of the right of the Association, the Board of Directors, or any Owner to enforce such right, provision, covenant, or condition in the future. All rights, remedies and privileges granted to the Association, the Board of Directors, or any Owner pursuant to any term, provision, covenant or condition of the Declaration or the Rules shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by the Declaration, these Bylaws or the Rules, or at law or in equity.

(e) Interest. In the event of a default by any Owner against him which continues for a period in excess of thirty (30) days, such Owner shall be obligated to pay interest on the amounts due at the rate of eighteen percent (18%) per annum from the due date thereof. In addition, the Association shall have the authority to impose a late payment charge on such defaulting Owners in an amount not to exceed \$20.00, or six cents (\$0.06) per dollar on any amount overdue, whichever is greater. The aforesaid rate of interest shall apply until the sums due are actually collected, even if litigation is brought to enforce the indebtedness or even if the indebtedness is reduced to judgement.

(f) Abatement and Enjoyment of Violations by Owners. The violation of any rule or regulation adopted by the Board of Directors, or the breach of any Bylaw contained herein, or the breach of any provision of the Declaration, shall give the Board of Directors or the Manager the right, addition to any other rights set forth in these Bylaws: (a) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate the remove, at the expense of the defaulting Owner, any structure, thing, or condition that may exist therein contrary to the intent and meaning of provisions hereof, and the Board of Directors or Manager shall not thereby be deemed guilty in any manner of trespass: (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; or (c) to suspend or limit the right of the Owner committing the violation to use any part of the Common Area during the continuance of such violation.

(g) Assessments by Board of Directors. The Board of Directors shall have authority to promulgate rules establishing assessments for violations of the condominium rules and bylaws which shall become a lien under Article XII, Section 2. The rule shall provide for reasonable notice of the violation to the unit owner and a reasonable opportunity to cure the violation prior to the assessment.

(h) Association's Authority to Evict on Behalf of Unit Owner. In the case of repeated, uncured violations of Association Bylaws and/or rules by a tenant which would constitute grounds for eviction under New Hampshire law, the Association, after 30 days' notice to the Unit Owner and the Tenant, may, as authorized agent of the Unit Owner, commence an eviction proceeding under RSA 540 against the tenant. Such notice shall describe in detail the nature of the violation(s) and the Association's attempts to obtain the tenant's compliance. The Unit Owner shall be conclusively deemed to have granted the Association a power of attorney coupled with

an interest for this purpose. The unit owner and tenant shall be jointly and severally liable for the Association's costs and attorney's fees incurred in connection with eviction proceedings under this paragraph.

(i) Administrative Assessment for Noncompliance for Owner-Occupied Unit Only. In the event of a violation of any rule or regulation adopted by the Board or the breach of any provision of the Declaration or Bylaws by a Unit Owner, the Association is authorized to impose an administrative assessment against the violating Unit Owner after notice and an opportunity to cure the violation as set forth below. The Association shall provide written notice to the Unit Owner by certified or registered mail, return receipt requested, and, if the Unit Owner resides at the condominium, it shall also serve a copy on the Unit Owner by delivering it to him or her in hand or by leaving it at his or her unit. Such notice shall contain the following information:

- i. A description of the violation and a reference to the section of the Declaration, Bylaw, or Rules which has been violated;
- ii. An opportunity to cure of not less than 5 days and no more than 30 days;
- iii. A notice that failure to cure the violation will result in an administrative assessment of not more than \$25.00 per day, for each day that the violation continues;
- iv. That this assessment shall constitute a lien against the unit owned by the Unit Owner under Article XII, section 2.

If the unit owner fails to cure the violation within the time specified in the notice, the Board may impose an administrative assessment of not more than \$25.00 per day. If it does so, the Board shall provide notice of the assessment to the unit owner in the manner set forth above.

## 2. Lien for Assessments.

(a) The total annual assessment of each Owner for the Common Expenses or any special assessment levied pursuant to these Bylaws is hereby declared to be a lien levied against the Unit of such owner as provided in the Condominium Act (including without limitation the priority provisions set forth in Section 46 thereof), which lien shall be effective when perfected in accordance with said Act.

(b) In any case where an assessment against an Owner is payable in installments, upon a default by such Owner in the payment of any single installment, which continues for ten (10) days after written notice of such default has been sent to the Owner, the maturity of the remaining unpaid installments of such assessment may be accelerated, at the option of the Association, and the then balance owing may be declared due and payable in full by the service of notice to such effect upon the defaulting Owner by the Board of Directors or Manager. The Association, in order to perfect such lien shall file before the expiration of six (6) months from the time that the delinquent assessment (or installment, where such assessment is payable in installments) became due and payable, a memorandum in the Registry in form and manner prescribed in said Act.



(c) The lien for assessments shall include interest, late charge, costs and attorney's fees as provided in Section I of this Article XII and may be foreclosed either in the manner provided by the laws of the State of New Hampshire for the foreclosure of power of sale mortgages or in any other manner provided in said laws for the foreclosure of real estate mortgages, or may otherwise be enforced or levied upon by suit brought in the name of the Board of Directors, acting on behalf of the Association. During the pendency of such proceedings or suit the owner shall be required to pay a reasonable rental for the Unit for any period prior to sale pursuant to any judgement or order of any court having jurisdiction over such sale.

(d) Suit to recover a money judgement for unpaid assessments shall be maintainable without foreclosing or waiving the lien securing the same, and foreclosure shall be available without bringing suit to recover a money judgement.

(e) Pursuant to RSA 356-B:46 IX, after 30 days prior written notice to the unit owner, the tenant occupying the unit and the unit owner's first mortgagee of nonpayment of assessments, the Board of Directors is hereby authorized to terminate the delinquent unit's common privileges and cease supplying a delinquent unit with any and all services normally supplied and paid for by the unit owner's association. Any terminated services and privileges shall be restored upon payment of all assessments. The Board of Directors is authorized to promulgate rules regarding notification of owners and tenants and provisions regarding restoration of services upon payment.

(f) The Board of Directors may authorize an attorney acting on behalf of the Board or the managing agent as defined under Article III, Section 2, to execute memoranda of liens pursuant to RSA 356-B:46 III. The attorney or managing agent so authorized shall be an officer of the Association for this limited purpose.

(g) The Board of Directors is authorized to adopt regulations to implement the provisions of RSA 356-B:46-a, which authorizes a unit owner's association to collect rent from a tenant of an owner who has filed [sic] to pay condominium fees and assessments for that unit.

### ARTICLE XIII

#### COMPLIANCE, CONFLICT AND MISCELLANEOUS PROVISIONS

1. Compliance. These Bylaws are set forth in compliance with the requirements of the Condominium Act (herein sometimes referred to as the "Act").

2. Severability. If any provisions of these Bylaws or any section, sentence, clause, phrase, or word, or the application thereof in any circumstance is held invalid, the validity of the remainder of these Bylaws, shall not be affected thereby and to this end, the provisions hereof are declared to be severable.

3. Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure enforce the same (except where a right is dependent upon notice to be given with a specified period), irrespective of the number of violations or breaches which may occur.

4. Captions. The captions contained in these Bylaws are for convenience only and are not part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws.

5. Gender, etc. Whenever in these Bylaws the context so requires, the singular number shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.