

DECLARATION OF CONDOMINIUM

HIGHPINES VILLAGE CONDOMINIUM

A WORKFORCE HOUSING COMMUNITY

Highpine Properties, LLC, Declarant

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OTHER PARTS OF THE DECLARATION APPEAR ELSEWHERE IN THIS
PUBLIC OFFERING STATEMENT

NOTICE

OWNERSHIP AND OCCUPANCY OF UNITS AT HIGH PINES VILLAGE CONDOMINIUM MAY BE RESERVED FOR WORKFORCE HOUSING, AS PER THE DECLARATION OF WORKFORCE HOUSING COVENANTS, RECORDED OR TO BE RECORDED IN THE YORK COUNTY REGISTRY OF DEEDS.

THE COVENANTS RESTRICT THE RESALE OF UNITS. OWNERS OF UNIT SUBJECT TO THE WORKFORCE HOUSING COVENANTS WISHING TO TRANSFER THEIR UNIT MUST OBTAIN AND RECORD A TRANSFER CERTIFICATE

PURPORTED TRANSFERS WITHOUT A RECORDED TRANSFER CERTIFICATE ARE VOID.

**DECLARATION OF CONDOMINIUM
HIGHPINES VILLAGE CONDOMINIUM
A WORKFORCE HOUSING COMMUNITY**

ARTICLE 1. INTRODUCTORY; DEFINITIONS

Section 1.1. Submission to the Maine Condominium Act.

Highpine Properties, LLC, a Maine limited liability company ("Declarant"), owner of land described in Exhibit A (the "Property"), hereby creates a condominium known as Highpines Village Condominium ("Highpine," or "Condominium"), by submitting that property to this Declaration and the Maine Condominium Act, Title 33, section 1601-101 et seq. of the Maine Revised Statutes. The Property is governed by a Maine nonprofit corporation known as Highpines Village Condominium Association (the "Association"). The initial Bylaws of the Association are also attached hereto and recorded herewith. The declarant has also recorded Plats and Plans for the Condominium, required by the Maine Condominium Act, in Condominium File 1017 page 1-8 in the York County Registry of Deeds.

Initially, the Condominium comprises the Property and 5 Units. The maximum number of Units in the Condominium is 120.

Section 1.2. Terms and Definitions.

Terms; Definitions. Capitalized terms not otherwise defined in this Declaration shall have the same meaning as found in the Maine Condominium Act. Also:

"Association" means Highpines Village Condominium Association

"Board of Directors" or "Directors" shall mean the executive board of Highpines Village Condominium Association.

"Covenants" or "Workforce Housing Covenants" shall mean the Workforce Housing Covenants recorded or to be recorded in the York County Registry of Deeds, as they may be modified.

"Unit," when capitalized, refers to a condominium Unit.

Section 1.3. Interpretation.

In the event of any conflict or discrepancy between this Declaration, the Bylaws, and the Rules, this Declaration's provisions shall govern. If any conflict arises between

the Workforce Housing Covenants and the Declaration, Bylaws, and Rules of the Association, the Workforce Housing Covenants shall govern.

Section 1.4. Other Applicable Laws.

Provisions in the Declaration, Bylaws, and Rules may be subject to various federal and state laws that may restrict their application, such as the Fair Housing Act, which requires reasonable accommodations for people with disabilities (Example: access ramps, special parking spaces, support animals). These laws' requirements may have priority over conflicting provisions in this Declaration, the Bylaws, or Rules.

ARTICLE 1-A. WORKFORCE HOUSING COVENANT.

Section 1-A.1 Workforce Housing Covenants.

The Condominium is subject to Workforce Housing Covenants (the "Covenants", or "Workforce Housing Covenants" or "Agreement for Workforce Housing Covenants"), recorded or to be recorded in the York County Registry of Deeds. All Units subject to such Covenants, their present and future owners, occupants and tenants, their guests, licensees, invitees, employees, agents, and any other person entering on the Property shall be subject to the Covenants, this Declaration, the Bylaws of the Association, and Rules of the Association, which shall be deemed to be covenants running with the land.

Section 1-A.2. Workforce Housing Consultant

The Workforce Housing Consultant, also known as the "Qualified Holder," is authorized and created by the Covenants. It has general jurisdiction over Unit Owners' eligibility qualifications, including restrictions on persons who may own and occupy Units, the prices that Unit Owners may charge on the resale of the Unit, and other restrictions. Notwithstanding any other provision of the Declaration or Bylaws, the Workforce Housing consultant must control the purchase price of Units designated as Workforce Housing Units.

This Section may not be amended by the Declarant, Unit Owners or the Association.

Section 1-A.3. Powers of Workforce Housing Consultant.

The Workforce Consultant has powers, as detailed in the Workforce Housing Covenants.

Section 1-A.4. Affirmative Duty to Cooperate with Workforce Consultant

Highpines Village Condominium Association, its officers, directors, and members have an affirmative duty to cooperate and coordinate with Workforce Housing

Consultant and report any Workforce Housing Covenants violations. In particular, the Association shall provide a means of entrance to Units to the Workforce Housing Covenants for inspection on request.

ARTICLE 2–THE UNITS.

Section 2.1. Description of the Units.

A “Unit” is the physical portion of the condominium designated for separate ownership or occupancy by Unit Owners, the boundaries of which are described in the Maine Condominium Act and this Declaration.

Each Unit includes the entire building, including exterior walls, roofs and porches, decks, windows, skylights, shutters, awnings, window boxes, doorsteps, stoops, exterior doors and windows, including storm doors and storm windows, screens, or other fixtures designed to serve the Unit and attached to it, their hardware, locks, frames, sills, flashing and thresholds.

The Unit includes compressors located outside the building boundaries for heating and air conditioning for the unit, as well as any electric generating equipment and stations, if any, used to provide power to electrically powered vehicles, approved by the Board of Directors for service to the Unit, and their associated pipes, lines, and connectors.

The Unit includes any solar panels, whether on the roof or elsewhere, and their associated pipes, lines, and connectors, but only upon approval and under conditions set by the Board of Directors.

The Unit does not include any land, patios, or other additions surrounding the Unit but is not attached.

The Unit does not include satellite dishes, antennas, or other communications equipment, whether or not attached to the Unit.

By way of further description, each Unit also includes the following items:

a. Plumbing, kitchen and bathroom fixtures, the heating and ventilating equipment, water heaters, air conditioning systems, and components thereof serving only a single Unit, if any, even if located outside of a Unit’s boundaries;

b. Water and sewer lines, and any natural gas or other utility lines within the boundaries of the Unit;

c. Electrical wiring, cable and internet wiring, equipment outlets, and lighting devices from the point where the feed wire enters the Unit’s circuit breaker distribution box inwards, and portions of electric, water, and sewer utility lines, pipes, outside lights, doorbells, conduits, vents, flues, fans, and equipment serving only that Unit and within its general boundary lines as herein described; and,

A Unit generally does not include the pipes, wires, conduits, flues, ducts, pipes, or other heating and utility lines running through a Unit that serves more than one Unit, the Common Elements, or another Unit.

The identification number and approximate area are shown on the Plat and

Plans of the Property for each Unit created from time to time.

Section 2.2. Unit Boundaries.

Perimeter Boundaries: The Unit is the real property comprising the space filled with air and possession rights therein. All improvements within the vertical planes (as further limited by the horizontal planes, if any) are described below and shown on the Plats and Plans.

Unit boundaries are:

a. **Location of Vertical Planes.** The Unit's vertical planes correspond with the exterior surface of the vertical sides of the building contained within the Unit. The Unit includes the thickness of finish material such as paint or stain. In addition, the Unit includes all overhangs and any other structural parts attached to the building but not within the vertical planes. Where no structure is yet constructed, the vertical planes shall be as drawn on the Plats and Plans. Any substantial change in the vertical boundaries' location shall be noted on an amended plat and shall be Recorded in the York County Registry of Deeds.

b. **Location of Horizontal Planes.** The Unit's lower horizontal boundary is the lower surface of the interior concrete floor slab within said vertical boundaries.

Below the lower horizontal boundary and within such vertical planes, all underlying lands remain undivided and are a Limited Common Element.

There is no upper horizontal boundary.

Boundaries do not necessarily correspond with maintenance responsibility.

Section 2.3. Maintenance, Repair, and Replacement of Units.

a. Subject to Rules and the Board's approval, Unit Owners shall maintain, repair, and replace the Unit components visible from outside the Unit. Unit owners may also erect, maintain, repair, and replace awnings and window boxes and other things attached to the building, subject to the board's approval. The Board may require detailed specifications of proposals to do so. If not adequately maintained, the Association may, in its reasonable discretion, make repairs, conduct maintenance and replace portions of the Unit necessary to maintain a clean and attractive exterior appearance of the Property, and charge the cost to the owner as a Service Charge. Alternatively, or in addition, the Association may establish a program for periodic maintenance or replacement of Unit components visible from outside the Unit, and charge each Unit Owner for work done on their Unit as a Special Charge.

b. Unit owners may make interior alterations and additions to their Unit. However, no Unit owner may impair the building's structural integrity or expand the Unit outward or upward unless allowed explicitly by future amendments to the Declaration or the Maine Condominium Act. In addition, no Unit owner may alter the Unit's exterior appearance without approval from the board of directors.

c. Each Unit Owner shall keep and maintain their Unit and its equipment, appliances, and appurtenances in good order, condition, and repair and in an attractive,

clean, and sanitary condition except as noted above. In addition, the Unit Owner shall provide ordinary maintenance of the interior and exterior surfaces of windows. Each Unit Owner shall perform their responsibilities in such a manner as shall not unreasonably disturb or interfere with the other Unit Owners. Each Unit Owner shall promptly report to the Board of Directors or the managing agent any defect or need for repairs for which the Association is responsible.

d. To promote safety and prevent insurance claims, the Board of Directors may, from time to time, order modification or replacement of components of one or more Units, such as water heaters and washing machine hoses, which, if they malfunction, could cause damage to the Units and the Common Elements. The Board may also require installation, modification, or replacement of other components, such as fire and carbon monoxide detectors, to comply with local and state law or prevent or limit potential damage or affect insurance coverage or rates for the Association. The Board may contract with contractors to have the work done to specifications set by the Board on a case-by-case basis or order such work to be done on every Unit. The Board, authorized representatives, and contractors shall have easement rights necessary for such work. The same cost may be a Common Charge or a Special Charge against Units or individual Units, as determined by the Board of Directors.

e. The Board may delegate all or part of Board responsibilities and decision-making authority under this Section and Section 3.5 and 3.6 to a Committee appointed by the Board, with appeal of the Committee's decisions to the Board under procedures adopted by the Board.

Section 2.4. Other Provisions Concerning Units.

a. Inconsistency with the survey. If the Survey is inconsistent with the definition of Unit as contained in this Declaration, then the Declaration's description will control.

b. Identifying Number. Each Unit's identifying number is shown on the Plats and Plans.

c. Subdivision. No Unit Owner may subdivide a Unit into two or more Units physically.

ARTICLE 3—THE COMMON ELEMENTS AND LIMITED COMMON UNITS.

Section 3.1. Common Elements and Limited Common Elements Distinguished.

The Common Elements include all portions of the Property other than the Units. Common Elements include the Limited Common Elements. Limited Common Element means a part of the common elements allocated by the declaration or operation of section 1602-102, paragraphs (2), or (4) of the Maine Condominium Act for the exclusive use of one or more but fewer than all the units.

Section 3.2. Reserved Common Elements.

Reserved Common Elements are portions of the Common Elements that the Declarant (During the period of Declarant Control) or the Association designates from time to time and for such duration as it shall determine, for use by some or all Unit owners or a particular purpose (Example: general parking, accessory use buildings, or an area designated for placement of other structural or nonstructural items.) A Special Charge may be established for such use. Such designation shall not be considered a sale or disposition of the Common Elements.

Section 3.3. Repair, Maintenance, and Replacement of Common Elements.

The alteration, Repair, Maintenance, and Replacement of Common Elements (except Limited Common Elements) is generally a Common Charge, allocated among Owners in proportion to their respective Common Charge liability listed in Exhibit B.

The Association shall perform maintenance, repair, and replacement of stormwater management systems, common wells and water distribution systems, and standard wastewater disposal systems as required by governmental authorities and outlined in Exhibits to this Declaration. The Association shall initially pay for these services but may assess costs in particular instances as a Special Charge under Section 4.3-A.

The Association shall also maintain and repair the interior roadway, including snowplowing as a Common Charge. Snowplowing of individual driveways may be a Common Charge or a Special Charge at the Directors' option.

The Association shall also maintain and repair the fire hydrants and ponds specified in an easement conveyed or to be conveyed to The Inhabitants of the Town of Wells, to be recorded in the York County Registry of Deeds.

The Association shall maintain and repair any common mail boxes on the Property.

Unit owners are responsible for clearing snow and ice from Limited Common Elements and portions of common areas used for access to and from their vehicles.

Unit owners are responsible for cleaning and ordinary maintenance of exterior windows and doors, balconies, porches, and any improvements, including garages (if permitted by the Board), which are part of the Unit or Limited Common Elements assigned to the Unit.

Section 3.3-A Special Department of Environmental Protection Requirements

The Association shall be responsible for maintenance and seasonal display of amphibian crossing signs, as shown on the project plans. The signs shall be displayed from April 1 to May 30th of each year.

The Association shall also be responsible for installing and maintaining a wildlife barrier fence, and for inspection of this fence yearly, in late winter/early spring. Repairs shall be made before the amphibian breeding season (approximately March 30.) The details of the fence are shown on the project plans.

This Section shall not be changed without the consent of the Maine Department of Environmental Protection.

Section 3.4. The Limited Common Elements.

Limited Common Elements are those portions of the Common Elements where the exclusive use is reserved to one or more, but fewer than all, of the Units. Limited Common Elements consist of:

- a. Driveways and parking areas, if so labeled on The Plats and Plans;
- b. The land beneath a Unit;
- c. The septic system, including all pipes and appurtenances, is a Limited Common Element appurtenant to the Units serviced and includes all septic system pipes and drains up to where they join similar pipes and drains from other Units.
- d. Space surrounding Units, and any other areas designated as Limited Common Areas for a Unit or several Units, designated as a Limited Common Element on the Plats or Plans;
- e. Pipes, wires, conduits, flues, ducts, or other heating and utility lines running through a Unit that serves more than one Unit or which serve the Common Elements or which serve another Unit;
- f. Any sheds, storage bins, fire pits, or other structures erected on the Limited Common Elements are also Limited Common Elements;
- g. Any other place or area designated as a Limited Common Element by this Declaration.

Section 3.5. Use of Limited Common Elements; Installation of Improvements.

Subject to Rules enacted by the Board, Unit owners may plant flowers and other plants, otherwise decorate and maintain the Limited Common Element land surrounding their Unit and designated as their exclusive Limited Common Areas, and erect sheds, fire pits and other improvements in that area. Unit Owners may also construct other improvements within this space with the board of directors' approval. The Board may also enact Rules for the use of these improvements.

The Board may delegate all or part of Board responsibilities and decision-making authority under this Section and Section 2.3 and 3.6 to a Committee appointed by the

Board, with appeal of the Committee's decisions to the Board under procedures adopted by the Board.

Section 3.6. Repair, Maintenance, and Replacement of Limited Common Elements.

Generally, the Unit Owner shall be responsible for the alteration, maintenance, repair, and replacement of the Limited Common Elements associated with Units. If any area maintained by Unit owners under this Section becomes unsightly, deteriorated, dilapidated, or any planting becomes weedy or dies, or violates conditions of approval by government authority, the Association may restore it to an attractive condition and assess the cost to the Unit Owner as a Special Charge.

The Board may delegate all or part of Board responsibilities and decision-making authority under this Section and Section 2.3 and 3.5 to a Committee appointed by the Board, with appeal of the Committee's decisions to the Board under procedures adopted by the Board.

Section 3.7. Repairs and Replacement, and Insurance Coverage.

The cost of repair and replacement for property damage to the Common Elements and the Limited Common Elements for which property insurance is available is governed by the insurance provisions of this Declaration.

Section 3.8. Subsequent Allocation of Limited Common Elements.

a. The Declarant or the Board of Directors may allow the creation of additional Limited Common Areas (including for patios and parking spaces) upon application to and approval by the Board of Directors. The Association shall then apply for any necessary permits from the Town of Wells. The Board may require any applicant to submit detailed drawings showing size, location, elevation, composition, and other relevant details. The Board shall approve a completed application, with conditions it deems reasonable, if it does not unreasonably and adversely affect neighboring owners, will not adversely affect the ability of the Declarant to exercise its full Development Rights, will comply with any requirements of the Town of Wells or any conditions of approval of any governmental body, and if the consent of the Declarant is obtained when the Declarant still owns Units or has unexercised Development Rights.

b. If necessary, the Board shall record a suitable amendment to the Condominium Plats in the York County Registry of Deeds, with the cost of preparation and recording being assessed to the Unit Owner as a Special Charge.

c. Any additions to the buildings made by any Unit Owner, such as additions or extensions to porches, patios, or sunrooms, as well as sheds, generators, solar panels, electric vehicle charging stations and other structures, must be approved by the Board

of Directors and shall be permanently maintained, repaired, and replaced by the appurtenant Unit Owner at that Owner's expense as a Special Charge.

ARTICLE 3-A. EASEMENTS.

Section 3-A.1. Utilities, Pipes, and Conduits.

Each 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 easements serving their Unit and located in any of the other Units. Each Unit shall be subject to an easement in favor of other Unit Owners to use the pipes, ducts, cables, wires, conduits, public utility lines, and other Common Elements serving such other Units in such Unit. The Association may grant to third parties additional permits, licenses, and easements over and through the Common Elements for utilities, ways, and other purposes reasonably necessary or useful for the Condominium's proper maintenance and operation.

The Association may grant easements to Unit Owners for installing and using solar panels on roofs, and elsewhere, under terms and conditions the Association may impose, including the Unit Owner assuming responsibility for maintenance and insurance, and indemnifying the Association for any damages caused by the installation.

Section 3-A.2. Owner Access.

Each Unit owner has:

- a. an unrestricted right of ingress and egress to their Unit.
- b. an easement, in common with other Unit Owners, to use, maintain, repair, and replace pipes, wires, ducts, cables, conduits, public utility lines, and other similar items serving the Unit and in any of the other Units, if the interference with the use and enjoyment of the Units shall be minimized. Each Unit shall be subject to a similar easement in favor of all other Unit Owners.
- c. an easement for minor intrusions into the Common Elements by exhaust pipes, air conditioners, generators, and similar things. This easement needs approval by the Board or any committee established by the Board for that purpose.
- d. access across all roadways shown on the Plats, as set out in access easements granted to the Association, recorded in the York County Registry of Deeds.

Section 3-A.3. Association and Board of Directors Access.

Upon such notice as may be reasonable the Association and its Officers and Directors and such persons as allowed by the Board of Directors shall have the right of access to each Unit, as provided in Section 1603-107 (a) of the Maine Condominium

Act for the inspection, maintenance, repair or replacement of the Common Elements and Limited Common Elements in the Unit or accessible from the Unit or for making any addition or improvements to it; 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, the Common Elements or the Limited Common Elements; or to abate any violation of law, orders or rules of the Association or of any governmental authorities having jurisdiction thereof. In an emergency, the right of entry shall be immediate whether the Unit Owner is present.

All Unit Owners shall provide the Association or the Managing Agent with the name, address, and phone number of local person (s) who have keys or access codes to their Unit readily available for emergency access. Unit Owners shall update such information if it changes. Owners shall provide the Association with a working copy of any key (s) or other devices required to enter each Unit. These keys shall be used solely to gain emergency access by the Association. If no such information or means of access is provided, the Association and its agents are not liable for damage resulting in reasonable efforts to gain entry caused by the lack of a key or information.

Section 3-A.4. Encroachments.

Each Unit and the Common Elements are subject to an easement for structural, subjacent, and lateral support in favor of every other Unit. If any portion of the Common Elements or Limited Common Elements encroach upon any Unit, or if any Unit encroaches upon any other Unit or upon any part of the Common Elements or Limited Common Elements, because of settling or shifting of any building in which they are located, other than because of the willful or negligent act or omission of the owner of the encroaching Unit or the Association in the case of encroachments by the Common Elements or Limited Common Elements, then a valid easement for the encroachment and the maintenance of the same shall exist. If a building is partially destroyed by fire or another casualty, a taking by eminent domain or deed in place of condemnation and is subsequently rebuilt, encroachments because of such rebuilding shall be permitted, and valid easements appurtenant to it shall exist.

Section 3-A.5. Easement through Common Elements.

The Common Elements (including but not limited to the Limited Common Elements) adjacent to a Unit are subject to the following easements in favor of the adjoining Unit:

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

b. For the installation, repair, maintenance, use, removal, or replacement of lighting fixtures, electrical receptacles, panel boards, and other electrical facilities which are a part of or serve a Unit but which encroach into a part of a Common Element adjacent to such Unit; provided that the installation, repair, maintenance, use, removal or replacement of any part of the Common Elements shall not adversely affect either the thermal, fire safety or acoustical character of the building or impair or structurally weaken the building.

Section 3-A.6. Public Access to Conservation Land.

In addition to such other rights reserved by the Declarant herein, and notwithstanding anything to the contrary set forth or referred to herein, the Declarant reserves the right to grant to the Inhabitants of the Town of Wells (the "Town") one or more perpetual easements for use by the Town and the general public, for the purposes hereinafter generally described, across land of Highpines Village Condominium (the "Condominium Land") as appurtenant to land described in (a) a Conservation Easement from the Declarant to the Town recorded in the York County Registry of Deeds in Book 18751, Page 860, and (b) a Deed from the Declarant to the Town, dated January 4, 2022, recorded in the York County Registry of Deeds at Book 18956, Page 697 (the "Conservation Land"):

a. Access Easement. Pedestrian and vehicular access along Independence Way and Warrior Drive to a gravel parking lot (the "Parking Lot") adjacent to Warrior Drive, as shown on Plats and Plans of the Condominium.

b. Parking Easement. The right to park vehicles including, but not limited to, automobiles and non-motorized vehicles such as bicycles and the like, in the Parking Lot in connection with access and use of the Conservation Land.

c. Pedestrian Easement. Pedestrian access from the Parking Lot, by a reasonably direct route, to the Conservation Land.

d. Improvement and Maintenance Easement. The right, but not the obligation, to establish, maintain, and improve the Parking Lot and the Pedestrian Easement for purposes stated, together with an easement for access by persons, vehicles and equipment reasonably necessary to do so over the above-described roads and ways.

e. Such other related purposes as shall be reasonably required by the Town in connection with the access to and use of the Conservation Land.

Such easements shall provide that:

1. By acceptance thereof, the Town acknowledge that that it claims no other easement rights on behalf of itself or the general public across the Condominium Land to the Conservation Land, including the Units therein;

2. A statement that such easements do not include any rights in the public across

other parts of the Condominium Land, including the Units therein; and

3. A statement that, because of construction activities on the Condominium Land, the Town shall not commence the exercise of such easements prior to July 12, 2024, unless otherwise agreed to by the Declarant.

ARTICLE 3-B UTILITIES

Section 3-B.1. Utilities Provided.

Declarant will provide each Unit with basic standard high-speed Internet service, and water and sewer services as provided herein. Declarant will not provide cable TV service or landline telephone service. Unit owners wishing those services must pay for them as a Special Charge. The Board of Directors may grant easements across the Common Elements to install those utilities at their discretion.

Section 3-B.2. Special Provisions for Community Water and Sewer.

The Declarant will construct, and the Association will maintain, repair, and replace common wells and water distribution systems, complying with Exhibit E of this Declaration and following state agencies' requirements having jurisdiction.

The cost of maintenance, repair, and replacement of the community water system, including wells, pumps, water lines, and associated equipment not within a Unit, and other duties set out in Exhibit E, shall be a Common Charge, except as provided in Section 4.3A.

The Declarant will construct, and the Association will maintain, repair, and replace common wastewater disposal systems, complying with Exhibit F of this Declaration and following state agencies' requirements having jurisdiction.

The cost of maintenance, repair, and replacement of the community sewer/septic system, including pumps, pretreatment systems, sewer lines, septic system leach fields, and all associated equipment not within a Unit, and other duties set out in Exhibit F, shall be a Common Charge, except as provided in Section 4.3A.

Septic tank pumping by the Association shall be done every 2 to 3 years. The Association shall contract with a certified maintenance technician for the pretreatment system.

No usage fees for water and sewer shall be charged initially. However, the Board of Directors may regulate these services by Rule and impose a Special Charge for excessive use.

The Declarant, and after the Declarant, the Association, shall comply with the Stormwater Management Plan, detailed in Exhibit D of this Declaration, the cost of which will be a Common Charge.

Section 3-B.3. Trash.

Unit Owners shall dispose of trash in central trash disposal receptacles on the premises. The cost of trash disposal from these bins shall be a Common Charge. However, the Board of Directors may regulate these services by Rule and impose a Special Charge for excessive use.

Section 3-B.4. Mail Delivery.

The Property shall have one or more central mailboxes, whose location will be determined by the U.S. Post Office. Unit Owners may not have individual mailboxes without the U.S. Postal Service and the Board of Directors' approval, which shall not be granted except in unusual circumstances.

ARTICLE 4—LIABILITY FOR COMMON CHARGES AND SPECIAL CHARGES; VOTING RIGHTS; ASSESSMENTS.

Section 4.1. Common Charges and Special Charges Distinguished.

This Declaration uses "Common Charges" rather than "Common Expenses" to refer to Unit Owners' Expenses under the formulas set out in Exhibit B.

"Special Charges" are expenses assessed against Units based on another basis. Special Charges include costs for maintenance of Limited Common Elements and Service Charges.

Section 4.2. Common Charges and Special Charges.

In general, all expenses and liabilities comprising Common Charges are assessed against the Units in proportion to their percentage liability interest.

This Declaration sets out some exceptions to the general rule.

Section 4.3. Determination of Common Charges by Unit.

Common Charge liability shall be allocated against each Unit equally.

Section 4.3A. Special Charges.

Special Charges result from expenses and liabilities generally benefitting only one Unit or group of Units and costs because of one or more owners' actions. The list of examples below is not all-inclusive.

a. Limited Common Elements. The maintenance, repair, or replacement of a Limited Common Element and any Limited Common Element subsequently added is assessed against the Unit or Units to which the appurtenant Limited Common Element is assigned in proportion to the relative Common Charge liabilities of such Unit (s).

b. Units. The maintenance, repair, or replacement of portions of Units, as set out in Section 2.3.

c. Service Charges. Charges for services benefiting fewer than all the Units, which are assessed exclusively against the Unit or Units, benefited by using such services as permitted by Section 1603-115 (c) of the Condominium Act and the Bylaws.

c. Improvements to Common Elements. The maintenance, repair, or replacement of improvements to the Unit Owner's Limited Common Elements are assessed to that Unit Owner.

d. Failure to repair or maintain. For failure to perform maintenance and repair work required, the expense thereof as determined by the Board of Directors or its designee may be assessed as a Service Charge against the responsible Unit;

e. Increase in insurance premiums. Increases in the Association's insurance premiums for permanent building improvements and betterments to Units or the Limited Common Elements installed by Unit Owners and insured by Association's hazard insurance carrier, as determined by the Board of Directors.

f. Insurance deductible. To the extent of damage to the Unit, the insurance deductible on the Association's property damage insurance policy as set out in insurance provisions in this Declaration.

g. Owner neglect. All uninsured costs of maintaining, repairing or replacing any portion of another Unit or of the Common Elements, including Limited Common Elements, to the extent that the Board determines, after an opportunity to be heard, that such costs are caused by or attributable to a Unit Owner's act, neglect or carelessness or by that of such Unit Owner's guest, employees, agents, lessees, invitees or their pets.

h. Special Charges as outlined in Section 2.3.

i. The cost of DNA or other testing to determine dogs and other pets' identity shall be assessed against the owner thereof as a Special Charge. Unit owners must submit DNA samples from their pets to the Association upon request.

j. Miscellaneous. Late fees and interest, fines, the cost of Resale Certificates' preparation, and for such other expenditures payable by individual Unit Owners but not by every Unit Owner.

l. Utility charges as set out in Article 3-B.

m. Charges and fees related to operation of Workforce Housing Covenants.

n. Upon buying a Unit, the initial buyer must pay \$500 to the Association to establish a working capital fund.

After notice and an opportunity to be heard from Unit Owners, and subject to approval by Directors, Directors may elect:

a. To treat Special Charges as Common Charges based on their determination that the cost and effort of determining, assessing, and collecting the Special Charges are excessive or that the benefit for which the Special Charge is incurred is widely shared or used.

b. To treat any Common Charge as a Special Charge if the benefit of the expenditure substantially and disproportionately benefits one Unit or less than all Units.

Section 4.4. Voting Power.

Each Unit shall have one vote.

Section 4.5. Beginning of Assessments.

Until Declarant begins Assessments, Declarant shall pay all Common Charges. Once Assessments start, all legally created Units (those Units created by the recording of the Declaration or an Amendment creating them in the York County Registry of Deeds) shall pay Assessments under this Declaration, including Units owned by the Declarant. Units (including those under construction) that have not yet been legally created by both a proper amendment to the Declaration and a plan showing the Unit, recorded in the York County Registry of Deeds, are not subject to assessments.

The Declarant's obligation to pay Assessments and Service Charges may be satisfied with a cash subsidy or by "in-kind" contributions of services or materials, or a combination thereof, provided that upon request, Declarant shall provide the Association in writing a statement describing such services or materials in reasonable detail and setting forth Declarant's good faith estimate of the fair market value thereof. The Association may enter into subsidy contracts and contracts for "in-kind" contribution of services or materials or a combination of services and materials with the Declarant or other entities to pay some portion of the Common Expenses. In no event, however, shall Declarant be required to make a deficiency contribution hereunder in an amount greater than it would otherwise be liable for if it were paying Assessments on unsold legally created Lots which are responsible for the payment of Assessments.

Section 4.6. Working Capital Fund.

The Declarant shall establish a working capital fund for the Association. This sum shall initially be \$500 per Unit. It must be paid to the Association by each Unit purchaser at the initial transfer of title by the Declarant to the purchaser. No purchaser shall be entitled to a refund of such monies from the Association upon any subsequent Unit transfer.

ARTICLE 5. USE AND OCCUPANCY OF UNITS AND COMMON ELEMENTS.

Section 5.1. Generally, Units and Common Elements; Indemnity.

All Unit Owners, their tenants, families, visitors, guests, and invitees shall comply with and conform to all applicable laws and regulations of the State of Maine and all ordinances and Rules of the Town of Wells, as well as all applicable Workforce Housing Covenants. A Unit owner shall hold the Association and other Unit owners harmless from all fines, penalties, costs, and prosecutions for violating local, state, or federal ordinances, rules, and statutes and reimburse the Association as a Special Charge.

Approval from the Board of Directors is required before a Unit Owner can place or store anything on any of the Common Elements (Limited Common Elements

excepted), place or maintain any wires, lines, cables, fences, decks, steps, signs, canopies, antennas, satellite dishes, clotheslines, sheds, storage bins or other structures on the Common Elements, or plant, cut or remove flowers, grass or other vegetation, trees or shrubs, or materially alter the grading or landscaping of the Common Elements except as authorized by the Declaration, Bylaws or Rules.

Subject to this Declaration, the Bylaws or by the Rules adopted from time to time by the Board of Directors according to its powers, each Unit Owner, occupant, tenant, guest, visitor, and invitee of Units may otherwise use the Common Elements in common with all other Unit Owners and their occupants, tenants, guests, visitors, and invitees, in accordance with the purposes for which they are intended, without hindering or encroaching upon the lawful rights of the other Unit Owners.

Section 5.2. Use and Occupancy Restrictions.

a. Workforce Housing. No Unit designated as being subject to Workforce Housing Covenants shall be occupied or used except in compliance with Workforce Housing Covenants. In case of conflict between the Restrictions in this section and Workforce Housing Covenants, the Workforce Housing Covenants shall prevail, to the extent applicable.

b. Residential Use; Home Occupations; Occupancy. No Unit shall be used or occupied for anything but residential-related purposes, with only one complete set of housekeeping facilities and no separate areas designated for use or occupancy by less than all occupants.

No other structures may be used as living quarters.

Home business use is allowed only if the business activity:

- is not apparent or detectable by sight, sound, or smell from outside of a permitted structure;
- complies with applicable zoning requirements;
- does not involve regular visitation of the Property by non-resident employees, clients, customers, suppliers, or other business invitees;
- does not engage in door-to-door solicitation within the Community; and
- does not constitute a nuisance or hazardous or offensive use, or threaten others' security or safety, as the Board determines in its discretion.

No Unit may be occupied by more than two (2) persons per bedroom.

c. Insurance. No activities shall be carried on or materials used or kept in any Unit or any in the Common Elements that will increase the Property's insurance rate, or any part thereof, without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in the Unit or in the Common Elements, which will cause the cancellation of insurance on the property, or any part thereof, or which would violate any law, regulation, or administrative ruling. No strip or waste may be committed on or to the Common Elements.

d. Nuisance/Hazard; Quiet enjoyment. No Unit and no part of the Common Elements shall be used to create a nuisance, hazard, or unreasonable interference with the peaceful possession or proper use of any other Unit or the Common Elements.

e. Trash. Trash, garbage, and other waste in the Area shall be kept only in sanitary containers within the Unit or its Limited Common Areas and disposed of in such manner as prescribed from time to time by Rules established by the Board of Directors. Each Unit shall deposit only common household type of waste in spaces designated by the Board of Directors for this purpose.

f. Electrical, heating, plumbing. No Owner shall overload the electrical, water, sewage, and stormwater disposal system servicing the Property. No person shall operate any machinery, appliances, accessories, or equipment in such a manner as to cause, in the judgment of the Board of Directors, any unreasonable disturbance or make any alterations to or connections with the private sewage disposal systems without the prior written consent of the Board of Directors.

g. Signs. Except as allowed by this Declaration, no Unit Owner may erect any sign on or in their Unit or any Limited Common Element, from outside the Unit or the Common Elements, without prior written permission of the Board of Directors, except for political signs before elections, as allowed by the Maine Condominium Act, and For Sale signs not exceeding 24 inches by 24 inches in size, which may be placed in Common Areas next to the Unit being advertised for sale.

h. Mailboxes. The Board may regulate the existence, design, and placement of mailboxes in the Common Elements by Rule and establish one or more central locations for them.

i. Drones. Drones are prohibited from operating within the Property's bounds, except for commercial purposes related to Units' marketing, with the prior approval of the Board of Directors.

j. Solar. The Board of Directors may regulate the installation, use, maintenance, and replacement of solar panels on roofs and elsewhere by rule.

k. Electric generators. The Board of Directors may regulate the installation, use, maintenance, and replacement of electric generators by Rule.

l. Electric Charging Stations. The Board of Directors may establish or contract with others to establish electric charging stations on the Common Elements, and regulate its use, operation, and charges, by Rule.

l.-1 Relocation of replacement compressors. The Board of Directors may regulate the location, size and noise limits of any replacement compressors used in heating and cooling units.

m. Flagpoles. The Association shall not prohibit the display of a reasonably

sized flagpole and reasonably sized, removable American flags from a Unit, Limited Common Element, or exclusive use area so long as the flag is displayed under the Federal Flag Code, 4 USC Sections 5-10, as amended. The Board may specify size, placement, and other reasonable limits.

n. Additional Restrictions. The Board of Directors may promulgate Rules restricting use and behavior within Units that, in the reasonable opinion of the Board, adversely affect other Unit Owners.

Section 5.3. Animals.

a. Pets in General. Except for two dogs and a reasonable number of other common household pets, the maintenance, keeping, boarding, or raising of animals, including, without limitation, laboratory animals, livestock, poultry, or reptiles of any kind, is prohibited on the Property. All pets are subject to Rules as established from time to time by the Board of Directors. In addition, all pets and animals shall be restrained from becoming noisome, bothersome, or offensive to other persons, as determined by the Board of Directors.

b. Pets and Animals on the Common Elements. All pets and animals shall be well behaved and restrained by a leash when outdoors. In addition, pet owners shall promptly clean up the droppings left by their pets. The Association may enforce restrictions on pets through DNA testing and fine Owners for violations.

c. Rulemaking. The Association shall have the power by Rule to further regulate the keeping of pets and animals. The Board may, by Rule, prohibit dog breeds deemed dangerous by the Association's insurance carrier. Upon notice and opportunity to be heard, the Board of Directors may expel any offending pets and animals from the Property.

d. Service dogs and Emotional Support Animals. State and federal law may contain requirements regarding service and assistance animals, also known as emotional support animals, to provide reasonable accommodations for persons claiming a disability. If a claim for accommodation is made, the Association shall seek appropriate legal advice.

Section 5.4. Vehicles and Parking.

Vehicles may be parked only in designated areas shown on the Plats or assigned by the Board of Directors from time to time.

No unattended vehicle shall be left in such a manner as to impede the passage of traffic or to impair access to driveway or parking areas.

Only passenger vehicles and trucks with a gross vehicle weight of less than 8,000 pounds may be kept, placed, or stored on the Property. Vehicles in other areas of the Property must be in operable condition and fully licensed for public highways.

No inoperable vehicles, boats, recreational vehicles, snowmobiles, motorized or non-motorized scooters or skateboards, all-terrain vehicles, other vehicles or recreational equipment, trailers, or similar items may be kept or parked unless stowed inside and not visible from the Common Elements. No all-terrain vehicles, drones, or similar items may be operated on the Property. Snowmobiles may be operated on the Property only as necessary to access non-condominium property nearby.

The Board of Directors may adopt such Rules as it deems necessary or appropriate to regulate parking further.

Parking on or alongside the interior circulation roadways within the premises is forbidden, except in designated areas, since parking may obstruct fire and other emergency vehicles from passage within the Property.

The Association may summarily remove vehicles parked in prohibited areas and charge the cost to the Unit Owner as a Special Charge.

Section 5.5. Leasing/Rentals/Resale of Units.

Rental of Units, short-term leasing, and occupancy of Units to anyone other than Unit Owners and household members is strictly prohibited, except as may be allowed as exceptions in Workforce Covenants. Unit Owners shall not:

- a. lease or let the Unit or any part thereof to any tenant or boarder for compensation;
- b. allow short-term rentals of less than thirty (30) days, including Airbnb or VRBO or similar operations, or
- c. permit occupancy of the Unit by anyone other than members of the Owner's household and temporary guests.

However, exceptions shall be granted by the Association for active duty servicemen and women whose duty station has been transferred and in hardship cases.

Section 5.6. Automatic Lawn Sprinkling Systems.

Because the water for the condominium comes from private wells, automatic lawn sprinkling systems are prohibited except as specifically allowed by the Board of Directors. The Board of Directors may regulate water use outside the Unit by Rule to reduce the strain on water resources, including setting the days and hours when outside watering is allowed.

ARTICLE 6—INSURANCE

Section 6.1. General.

No later than the date of the first conveyance of a Unit to a person other than the Declarant, the Association shall get and maintain the insurance policies described below, for use and benefit of the individual condominium Unit owners, to the extent such policies shall be reasonably available. If such insurance is not maintained, the Association shall give written notice to the Unit Owners and the Eligible Mortgage Holders. If such insurance subsequently becomes unavailable, the Association shall obtain the most comparable insurance available as a substitution. The Board of Directors is irrevocably appointed as attorney-in-fact for each Unit Owner and each Mortgagee and Eligible Mortgage Holder and each owner of any other interest in the Property, for purchasing and maintaining the insurance, for the collection and disposition of any insurance, including distribution according to Section 1603-113 (e) of the Condominium Act, for the negotiation of losses and execution of releases of liability, and for the execution of all documents, and performance of all other acts necessary to accomplish these purposes.

Section 6.2. Property and Casualty Insurance for Units and Common Elements.

a. Type of Insurance: Coverages. The Association shall get and maintain in effect a broad "special form" insurance policy covering direct physical loss to the Units and the Common Elements, with extended coverage, vandalism, malicious mischief, windstorm, debris removal, cost of demolition, and water damage endorsements. The policy shall be issued by an insurance company authorized to do business in the State of Maine (which company shall also meet the rating requirements of the Federal National Mortgage Association). This insurance policy shall insure as a single entity the Units, the Common Elements, the Limited Common Elements, and the fixtures, supplies, and personal property belonging to the Association, except for furniture, furnishings, or other personal property supplied or installed by Unit Owners. The policy shall cover the interests of and name as insureds the Association, the Board of Directors, and all Unit Owners and their Mortgagees as their insurable interests may appear.

b. Amount of Coverage. Such blanket or master insurance policy shall be in an amount equal to one hundred percent (100%) of the then-current full replacement cost of the insured Property, without deduction for depreciation, together with coverage for the payment of Common Charges for damaged Units during the period of reconstruction.

c. Deductible. At the option of the Board of Directors, such insurance policy may contain such deductible as the Board of Directors shall reasonably deem appropriate, but not more than the maximum deductible generally allowable by the secondary mortgage market.

d. Endorsements. Such casualty insurance policy shall also include the following provisions:

1. The following endorsements or their equivalent:

a. "no control," meaning that coverage shall not be prejudiced by any act or neglect of any occupant or Unit Owner or their agents when such act or neglect is not within the control of the insured, or the Unit Owners collectively, nor by any failure of the insured, or the Unit Owners collectively, to comply with any warranty or condition concerning any portion of the Condominium over which the insured, or the Unit Owners collectively, have no control;

b. "Construction Code Endorsement" or "increased cost of construction."

c. "agreed amount" or elimination of co-insurance clause; and

d. "inflation guard," when it can be obtained.

1.-A That any "no other insurance" clause shall expressly exclude individual Unit Owners' policies from its operation so that the physical damage policy purchased by the Board of Directors shall be deemed primary coverage and any individual Unit Owners' policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder provide for or be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees;

2. The recognition of any Insurance Trust Agreement whereby the Board of Directors may designate in writing an Insurance Trustee to hold any insurance proceeds in trust for disbursement, as provided in Section 6.3 below; and

3. A standard "mortgagee clause" which shall: (a) provide that any reference to a mortgagee in such policy shall mean and include all holders of mortgages of any Unit, in their respective order and preference, whether or not named therein; (b) provide that such insurance as to the interest of any mortgagee shall not be invalidated by any act or neglect of the Association or owners or any persons under any of them; and (c) waive any provision invalidating such mortgagee clauses because of the failure of any mortgagee to notify the insurer of any hazardous use or vacancy, and requirement that the mortgagee pays any premium thereon, and any contribution clause.

The added insurance premium expense of the Owner's permanent improvements and betterments within a Unit and the Common Elements that are not reasonably equivalent to the original improvements may be assessed to the Unit Owner as a Special Charge if carried by the Association. Otherwise, the maintenance of such insurance coverage is the Unit Owner's responsibility.

Section 6.3. Casualty Losses, Adjustment, and Payment; Insurance Trustee.

a. The Board of Directors adjusts the losses. Any loss covered by the

insurance policy described in Section 6.2 above shall be adjusted with the Association acting through its Board of Directors. However, the insurance proceeds shall be payable to the Insurance Trustee designated for that purpose, if any, as provided in the Condominium Act and otherwise to the Association, not to any Mortgagee.

b. Insurance proceeds held in trust. The Insurance Trustee or the Association as applicable shall hold any insurance proceeds in trust for Unit Owners, Mortgagees, and other lien holders, as their interests may appear.

c. Distribution of insurance proceeds. Subject to this Article, the Bylaws, and Section 1603-113 (e) of the Condominium Act, the proceeds shall be disbursed first for the repair or restoration of the damage to the Common Elements and then to the Units forming a part of the Property. If only Units are affected by the insured casualty or if the insurance proceeds are insufficient to cover all damages to the Units, then the available insurance proceeds shall be divided in proportion to the total loss among the affected Units. Unit Owners, Mortgagees, and other lien holders are not entitled to receive payment of any portion of the proceeds unless either (i) there is a surplus of proceeds after the damaged Common Elements and Units have been repaired or restored, or (ii) the decision has been made not to repair or restore the damage as provided in Section 1603-113(h) of the Condominium Act, or (iii) the Condominium is terminated in whole or part. If there is a surplus of proceeds after the damaged Common Elements and Units have been repaired or restored, the holder of the first mortgage on a Unit is entitled to receive the surplus attributable to the Unit, to the extent of the outstanding mortgage balance.

d. Cost of Repair in excess of insurance proceeds. Except as otherwise provided in this Declaration, and in particular Section 6.8, the cost of repair or replacement in excess of insurance proceeds and reserves or not covered by any deductible shall be a Common Charge.

Section 6.3-A. Discretion in Submitting Claims.

As the named insured, only the Association may submit a claim under the Association's property and casualty insurance policy. Notwithstanding any provisions to the contrary in the Declaration or Bylaws, and whether or not the Association's policy provides coverage, the Association will ordinarily not submit a claim against its policy for reimbursement for loss if, in the sole discretion of the Board, doing so is likely to increase the Association's insurance premiums in the future, or lead to cancellation of the policy because of excessive claims. If the Board declines to submit a claim, it is the responsibility of the unit owner (s) or their insurance carrier (s) to pay the cost of repairing such damage. This provision aims to protect the Association against future insurance premium increases and possible cancellations on account of claims history.

Section 6.4. Liability Insurance.

a. **Liability Coverage Required for Common Elements.** The Board of Directors shall obtain and maintain, as a Common Charge, comprehensive general public liability insurance (including medical payments insurance) and property damage insurance in such limits as the Board may from time to time determine, insuring each Board of Directors member, the managing agent, each Unit Owner, and the Declarant against any liability to the public or the Unit Owners (and their invitees, agents, and employees) covering all occurrences commonly insured against for death, bodily injury or property damage, arising out of the maintenance, ownership or use of the Common Elements, and for any legal liability resulting from suits or actions related to employment contracts to which the Association is a party.

b. **Comprehensive liability basis; endorsements.** Such insurance shall be issued on a comprehensive liability basis. It shall contain: (a) a cross liability endorsement, under which the rights of a named insured under the policy shall not be prejudiced with respect to the owner's action against another named insured; (b) hired and non-owned vehicle coverage; (c) a "severability of interest" endorsement, which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts of the Association or of another Unit Owner; and (d) a broad form liability extension endorsement including "personal injury," contractual liability, and other coverage commonly included in such broad form endorsement.

c. **Coverage amounts.** Coverage amounts shall be three million (\$3,000,000) dollars, if reasonably obtainable, but in no event less than two million (\$2,000,000) dollars, covering all claims for bodily injury or property damage arising out of one occurrence.

Section 6.5. Additional Required Provisions.

All insurance policies required to be carried by the Association under this Article shall also contain the following provisions or features required by the Maine Condominium Act:

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

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

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

d. No act or omission by any Unit Owner, unless acting within the scope of

the owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and

e. If there is other insurance in the name of a Unit Owner covering the same risk covered by the policy at the time of a loss under the Association's policy, the Association's policy provides primary insurance, except for any applicable deductible or excluded perils and special coverage limitations.

Section 6.5-A. Fidelity Insurance.

The Association shall carry fidelity insurance for all officers, directors, trustees, employees and volunteers of the Association and all other persons handling or responsible for funds administered by the Association. This insurance coverage must name the Association as the named insured and be equal to the sum of three months of assessments on all units in the project, plus reserve funds in at least the minimum amount required by state law, up to the maximum amount required by state law.

Section 6.6. Other Insurance.

The Board of Directors shall obtain and maintain as a Common Charge:

a. Directors and Officers Liability. To the extent reasonably available, Director's and Officers' liability insurance, to satisfy the indemnification obligations of the Association;

b. Workers' Compensation. Workers' compensation insurance, if and to the extent necessary to meet the requirements of law;

c. Flood. Flood insurance to the extent that a Unit is in a special flood hazard area equal to the greater of 100% of the Unit's insurable value so located or the maximum coverage available under the national Flood Insurance Administration program. A blanket or master policy shall be obtained, if flood insurance is required, which includes a maximum deductible of the lesser of \$5,000 or one percent (1.00%) of the policy face amount;

d. Other. Such other insurance as the Board of Directors may determine, as requested by a majority of the Unit Owners, or as required by the Federal National Mortgage Association Guidelines.

Section 6.7. Memoranda and Cancellation.

a. Unit owners and the Association are entitled to certificates of insurance. All insurers that shall issue an insurance policy or policies under this Article shall issue certificates or memoranda of insurance to the Association and, upon request, to any Unit Owner or Mortgagee.

b. Notice of cancellation. All such insurers issuing the policy may not cancel (including cancellation for non-payment of premium), substantially modify, or refuse to renew such policy or policies until twenty (20) days after notice of the proposed

cancellation of non-renewal has been mailed to the Association, the managing agent, each Unit Owner and each Mortgagee to whom a certificate or memorandum of insurance has been issued at their respective last known addresses.

All policies under Sections 6.2 and 6.4 shall, in addition, contain the following provisions;

- a. The insurer waives any right to claim by subrogation against the Declarant, the Association, the Board of Directors, the managing agent or the Unit Owners, and their respective agents, employees, guests and, in the case of the Unit Owners, the members of their households;
- b. The Declarant, so long as the Declarant shall own any Unit, shall be protected by all such policies as a Unit Owner.
- a. Each Unit Owner is an insured person under the policy with respect to liability arising out of the ownership of an undivided interest in the Common Elements or membership in the Association;
- b. No act or omission by any Unit Owner, unless acting within the scope of the owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and
- c. If at the time of a loss under the Association's policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance, except for any applicable deductible or excluded perils and special coverage limitations.

Section 6.8. Payment of Association's Deductible Expense; Insurance by Unit Owner.

Unless otherwise established by the Board of Directors from time to time, a Unit Owner shall pay the expense of repair of damage to their Unit and improvements to Limited Common Elements allocated to that Unit, up to the amount of the Association's insurance deductible, as a Special Charge. The Association shall not be responsible for the repair cost of damage to the Unit or Limited Common Element in the amount of the insurance deductible.

If the loss affects more than a single Unit, the deductible amount shall be apportioned equitably among the Unit Owners affected by the loss. To the extent that the loss occurs on the Common Elements, the Association pays the deductible as a Common Charge.

Each Unit Owner must obtain and pay for the following insurance coverage or successor policies providing equivalent coverage, however designated:

- 1) A personal condominium insurance policy, such as a form type HO-6 as established by Insurance Services Office, Inc, providing full hazard and liability insurance for their Unit, Limited Common Elements, and personal property, as well as upon any improvements they make to the Unit or Limited Common Elements under

coverage commonly called "improvements and betterments coverage." Any such policy's mortgagee clause shall name the mortgagee, care of the servicer's name and address.

2) "Special Coverage A," with the so-called "HO 17-32" endorsement, extending coverage A from "named peril" to "all-risk" coverage and covering the owner for the deductible amount of the Association's Master Policy.

No Unit Owner shall be entitled to exercise the owner's right to acquire or maintain such insurance coverage, which would decrease the amount which the Association on behalf of all Unit Owners may realize under any insurance policy maintained by the Association. No Unit Owner shall cause any insurance coverage maintained by the Association to be brought into contribution with insurance coverage obtained by a Unit Owner. All such Unit Owner's policies shall contain waivers of subrogation in favor of the Association. The Association shall have no responsibility for ascertaining whether or how the Unit Owner maintains such insurance in effect. However, Unit Owners are required to produce these policies for the Association on ten days' notice.

Each Unit Owner shall notify the Board of Directors in writing of all structural improvements made by the Unit Owner to their Unit and Limited Common Elements; provided, however, that this sentence shall not be construed as an authorization to Unit Owners to make structural improvements otherwise than in accordance with this Declaration, the Bylaws, and Rules promulgated by the Board of Directors. Any premium increase caused by such improvements may be assessed to the Owner as a Special Charge. No Unit Owner shall be entitled to receive insurance proceeds for the repair, restoration, or rebuilding of any such improvements not so reported to the Board of Directors unless otherwise consented to by a vote of the Board of Directors.

Section 6.9. Limitation of Liability.

No set-off, diminution, or abatement of assessments for Common Charges or Special Charges, shall be claimed or allowed for the expense, damage, or discomfort arising from the making of repairs or improvements to the Common Elements or facilities or any Unit, or from any action taken by the Association to comply with any law, ordinance, or order of any other governmental authority.

Section 6.10. Management Company Insurance.

If the Association engages a management company, it must have a policy that covers both or separate policies. The policy or policies must demonstrate that they specifically meet the standard for both the Association and the management company.

ARTICLE 6-A. MORTGAGOR AND MORTGAGEE RIGHTS.

Section 6-A.1. Workforce Housing Covenants.

Unit Owners and Mortgagees are subject to the provisions and limitations contained in Workforce Housing Covenants.

Notwithstanding any contrary provisions in this Declaration, Permitted Mortgagees shall have all rights granted to Permitted Mortgagees under the Workforce Housing Covenants..

Section 6-A.2. Limitations on Association action.

If the Association adopts any right of first refusal or purchase option regarding any Unit, it shall not negatively affect the right of a mortgagee or its assignee to:

- a. foreclose or take title to a Unit under the remedies in the mortgage;
- b. accept a deed or assignment in lieu of foreclosure in the event of default by a mortgagor, or
- c. sell or lease a Unit acquired by the mortgagee or its assignee.

Section 6-A.3. Rights of Mortgagees and Guarantors.

The Association shall give mortgagees and guarantors of a mortgage on any Unit timely written notice of:

- a. any condemnation or casualty loss that affects either a material portion of the project or the Unit securing its mortgage;
- b. any 60-day delinquency in the payment of assessments or charges owed by the owner of any Unit on which it holds the mortgage;
- c. a lapse, cancellation, or material modification of any insurance policy maintained by the homeowners' association; and
- d. any proposed action that requires the consent of a specified percentage of mortgagees. The Mortgagee is presumed to consent when a request for approval is sent to a mortgagee or its servicer, and no response is received within 60 days.
- e. Notwithstanding any other provision in this Declaration, no Unit Owner or any other party has priority over any rights of the first mortgagee of the Unit pursuant to its mortgage in the case of payment to the unit owner of insurance proceeds or condemnation awards for losses to or a taking of Units and/or common elements.

Section 6-A.4 Eligible Mortgage Holders.

An "Eligible Mortgage Holder" means the holder of a recorded first mortgage on a Unit which has delivered written notice to the Association by prepaid United States mail, return receipt requested, or by delivery in hand securing a receipt therefor, which notice shall state the mortgagee's name and address, the unit owner's name and address, and the identifying number of the unit, and shall state that the mortgage is a recorded first mortgage. Such notice shall be deemed to have been given reasonably before the proposed action if sent at the time notice thereof is given to the Unit owners.

The Secretary of the Association shall keep a record of Eligible Mortgage Holders and give each of them prior written notice by prepaid United States mail notice of consideration by the Association of the following matters:

- a. The termination of the condominium under section 1602-118;
- b. A change in the allocated interest of a Unit, a change in the boundaries of a Unit or a subdivision of a Unit;
- c. The merger or consolidation of the condominium with another condominium;
- d. The conveyance or subjection to a security interest of any portion of the common elements;
- e. The proposed use of any proceeds of hazard insurance required to be maintained by the association under section 1603-113, subsection (a), for purposes other than repairing or restoring the damaged property.
- f. The adoption of any proposed budget by the executive board under section 1603-103, subsection (c), and of the scheduled unit owners' meeting to consider ratification thereof; a summary of the proposed budget shall accompany this notice; and
- g. Any default in the performance or payment by a unit owner of any obligations under the condominium declaration, including, without limitation, a default in the payment of Common Charges or Special Charges.

In the event of any proposed actions described in subsections a-e above, an Eligible Mortgage Holder shall have the right but not the obligation in place of the unit owner to cast the votes allocated to that Unit or give or withhold any consent required of the Unit owner for such action. It shall do so by delivering written notice to the Association with a copy to the Unit owner before or when taking the proposed action. The notice shall be sent by prepaid United States mail, return receipt requested, or by delivery in hand. Failure of the Eligible Mortgage Holder to exercise such rights shall constitute a waiver thereof and shall not preclude the Unit owner from exercising such rights. In the event of any default described in subsection g. above, the Eligible Mortgage Holder shall have the right but not the obligation to cure such default.

In addition, an Eligible Mortgage Holder, or its representative, shall have the right to attend Association and board of director meetings to discuss the matters described in subsection a-f above.

Section 6-A.5 Limitation on Number of FHA insured Mortgages

The number of individual Unit mortgages insured by the Federal Housing Administration shall not exceed the maximum percentage allowed by the FHA.

Section 6-A.6. Workforce Housing Units.

Workforce Housing Covenants may add to the provisions in this Article 6.

ARTICLE 7. CONDOMINIUM ASSOCIATION, MEMBERSHIP; POWERS

Section 7.1. The Association; Membership.

The Highpines Village Condominium Association shall govern the condominium. The organization is a Maine nonprofit corporation organized under the Maine Nonprofit Corporation Act. Its members consist exclusively of all Unit Owners or former Unit Owners (if the Condominium is dissolved). They do not include those who hold an interest only as a security for an obligation. The Articles of Incorporation, Declaration, and Bylaws define the powers of the Association.

Section 7.2. Powers Granted to the Association and Exercised by the Board of Directors.

The Association has the powers listed below. Except as limited by Section 7.3 of this Declaration, Workforce Housing Covenants, and other provisions of the Declaration and Bylaws, these powers shall be exercised by the Board of Directors and not the Unit Owners:

- a. Rules. Adopt, amend, and enforce Rules, as set out in various Sections of this Declaration, subject to this Declaration's procedural requirements and Article 6-A of the Bylaws. Other use of the Common Elements shall be subject to initial Rules adopted by the Board of Directors and further Rules adopted by the Association from time to time under Section 6-A of the Bylaws.
- b. Budgets. Adopt and amend budgets for revenues, spending, and reserves, and collect assessments for Common Charges and Special Charges from Unit Owners, subject to limitations found in Article 5 of the Bylaws;
- c. Managers, employees, contractors. Hire and terminate managers and other employees, agents, and independent contractors;
- d. Litigation; hearings. Institute, defend, or intervene in litigation, arbitration, or administrative proceedings in its name on behalf of itself or two (2) or more Unit Owners on matters affecting the Condominium, and the Association shall be considered the attorney-in-fact of each Unit owner for such purposes, subject to specific limitations, as to the Declarant, found in Section 10.5 of the Declaration;
- e. Contracts; Liabilities. Make contracts and incur liabilities;
- f. Regulate, Improve, and Rent the Common Elements. Regulate the use, maintenance, repair, replacement, and modification of Common Elements, provided, however, that the use and allocation of the Limited Common Elements may not be changed without the consent of those Unit Owners affected; Cause additional improvements to be made as a part of the Common Elements, subject to the restrictions set forth herein;
- g. Grant Easements and Licenses. Grant easements, rights-of-way, leases, permits, concessions, and licenses for sewer lines and sewage disposal facilities,

water lines, electrical cables, telephone cables, television cables, and antennas, Internet cables, gas lines, storm drains, underground conduits, fire escapes, and alarms and such other purposes related to the provision of public services and utilities to the Condominium as may be desirable, necessary or appropriate by the Board of Directors for the orderly maintenance, improvement and preservation and enjoyment of the Common Elements or the protection of the health, safety, convenience and welfare of the owners of individual Units. No such rights may be created through any Unit without the written consent of the Owners. No such easement shall materially impair the use and enjoyment of the Condominium or any Unit;

h. Own property. Acquire, hold, encumber and convey in its name any right, title, or interest to real or personal property;

j. Access and Emergency Access to Units. Have a right of access to Units, as provided in Section 1603-107(a) of the Condominium Act, for the inspection, maintenance, repair, or replacement of the Common Elements and Limited Common Elements in the Unit or accessible from the Unit or for making any addition or improvements to it; 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 Unit, the Common Elements or the Limited Common Elements; or to abate any violation of law, orders, rules of the Association or of any governmental authorities having jurisdiction of it. In an emergency, such right of entry shall be immediate whether or not the Unit owner is present. Upon such prior notice as is possible under the circumstances, the manager and any person authorized by the Board of Directors may enter any Unit if any emergency originating in or threatening such Unit or adjoining Common Elements whether or not the owner or occupant is present and upon prior notice to enter any Unit at reasonable times to perform authorized installations, alterations, or repairs to the Common Elements on it or accessible from there;

m. Penalties for late payment; fines and penalties. Impose charges and interest for late payment of assessments and Special Charges and, after notice and an Opportunity to be Heard, impose reasonable penalties for violations of the Declaration, Bylaws, and rules of the Association;

n. Charge for certain amendments and resale certificates. Impose, as a Special Charge, reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid Common Charges and assessments or resale certificates provided per the Maine Condominium Act;

o. Indemnification of officers and directors. Provide for the indemnification of its officers and directors and maintain directors and officers (D and O) liability insurance;

p. Borrow money; Assign income as security for loans. Borrow money to finance operations, repairs, renovations, capital improvements, or other spending, in such amounts and upon such terms as it considers advisable, subject to any limitations or approval set out in the Bylaws. The Board is given the authority to pledge, assign, and grant its right to future income to secure payment of such loans if the majority of owners' approval is obtained, as outlined in the Maine Condominium Act. If it does so, Unit Owners may not exercise any right to dissolve the Condominium, and the Board of Directors shall provide for payment of the loan, according to its terms, in the Association budget, and may not stop any then existing program of special assessments to pay the loan.

q. Enforce the Workforce Housing Covenants, including the assessment of fines and the filing of liens for nonpayment.

r. Other. Exercise any other powers conferred by the Declaration, Bylaws, or the Maine Nonprofit Corporation Act.

Section 7.3. Limitations on Powers of the Board.

The Board of Directors has no jurisdiction over matters within the jurisdiction of any Workforce Housing Covenant. It may take no action contrary to Workforce Housing Covenants.

The Board of Directors may not act contrary to required provisions of the Maine Condominium Act, the Maine Nonprofit Corporation Act, the Declaration, or the Bylaws. The Board of Directors may not act on behalf of the Association in the following matters, approval for which is reserved to Unit Owners:

- a. To amend the Declaration, the Articles of Incorporation, or the Bylaws;
- b. To terminate the Condominium;
- c. To elect members of the Board or determine the qualifications, powers, duties, or terms of office of Board members, but the Board may fill vacancies in its membership for the unexpired part of any term;
- d. The Board's authority over budgets is subject to a ratification vote by Unit Owners per the Maine Condominium Act;
- e. To remove a Director. Only Unit Owners can remove directors.; and
- f. Any other limitations of the Board's power found in the Declaration or Bylaws, including provisions that require Unit owner approval to borrow money or assign income as security for payment of a loan.

Other state and federal laws, such as the Fair Housing Act, which protects people with disabilities, may limit the Board.

Section 7.4. Period of Declarant Control.

"Declarant Control Period" means the period during which the Declarant, and not the Unit Owners, selects the Board of Directors and the Officers. This period starts on

the date of first conveyance to a consumer and extends to the earlier of (a) seven (7) years or (b) sixty (60) days after the conveyance of seventy-five percent (75%) of the maximum number of Units that may be created under this Declaration.

By written notice duly recorded in the York County Registry of Deeds explicitly referring to this Section, the Declarant may voluntarily surrender the right to appoint and remove one or more officers and members of the Board of Directors before the termination of the Declarant Control Period. However, in that event, the Declarant may require, during the Declarant Control Period, that specified actions of the Association or Board of Directors, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before such action can become effective.

During the Declarant Control Period, the Board of Directors shall be three (3) natural persons. The Declarant shall have the right during the Declarant Control Period to appoint, remove and replace from time to time any members of the Board of Directors, and officers of the Association, without the necessity of obtaining resignations. The directors appointed by the Declarant need not be Unit Owners.

Following the end of the Declarant Control Period, the affairs of the Association shall be governed by a Board of Directors composed of no less than three (3) and no more than the number of directors allowed in the Articles of Incorporation of the Association. The exact number may be established by the Members, Directors, or Bylaws of the Association from time to time. A majority of the members of the Board of Directors shall be Unit Owners or spouses of Unit Owners or, in the case of a Unit owner, which is a corporation, limited liability company, partnership, trust or estate, or other legal entity, a designated agent of it.

Before the end of the Declarant Control Period, a transition meeting of the Association and a transition election shall be held, where all Association directors and officers appointed by the Declarant shall resign. The Unit Owners, including the Declarant if the Declarant owns any Units, shall elect a new Board.

Any contracts entered into by the builder/developer or the Declarant before the Transfer of Control and subsequently assigned to the Condominium Association must give the Condominium Association the right to terminate the contracts with no more than 90 Days' notice. This does not apply to ground leases or contracts in which the Condominium Association or Unit Owners are granted a possessory or ownership interest in real estate.

Section 7.5. Management Agreements.

If the Condominium Association uses the services of a management company, the Management Agreement must give the Condominium Association the right to terminate the Management Agreement with no more than 90 Days' notice.

Section 7.6. Bylaws.

The initial Bylaws of the Association are attached as Exhibit G.

ARTICLE 8. DEVELOPMENT AND OTHER DECLARANT'S RIGHTS

"Development Rights" means the rights reserved to the Declarant or its successor in interest to add real estate to the Condominium, create more Units, subdivide Units, convert Units to Common Elements, and withdraw land from the Condominium, reserved to a Declarant. All Development Rights and Special Declarant Rights will be consistent with the Workforce Housing Covenants.

All Development Rights and Special Declarant Rights in the Condominium shall run for 20 years from when the Declaration is recorded in the York County Registry of Deeds.

The Declarant may exercise Development Rights for different parcels of real estate at other times and locations. No assurances are made about the boundaries of the parcels for which Development Rights are exercised or their order. If a Development Right is exercised in any part of real estate subject to that Development Right, no assurances are made that Declarant will exercise them in any other part.

Section 8.1. Development Rights.

Declarant reserves the Development Rights to complete construction of up to 120 Units, with associated improvements, on the Property described in **Exhibit A** and to create or change Units, Common Elements, and Limited Common Elements.

Declarant reserves no Development Rights to add more land to the Condominium other than described in Exhibit A or create over 120 Units.

Under Development Rights, the Declarant may designate Limited Common Elements on parts of the land surrounding Units, for parking vehicles, for adding decks or porches, or other purposes. However, no Limited Common Elements shall extend within the boundaries of the road right-of-way nor more than halfway beyond the midpoint of the distance between the Unit and another Unit. After the Declarant has conveyed all Units in the Condominium, the Association may create or allow expansion of Limited Common Elements under such terms as it considers appropriate.

Section 8.2. Further Rights.

As to Development Rights:

a. The Declarant may exercise its rights in phases, in any order. No assurances are made regarding the boundaries of the property subject to the exercise of

Development Rights, nor the order of their exercise. If any Development Right is exercised in any part of the real estate, no assurances are made about whether the Development Right must be exercised in all or any other part of the remainder of the real estate.

b. Declarant may convert Units (which it still owns) into Common Elements and move Units to different areas.

c. Declarant may withdraw any real estate described in Exhibit A from the Condominium, subject to land use laws and governmental approvals. This right shall not include the right to withdraw land occupied by Units already conveyed by the Declarant.

d. The Declarant reserves no right to subdivide Units it may create.

To exercise any rights under this Section, the Declarant shall prepare, execute and record in the York County Registry of Deeds an amendment to the Declaration according to the Condominium Act, which shall include supplemental Plat and Plans if required by the Condominium Act to the extent not previously recorded. Said amendment shall become effective upon recording without the consent of any other person.

Section 8.2-A. Reserved.

Section 8.3. Declarant's Special Declarant Rights, Easement Rights, and Other Rights.

Until the construction, marketing, and sale by Declarant or Declarant's successor of all Units are completed, including the future Units which Declarant may create, the Declarant shall have easement and other rights:

a. Entrance onto Property during construction; storage. For ingress and egress to the Common Elements and Limited Common Elements on behalf of itself, its agents, employees, officers, contractors, subcontractors, and prospective purchasers of Units, including the right to park on the Property and to store construction materials and vehicles; to use easements through the Common Elements to make improvements within the Condominium or within real estate that may be added to the Condominium.

b. Models, management, and sales offices. To use any Units owned or leased to the Declarant as models, management offices, sales offices, or customer service offices; To maintain and run a separate sales office or offices on the premises of any size and to move, move and remove it if they are not part of a Unit; To allow prospective purchasers and others to visit that office and use the Common Elements and use unsold Units for sales and display purposes.

c. Signs. To place signs and lighting for signs on the Property advertising the Condominium and models during Units' marketing.

d. Construction and repair. To construct, maintain, repair, renovate, replace or correct the Units, the Common Elements, and the Limited Common Elements; To maintain and correct drainage of surface water on the Property, along with the right to cut any trees, bushes, or shrubbery, to grade the soil, or take any other action reasonably necessary to maintain reasonable standards of health, safety and appearance; To change, alter, remove or improve defective, obsolete or nonfunctional parts of the Common Elements, including equipment, fixtures, and appurtenances when in the Declarant's judgment it is necessary or desirable to do so. Upon finishing all such work, the Declarant shall restore the affected property to a finished condition.

f. Utility connections during construction. To connect with and use utility lines, wires, pipes, and conduits on the Property for construction purposes, provided that the Declarant shall be responsible for the cost of service so used.

g. Granting and reserving easements. The nonexclusive right to grant and reserve easements and rights-of-way (even though not depicted on the Plats and Plans) through, under, over, and across the Units, Common Elements, and Limited Common Elements for the installation, maintenance, repair, replacement, and inspection of water, sewer, gas, electricity, telephone, cable TV and other utilities servicing the Property and for drainage, including provisions for the installation of lines, wires, pipes, conduits and facilities servicing the Property. No such easement shall be effective until recorded in the York County Registry of Deeds. No such easements may be granted through Units that Declarant has sold to consumers. The Common Elements shall be promptly restored upon installing and repairing such facilities.

h. Easements to benefit the abutting property. To grant easements for enjoyment, use, access, and development of property abutting the Property, or located nearby, whether or not such property is subject to this Declaration. Such easements may include but are not limited to a right of ingress and egress over the Common Elements, for constructing roads and connecting and installing utilities over, through, or under the Property. Declarant and its successors or assigns shall be responsible for any damage caused to the Common Area as a result.

i. Rental of Units. To rent Units declared but unsold and undeclared but constructed, free from the restraints otherwise imposed on rentals by this Declaration, as long as the Units are actively marketed for sale.

j. Public Access. To enter into agreements regarding public access to conservation land of Inhabitants of Wells, and grant rights and easements to the Inhabitants, as more fully set out in Section 3-A.6. of this Declaration.

Section 8.4. Assignability of Declarant's Rights.

The Declarant may assign any of its rights, per the Maine Condominium Act.

Section 8.5. Amendment, Waiver, Etc.

This Article shall not be amended or waived without the Declarant's consent duly recorded in the York County Registry of Deeds. The Declarant may waive the Development and Special Declarant Rights reserved in whole or part, except, by a written instrument, provided such waiver shall be effective only upon recording in the Registry of Deeds. Such waiver shall be subject to the limitations of Section 1603-103(d) of the Maine Condominium Act regarding Declarant Control of the Association.

ARTICLE 9. AMENDMENTS.

Section 9.1. Amendments to the Declaration.

The Declarant may unilaterally amend this Declaration before the conveyance of the first Unit.

Specific provisions in this Declaration and the Bylaws repeat required provisions of the Maine Condominium Act or the Maine Nonprofit Corporation Act. These provisions may not be made less restrictive than what the law requires. When in doubt, the Association should, in all cases, seek the advice of counsel before amending the Declaration or Bylaws.

Otherwise, the Declaration may be amended only by vote or agreement of the Unit Owners of Units to which at least 67% of the votes in the Association are allocated, except for certain types of amendments for which the Maine Condominium Act applies a different standard. As of the date this Declaration is recorded, these exceptions include:

a. Certain amendments that may be executed by a Declarant under the exercise of Development Rights. The Declarant may unilaterally amend the Declaration before the conveyance of a Unit.

b. Certain amendments that may be executed by the Association after eminent domain proceedings, under a reserved right in the Association to create Limited Common Elements, under the right to reallocate Limited Common Elements after approval of the Unit Owners approval, under the right to move boundaries between Units, and under termination the Condominium. Sections 1601-107, Section 1602-108 (b) and (c); Section 1602-112 (a), Section 1602-113, Section 1602-108(b); Section 1602-112 (a);

c. Amendments that purport to create or increase Special Declarant Rights, increase the number of Units, change the boundaries of any Unit, the allocated interests of a Unit, or the uses to which any Unit is restricted, which require unanimous consent of all Unit Owners. Section 1602-117 (d).

d. No amendment may contravene any applicable Workforce Covenants or its Rules.

Section 9.1-A. Corrective Amendments.

Corrective amendments to fix objectively determinable errors may be made unilaterally by the Declarant or the Board of Directors without a vote of Unit Owners.

The Declarant or the Board of Directors may unilaterally make amendments to comply with requirements or standards of lenders or guarantors of loans considered by the Declarant or the Board of Directors as providing significant financing opportunities to Unit buyers, including but not limited to FHA, Freddie Mac, FNMA, VA, and the Maine State Housing Authority, including "Home Ready" programs, without a vote of Unit Owners.

Section 9.2. Unit Owner Approval of Amendments.

Subject to the above provisions, the Declaration and the Plats and Plans may be amended:

Before any conveyance to a third-party purchaser by the Declarant, the Declarant may unilaterally amend the Declaration.

a. After the first conveyance of a Unit by a Declarant to a third-party purchaser, the terms of these procedures shall apply to an amendment of this Declaration:

1. Development Rights and Special Declarant Rights. Despite any other provision of this Declaration, the Declarant may unilaterally amend this Declaration under the exercise of its Development Rights and Special Declarant Rights. However, no amendment to Declarant's Development Rights or Special Declarant Rights is effective without the consent of the Declarant or any successor Declarant.

2. An amendment to the Declaration may be proposed by either the Board of Directors or by Unit Owners holding at least twenty (20) percent of the votes in the Association.

3. Notice of the subject of a proposed amendment, including its proposed text, shall be included in meeting notices where a proposed amendment is to be considered. The notice shall be given to all Unit Owners, the Declarant, and all Eligible Mortgage Holders, if any.

4. Amendments may be adopted in either of two ways, which cannot be combined:

a. By vote at a duly called meeting of Unit Owners, at which the required approval percentage is obtained. The proposed amendment may be changed but not beyond the scope of the notice of the meeting. Votes may be cast by duly appointed proxy holders at the meeting.

b. By written agreement, without a meeting, of Unit Owners holding the required percentage of the total percentage in interest of all votes in the Association.

Amendments by agreement must meet these standards:

1. Agreements to amend must be approved by the Board of Directors before distribution to Unit Owners for approval.

2. Agreement to Amend documents may be in separate copies.

3. Each agreement to amend must contain the exact text of the proposed amendment and may explain the amendment approved by the Board of Directors.

4. The notice must have an expiration date not more than six months from the date it is given. If sufficient approvals have yet to be obtained by this date, the amendment does not pass.

5. Certification and recording of Amendments obtained by agreement of Unit Owners must be certified and recorded in the York County Registry of Deeds in the same manner as amendments accepted by vote of Unit Owners.

Consent by Eligible Mortgage Holders may be required for certain amendments.

c. Remote participation in meetings to consider amendments to the Declaration, including remote voting, is allowed, as is voting by electronic transmission or U.S. mail, all as permitted under the Maine Nonprofit Corporation Act.

Section 9.3. Approval of Amendments by Mortgagees.

Amendments of a material adverse nature to mortgagees must be agreed to by mortgagees representing at least 51% of Units' votes subject to mortgages.

Any action to terminate the project's legal status after substantial destruction or condemnation occurs or for other reasons must be agreed to by mortgagees representing at least 51% of the votes of the unit estates that are subject to mortgages.

Implied approval by mortgagees may be assumed when a mortgagee fails to submit a response to any written proposal for an amendment within 60 days after receiving proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a return receipt requested.

Section 9.4. Bylaw Amendments; Adoption of Rules.

Bylaw amendments require the approval of a majority in the interest of all Unit Owners. They may be adopted under the same procedures as amendments to the Declaration. However, Rules are adopted and amended by the Board of Directors following the Bylaws.

Section 9.5. Recording Required to Be Effective; Association Officer to Certify and Record Amendments.

Every amendment to the Declaration and the Bylaws must be recorded in the York County Registry of Deeds and is effective only when recorded. Email Notice of the amendment shall be sent to all Unit Owners who elect to receive notice by email, and

Eligible Mortgage Holders. In addition, notice shall be sent to all mortgagees known to the Board of Directors, but failure to send such notices shall not affect the amendment's validity. Amendments shall be prepared, executed, recorded, and certified on behalf of the Association by any officer of the Association designated for that purpose or, absent designation, by the President of the Association.

Section 9.6. Challenge to Amendment

No action to challenge the validity of an amendment to this Declaration adopted by the Association may be brought more than one (1) year after such amendment is recorded in the York County Registry of Deeds.

ARTICLE 10. GENERAL; NOTICE

Section 10.1. Termination; Eminent Domain; Failure to Repair or Replace.

(a) Repair and Replacement of Damage. Generally, the Association must repair and replace any parts of the Condominium damaged or destroyed. Section 1603-113 (h) of the Maine Condominium Act details the exact requirements.

(b) Termination. Termination of the Condominium requires the agreement of 80% of the votes in the Condominium and is governed by Section 1602-118 of the Maine Condominium Act.

(c) Eminent Domain. Taking all or a part of Units or Common Elements by eminent domain is governed by Section 1601-107 of the Maine Condominium Act.

After substantial destruction or condemnation, any action to terminate the Condominium must be agreed to by mortgagees representing at least 51% of the votes of the Unit estates subject to mortgages.

Implied approval by mortgagees may be assumed when a mortgagee fails to submit a response to any written proposal for termination or notice of condemnation within 60 days after receiving proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a return receipt requested.

The Association shall consult legal or other professional advice when facing any circumstances discussed in subparagraphs (b) and (c) above.

Section 10.2. Severability.

The Declaration, and the Bylaws, are independent and severable. The invalidity, partial invalidity, or unenforceability of any provision or part shall not affect the validity or enforceability of any other provision or part of it unless the deletion of such invalid or unenforceable provision destroys the uniform plan for development and operation of the project which the Declaration (including the Plats and Plans) and Bylaws are intended to create.

Section 10.3. Waiver.

Failure to enforce any provision of this Declaration or Bylaws shall not be construed as abrogation or waiver despite the number of violations that may occur.

Section 10.4. Captions.

Table of contents, section headings, and underlined subheadings in the Declaration and Bylaws are intended only for reader convenience, and are not intended to define, limit or describe the scope, meaning, or intent of those documents.

Section 10.5. Gender, Number, Etc.

In the Declaration and Bylaws, the singular number includes the plural, the plural includes the singular, and any gender is considered including all genders.

Section 10.6. Disputes with Declarant and Unit owner; Arbitration.

All claims, disputes, and other matters in question between the Declarant or the Unit owner, on the one hand, and the Association or any Unit owner (s) arising out of or relating to a Unit, the Common Elements, the Limited Common Elements, this Declaration, the Bylaws, the Rules, or the deed to any Unit or the breach thereof, or the course of dealing between any Unit owner, the Association and the Declarant, except for claims waived by the acceptance of a deed, shall be decided by arbitration following the Construction Industry Arbitration Rules of the American Arbitration Association then unless the parties mutually agree otherwise in writing. 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 under applicable law in any court having jurisdiction thereof.

Section 10.7. Disputes Between the Board and Unit Owners or Between Unit Owners.

The Association may require, case-by-case, that disputes between the Board of Directors and one or more Unit Owners regarding the Condominium shall be submitted to dispute resolution as a prerequisite to the commencement of a judicial proceeding, all as set out in Section 6.7-A of the Bylaws.

Section 10.8. Notice.

Notices sent to and from the Association have differing requirements, depending on the subject of the notice and to whom it is given.

a. Regular communication. Electronic communication, including Email, is sufficient for notices of Annual and special meetings of Unit Owners, budget ratification meetings, meetings of the Board, and regular communication, for those Unit Owners who have previously agreed in writing that such notice may be given in

that manner. The Secretary shall keep a record of Unit Owners who have so agreed. The responsibility for correcting, updating, and changing email and other electronic addresses rests with Unit Owners, not the Association.

For those Unit Owners who have not agreed to be provided notice by electronic means, the notice shall be given in hand by prepaid United States mail to the mailing address of each Unit or to any other mailing address designated in writing by the Unit owner or, if none of the above, by U.S. mail, postage prepaid, to the address of the Unit owner on file with the Wells tax assessor's internet database.

b. Special Notice Requirements. Notices to Unit Owners of these matters must be made by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the Unit owner at the mailing address on file with the Association or the address the Unit owner shall otherwise designate in writing or, if none of the above, to the address of the Unit owner on file with the Wells tax assessor internet database:

1. Notices to Eligible Mortgage Holders under Section 1602-119 of the Maine Condominium Act.

2. Notice of unavailability of insurance, Section 1603-113 of the Maine Condominium Act.

3. Notice of opportunity to be heard, to individual Unit Owners for alleged violations of the Condominium Documents and other matters that may result in a fine or penalty.

4. Notice of default or lien.

5. Notices involving legal issues.

c. Calculation of Time. Notice sent by mail shall be considered having been delivered on the earlier of the second day after mailing or the date of deposit in the Unit owner's or Eligible Mortgage Holder's mailbox. Email Notice shall be considered delivered when sent.

d. Failure to receive notice of a meeting. If the notice of a meeting is given according to this Section's provisions, any member's failure to receive actual notice shall not invalidate the meeting.

e. Emergencies. The minimum time to give notice and the method of notice may be reduced, changed, or waived for a meeting called to deal with an emergency if not prohibited by applicable law.

f. Notices to the Association. All notices, demands, statements, or other communications affecting the Condominium given by a Unit owner to the Association and relating to matters set out in subsection (b) above, shall be in writing and shall be deemed delivered personally, securing a written receipt therefore, or sent by United States mail, postage prepaid, return receipt requested, addressed to the Association at the principal office of the managing agent if any, and to the Secretary of the Association at the Secretary's address.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be duly executed as of the day and year first above written.

WITNESS

Highpine Properties, LLC.

Donna L. Fogo

By Howard J. Hall,
Howard J. Hall, its Manager

STATE OF ~~MAINE~~ FLORIDA
County of ~~York~~, ss.
Charlotte

1/20, 2023

Then personally appeared the above-named Howard J. Hall, Manager of Highpine Properties, LLC, and acknowledged the foregoing instrument to be his free act and deed in the capacity.

Before me,

Donna L. Fogo
Justice of the Peace - Notary
Public

(for Notaries), My commission
expires 5/12/23

Donna L. Fogo
PRINT NAME

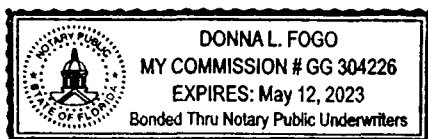


EXHIBIT A. LEGAL DESCRIPTION

A certain tract or parcel of land in the Town of Wells, County of York, State of Maine, and described as follows:

Beginning at a point in the easterly line of Route 109 (Sanford Road) at the westerly corner of the parcel of land described in a deed from Howard J. Hall to Highpine Properties, LLC dated May 6, 2021, and recorded in the York County Registry of Deeds in Book 18665, Page 340, said point being the southerly corner of remaining land of Howard J. Hall;

Thence N 50° 21' 26" E, 168.26 Feet along land N/F of Howard J. Hall,
Thence S 43° 10' 37" E, 76.00 Feet along land N/F of Reginald L. & Elizabeth A. Chase,
Thence S 45° 34' 23" E, 26.62 Feet along land N/F of Reginald L. & Elizabeth A. Chase,
Thence N 23° 54' 59" E, 1419.90 Feet along land N/F of Reginald L. & Elizabeth A. Chase,
Thence N 21° 03' 56" W, 364.20 Feet along land N/F of Reginald L. & Elizabeth A. Chase,
Thence N 68° 56' 19" E, 748.41 Feet along land N/F of Highpine Properties, LLC,
Thence N 39° 29' 37" E, 200.53 Feet along land N/F of Highpine Properties, LLC,
Thence N 23° 33' 22" E, 251.21 Feet along land N/F of Highpine Properties, LLC,
Thence N 89° 43' 00" E, 230.46 Feet along land N/F of Highpine Properties, LLC,
Thence S 32° 31' 10" E, 416.59 Feet along land N/F of Highpine Properties, LLC,
Thence S 08° 47' 56" E, 302.51 Feet along land N/F of Highpine Properties, LLC,
Thence S 43° 01' 44" E, 865.30 Feet along land N/F of Highpine Properties, LLC,
Thence S 29° 44' 39" E, 411.80 Feet along land N/F of Highpine Properties, LLC,
Thence S 27° 42' 28" W, 388.25 Feet along land N/F of Highpine Properties, LLC,
Thence S 00° 18' 04" W, 410.98 Feet along land N/F of Highpine Properties, LLC,
Thence S 87° 18' 32" W, 219.33 Feet along land N/F of Highpine Properties, LLC,

Thence S 27° 43' 51" W, 263.53 Feet along land N/F of Highpine Properties, LLC,
 Thence N 24° 36' 42" W, 162.13 Feet along land of unknown ownership,
 Thence N 20° 17' 53" W, 61.19 Feet along land of unknown ownership,
 Thence N 17° 39' 32" W, 123.50 Feet along land of unknown ownership,
 Thence N 69° 44' 29" W, 107.63 Feet along land of unknown ownership,
 Thence S 82° 24' 19" W, 57.57 Feet along land of unknown ownership,
 Thence N 80° 16' 27" W, 97.60 Feet along land of unknown ownership,
 Thence N 72° 50' 58" W, 58.38 Feet along land of unknown ownership,
 Thence N 60° 48' 57" W, 59.35 Feet along land of unknown ownership,
 Thence N 61° 03' 05" W, 58.33 Feet along land of unknown ownership,
 Thence N 58° 42' 59" W, 72.14 Feet along land of unknown ownership,
 Thence N 68° 33' 07" W, 66.92 Feet along land of unknown ownership,
 Thence S 89° 23' 30" W, 105.75 Feet along land of unknown ownership,
 Thence S 75° 43' 58" W, 131.81 Feet along land of unknown ownership,
 Thence S 80° 18' 33" W, 21.34 Feet along land of unknown ownership,
 Thence S 61° 12' 56" W, 100.98 Feet along land of unknown ownership,
 Thence S 58° 37' 19" W, 69.50 Feet along land of unknown ownership,
 Thence S 83° 24' 25" W, 23.70 Feet along land of unknown ownership,
 Thence N 20° 42' 26" W, 105.05 Feet along land of unknown ownership,
 Thence S 37° 07' 11" W, 340.26 Feet along land of unknown ownership,
 Thence S 35° 39' 20" W, 85.55 Feet along land of unknown ownership,
 Thence S 36° 55' 31" W, 423.49 Feet along land of unknown ownership,
 Thence S 34° 30' 36" W, 101.63 Feet along land of unknown ownership,
 Thence N 65° 03' 45" W, 113.35 Feet along land of unknown ownership,
 Thence N 66° 21' 26" W, 146.72 feet along land of unknown ownership to the
 easterly sideline of State Route 109 (Sanford Road) and the southwest
 corner of the subject parcel,
 Thence along a non-tangential curve to the right having a radius of 2666.68 Feet
 and a length of 156.66 Feet, whose chord bears N 41° 19' 33" W, 156.64
 Feet, along State Route 109,
 Thence N 39° 38' 34" W, 327.63 Feet along State Route 109,
 Thence N 39° 38' 34" W, 156.38 Feet along State Route 109, to the land of
 Howard J. Hall and the point of beginning.

The Property is subject to these encumbrances:

1. Rights and easements described in Notice of Layout and Taking by the State of Maine Department of Transportation dated May 12, 2011 and recorded in the York County Registry of Deeds in Book 16106, Page 728.

2. State of facts on a plan entitled, "State of Maine Department of Transportation Right-of-Way Map State Highway 7" (Route 109), Wells, York County, Maine, dated March 2011 and recorded in the York County Registry of Deeds in Plan Book 371 at Pages 25 and 26.
3. Maine DEP Site Location of Development Order and Natural Resources Protection Act Order dated June 24, 2021, and recorded in the York County Registry of Deeds in Book 18727, Page 444, and Condition Compliance recorded in Book 19083, page 795
4. Maine DEP Site Location of Development Order Minor Revision dated July 28, 2021, and recorded in the York County Registry of Deeds in Book 18757, Page 301.
4. A Maine DEP minor revisions to Site Plan approval recorded in Book 18906, page 887, and Book 18905, Page 812.
5. State of Facts, easements, conditions of approval, and notes set forth on plans of Villages At Highpine dated November 16, 2020, revised June 21, 2021, and recorded in the York County Registry of Deeds at Plan Book 417, Pages 34 through 38, inclusive, as revised on Amendment #1 to plan of Villages At Highpine recorded at Plan Book 423, Page 33.
6. Declaration of Restrictions for Forested Buffer dated August 24, 2021, and recorded in the York County Registry of Deeds in Book 18783, Page 223.
7. Mortgage, Security Agreement, Lease Assignment, and Financing Statement given by Highpine Properties, LLC to Kennebunk Savings Bank dated December 17, 2021, and recorded in the York County Registry of Deeds in Book 18902, Page 340, to secure a construction loan for \$4,500,000.00.
8. Collateral Assignment of Leases and Rents given by Highpine Properties, LLC to Kennebunk Savings Bank dated December 17, 2021, and recorded in the York County Registry of Deeds in Book 18902, Page 372.
9. Mortgage, Security Agreement, Lease Assignment, and Financing Statement given by Highpine Properties, LLC to Kennebunk Savings Bank dated December 17, 2021, and recorded in the York County Registry of Deeds in Book 18902, Page 381, to secure a construction loan for \$3,000,000.00.
10. Collateral Assignment of Leases and Rents given by Highpine Properties, LLC to Kennebunk Savings Bank dated December 17, 2021, and recorded in the York County Registry of Deeds in Book 18902, Page 413.

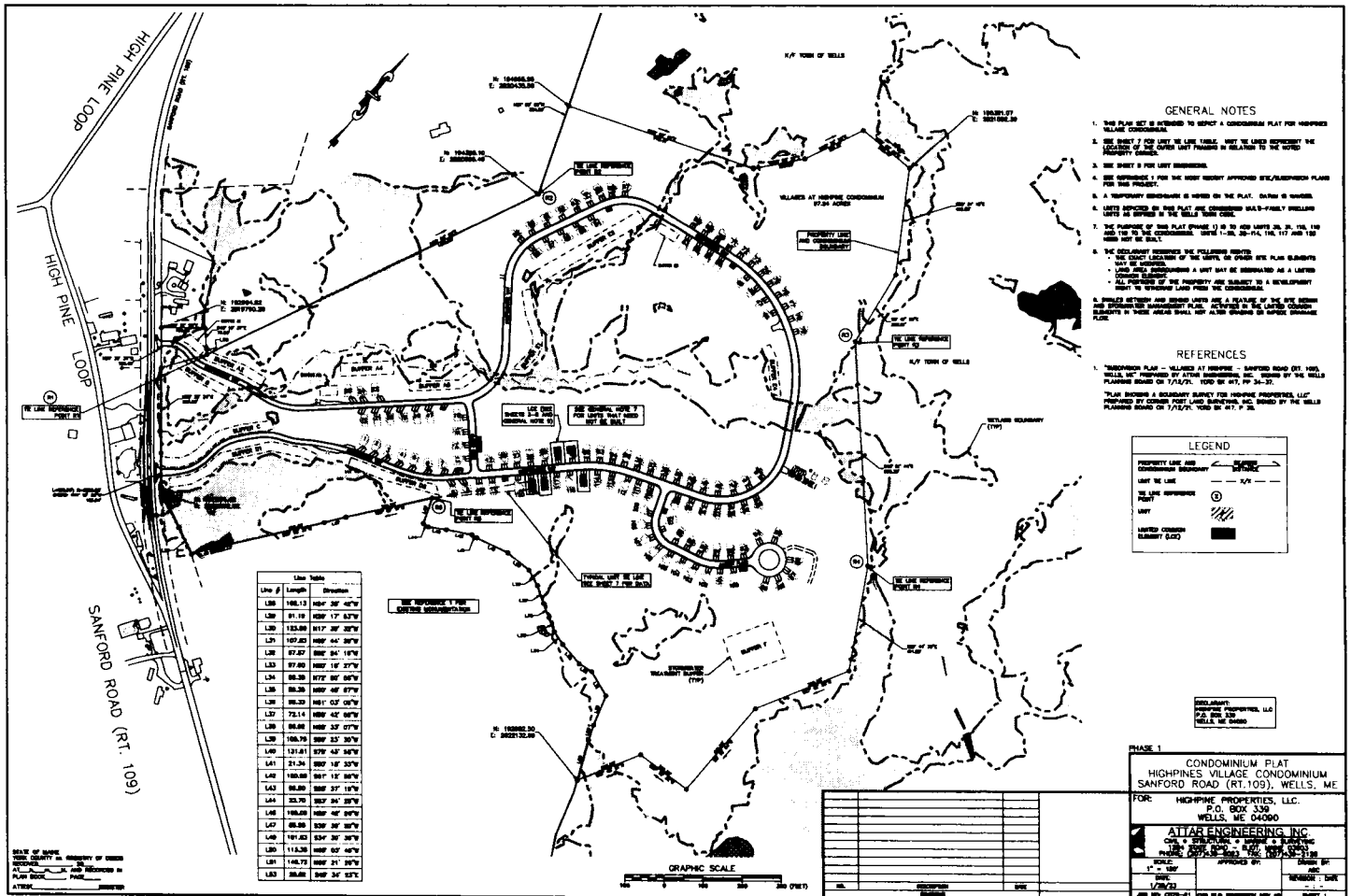
11. Hydrant and Pond easement to the Town of Wells, dated December 22, 2022 and recorded in the York County Registry of Deeds in Book 19186, Page 456.
12. Agreement for Workforce Housing Covenants, dated December 19, 2022 and recorded in the York County Registry of Deeds on the date this Declaration is Recorded.

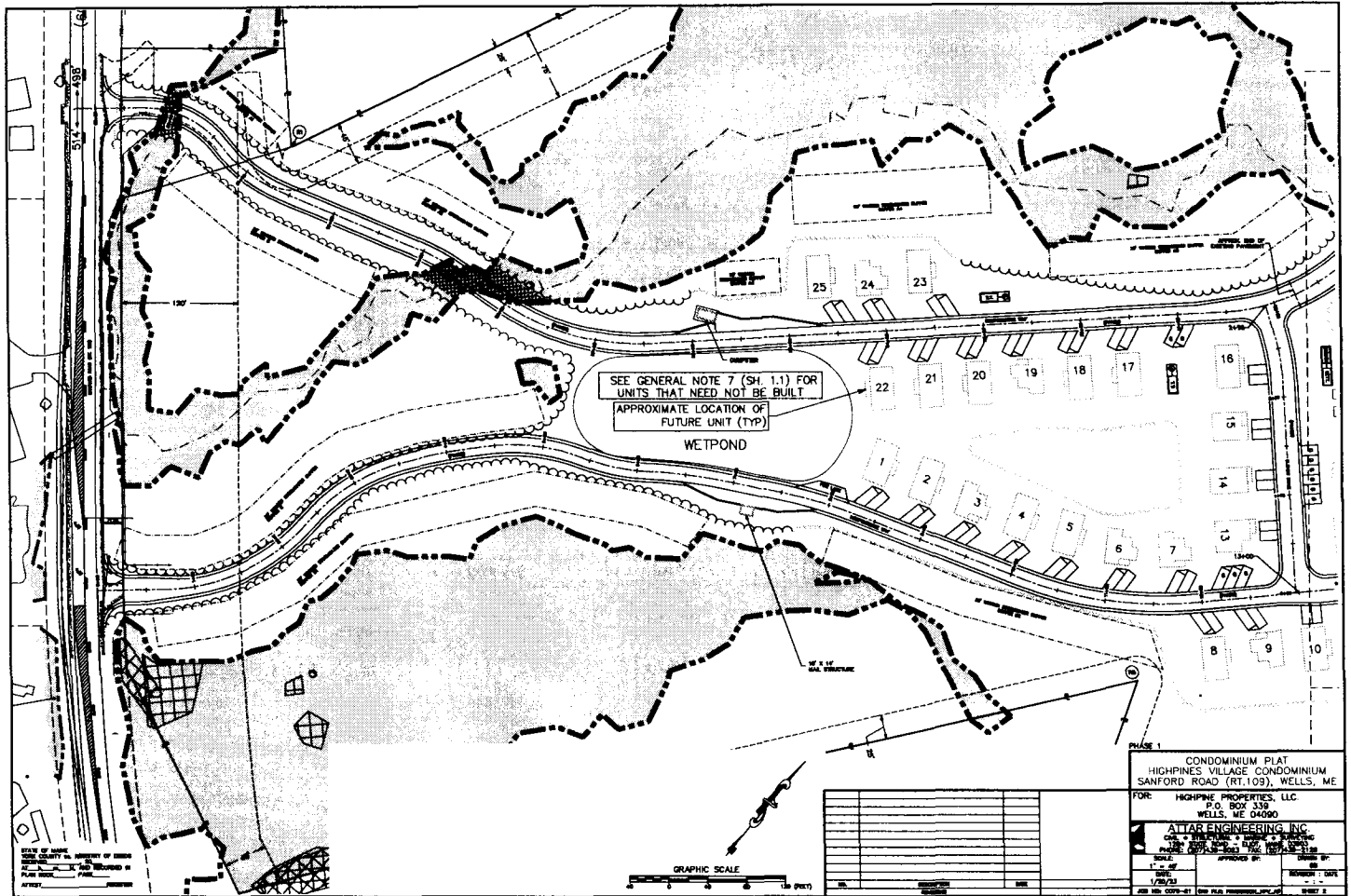
EXHIBIT B. TABLE OF ALLOCATED INTERESTS

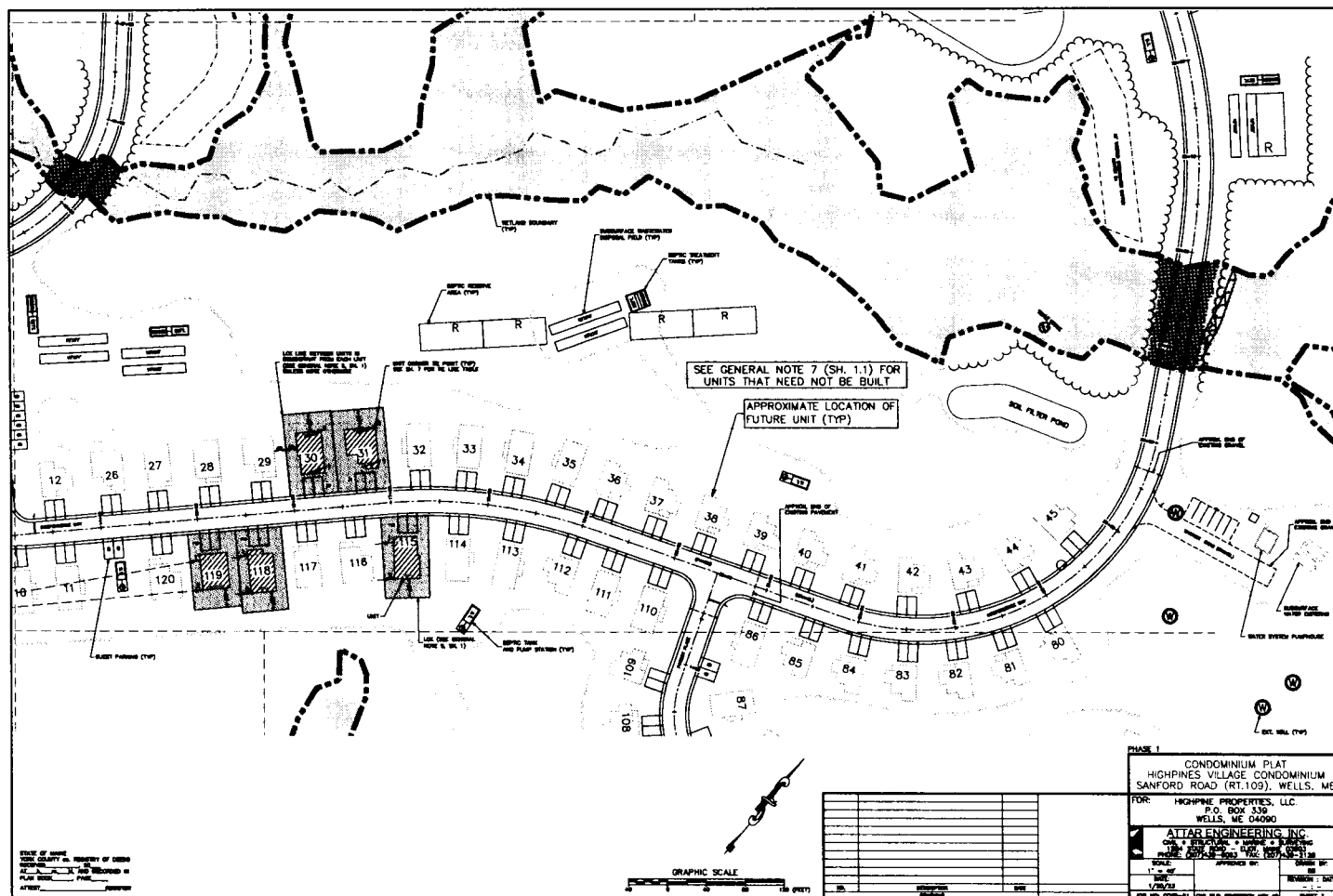
UNIT #	COMMON EXPENSE LIABILITY & PERCENTAGE INTEREST	VOTES
30	20.00%	1
31	20.00%	1
115	20.00%	1
118	20.00%	1
119	20.00%	1
	100.00%	5

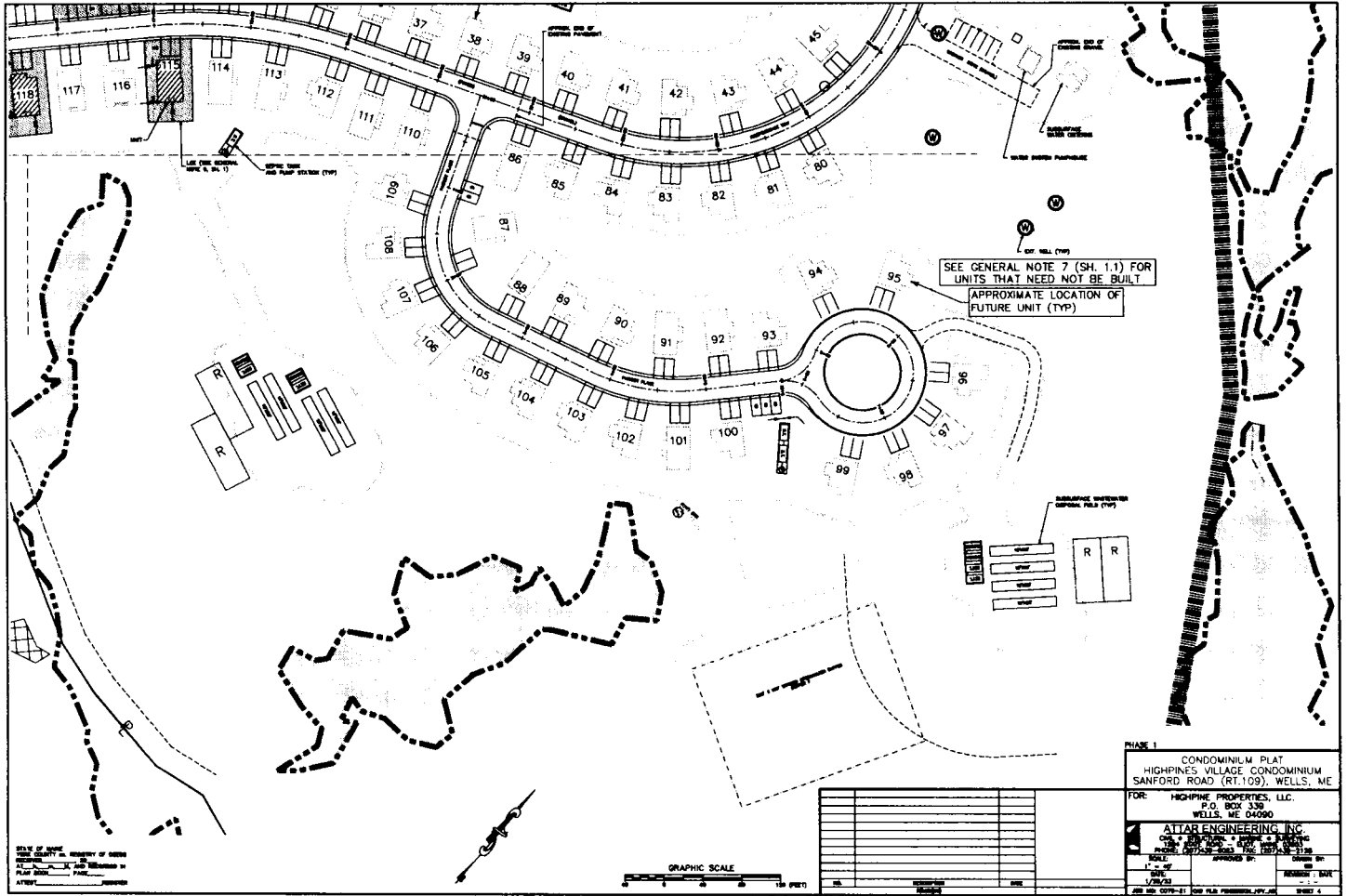
EXHIBIT C. REDUCED SIZE COPIES OF PLATS AND PLANS

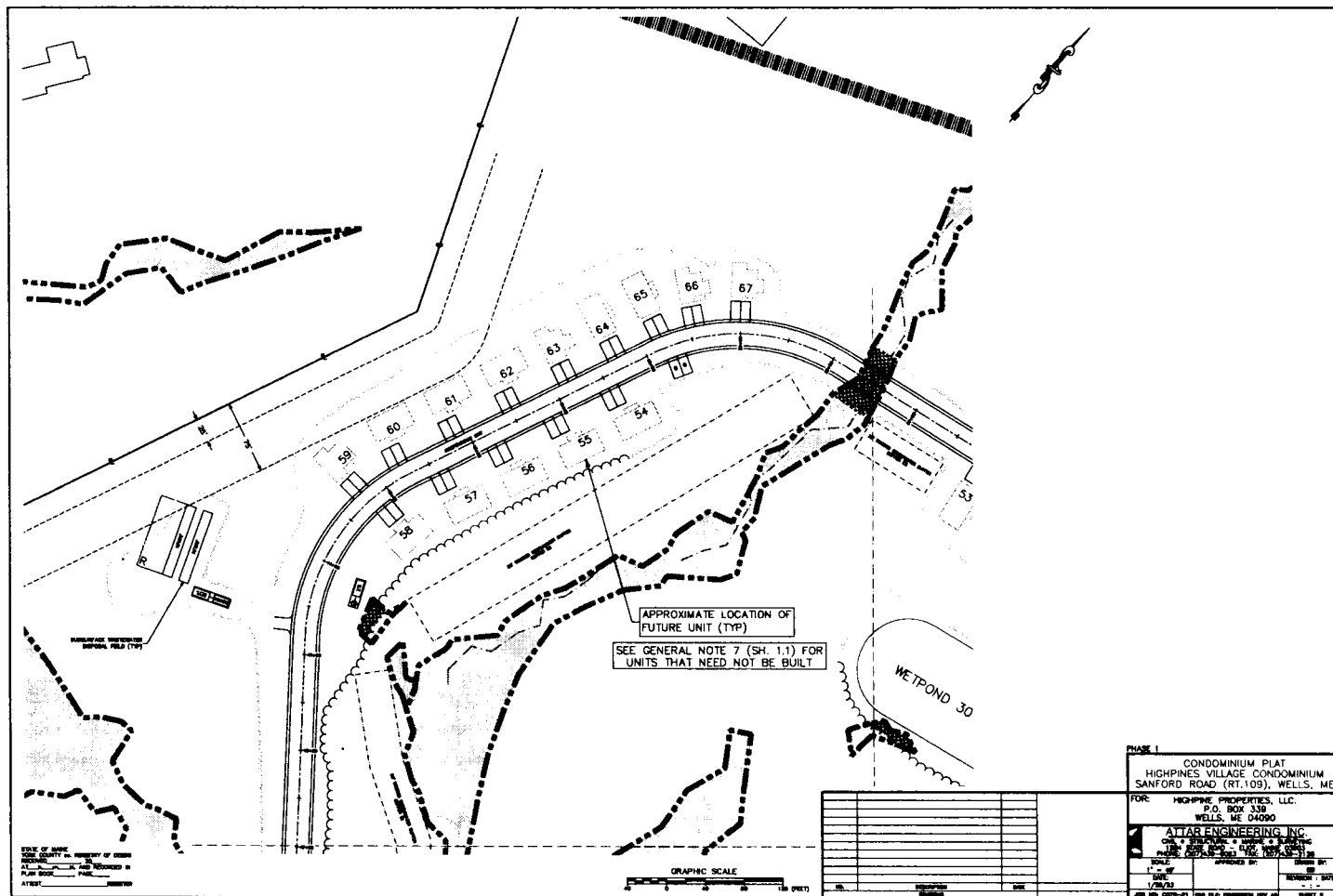
See attached

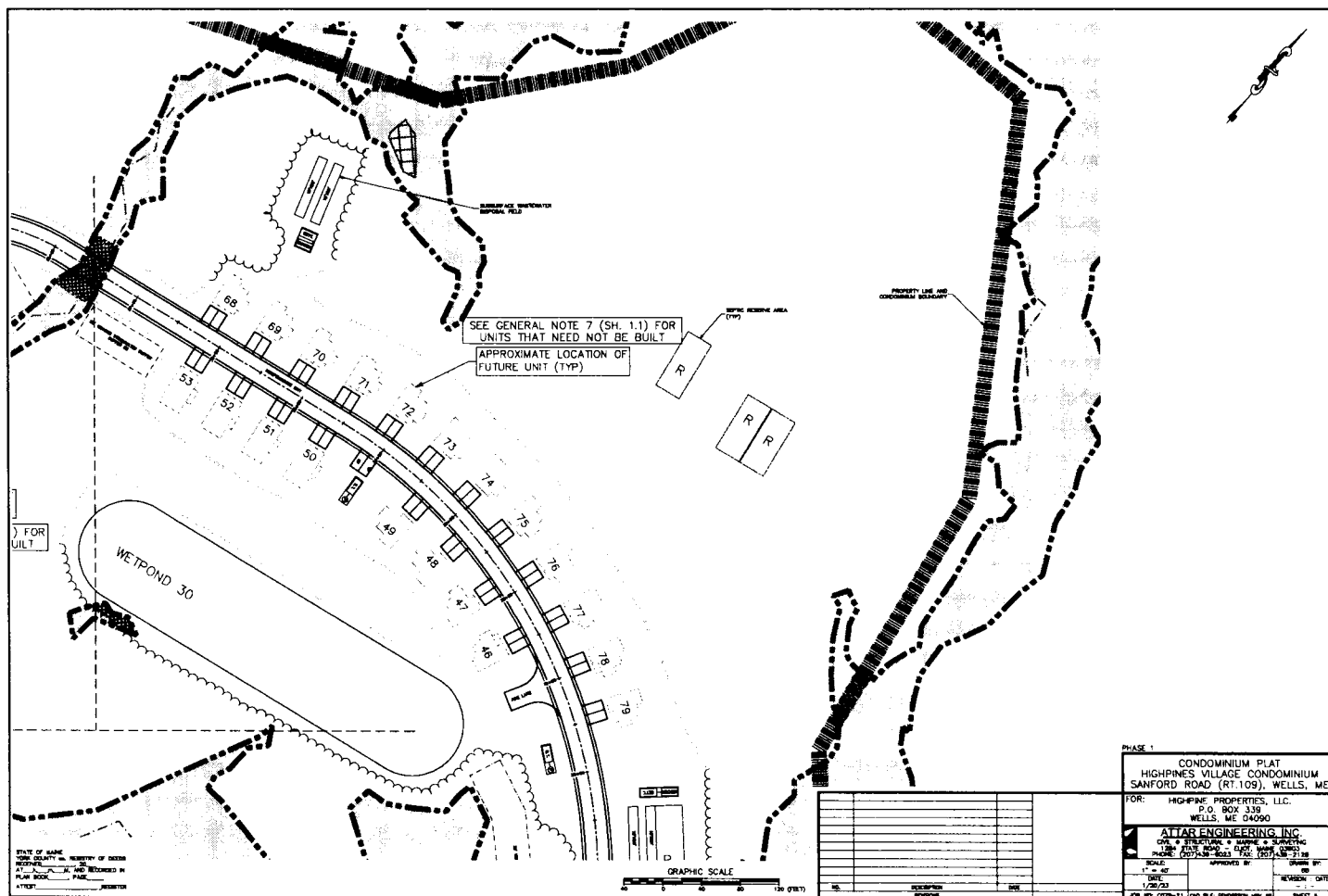












* THE LOWER HORIZONTAL BOUNDARY IS THE LOWER SURFACE OF THE INTERIOR CONCRETE FLOOR SLAB. ELEVATION DATA IS BASED ON

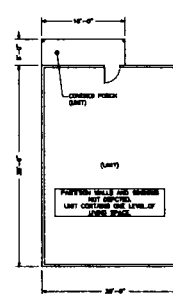
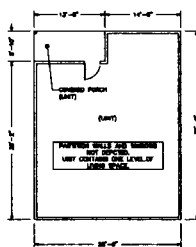
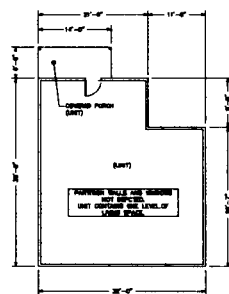
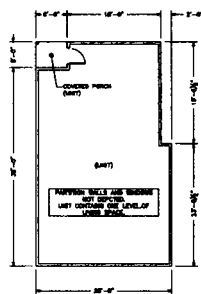
PHASE 1

CONDOMINIUM PLAT
HIGHPINES VILLAGE CONDOMINIUM
SANFORD ROAD (RT.109), WELLS, ME

FOR: HIGHPINE PROPERTIES, LLC.
P.O. BOX 339
WELLS, ME 04090

ATTAR ENGINEERING, INC.
CIVIL • STRUCTURAL • MARINE • SURVEYING
2244 STATE ROAD - ELLERY, MAINE 04023
PHONE: (207) 436-8003 FAX: (207) 436-8008

SCALE 1" = 40'	APPROVED BY: 	DRAWN BY BS
DATE 1/30/23		REVISION : DATE = = =



STATE OF MAINE
YORK COUNTY ss. REGISTRY OF DEEDS
RECORDED _____ 20____
AT _____ AND RECORDED IN
PLAN BOOK _____ PAGE _____
ATTEST _____ JOSHUA

DATE	DESCRIPTION	AMOUNT
10/1/77	10/1/77	
10/2/77	10/2/77	
10/3/77	10/3/77	
10/4/77	10/4/77	
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PHASE 1

CONDOMINIUM PLAT
HIGHLINES VILLAGE CONDOMINIUM
SANFORD RD. (RT. 109) WELLS, ME

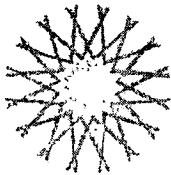
FOR: HIGHLINE PROPERTIES, LLC.
P.O. BOX 339
WELLS, ME 04090

ATTAR ENGINEERING, INC.
204 S. SYCAMORE AVE. • SUITE 200 • BOWLING
GREEN, VT 05745 • TEL: 802.455.1343
FAX: 802.455.1344 • WWW.ATTAR-ENG.COM

SCALE: AS SHOWN APPROVED BY: CHAIRMAN BY: CHAIRMAN
DATE: 1/26/13 REVIEWED BY: CHAIRMAN

EXHIBIT D. STORMWATER MANAGEMENT PLAN

See attached



ATTAR

ENGINEERING, INC

CIVIL • STRUCTURAL • MARINE

D

**VILLAGES AT HIGHPINE
SANFORD ROAD (RT. 109)
WELLS, MAINE**

OPERATION AND MAINTENANCE PROGRAM STORMWATER MANAGEMENT BMP's

This project contains specific Best Management Practices (BMP's) for the conveyance, storage, and treatment of stormwater and the prevention of erosion. These BMP's consist of swales, detention/treatment ponds, catch basins and culverts. All components should be inspected quarterly, and after every significant rain event of 1" in any 24-hour period. Additional inspection intervals are specified for certain BMP's, specifically, three wetponds, one underdrained soil filter and seven roadside buffers.

The party responsible for implementing this Operation and Maintenance Program (O & M Program) shall be Highpine Properties, LLC or the Villages at Highpine Condominium Association (once the Association has assumed legal responsibility for the property).

Inspections associated with this O&M plan shall be conducted by individuals with knowledge of erosion and sedimentation control, including the standard conditions of the MDEP permit.

Swales

All swales should be inspected for accumulation of debris, which could adversely affect the function of this BMP. These areas should be cleaned annually and maintained to have gradual slopes, which prevent channeling of stormwater and erosion of the bottom and sides of the swales.

Catch Basins / Drain Manholes

All catch basin grates, sumps, and inlets/outlets should be inspected for accumulation of debris, which could adversely affect the function of this BMP. Additionally, the basin inverts shall be inspected for clogging and material soundness. Sumps shall always be clear to a depth of 1' below the outlet invert. Inlet structures shall be inspected and cleaned of debris at least twice annually, once in the spring following snow melt and once in the autumn after leaf fall. The project includes approximately ten of these structures.

Culverts

Culvert inlets and outlets should be inspected for debris, which could clog the BMP. Additionally, the placement of rip-rap should be inspected to ensure that all areas remain smooth and no areas exhibit erosion in the form of rills or gullies.

Stormwater Treatment Buffers

All wooded buffer areas shall be maintained in their natural, undisturbed condition. The forest duff layer shall be maintained and all debris shall be removed from the area.

Detention Basins (Wetponds and USF's)

Detention ponds shall be inspected to ensure that there is no channeling of stormwater and that no debris accumulates within the detention areas. The vegetative cover

1284 State Road, Eliot, ME 03903 • tel (207) 439-6023 • fax (207) 439-2128

conditions shall be maintained. The inlets and outlets shall be inspected for erosion and any evidence of debris that could clog the outlet structures and culverts. Emergency spillways and level spreaders shall be inspected for any evidence of rilling and channeling and shall be maintained to promote a level, sheet-flow discharge. Pond embankments and side slopes shall be inspected for erosion, destabilization of side slopes and evidence of embankment settling; corrective action shall be taken immediately to correct such issues. The height of grass shall be maintained at a maximum of 12"; mowing shall be limited to no more than two times during the growing season

Underdrained Soil Filters (USF)

Underdrained Soil Filters area is are very effective BMP's, however, long term maintenance is essential to proper operation. The soil filter should be inspected after every major storm event during the first year to ensure proper function and at least twice-annually, thereafter. The inspection should ensure that the filter drains within 24 - 48 hours. The top several inches of the filter should be replaced with fresh filter material, when water ponds for longer than 72 hours. Debris and sediment that builds up should be removed from the pre-treatment structure at least annually. Outlet structures shall be inspected and cleaned of debris at least twice annually, once in the spring following snow melt and once in the autumn after leaf fall. The height of grass shall be maintained at a maximum of 12"; mowing shall be limited to no more than two times during the growing season.

Wetponds

The wetpond is a very effective BMP, however, long term maintenance is essential to its operation. The following items should be addressed during inspections:

Inlets and Outlets

The inlet and outlet of the pond of the pond should be checked to ensure that flow structures are not blocked by debris. Debris and sediment that builds up should be removed from the pre-treatment structure and outlet structure, at least annually. Additionally, procedures for inspecting Detention Ponds (above) shall also be followed when inspecting Wetponds. All swales or pipes connecting ponds in series should be checked for debris that may obstruct flow.

Gravel Trench

The gravel trench outlet should be inspected after every major storm event during the first year after construction to ensure proper function and at least twice-annually, thereafter. The inspection should ensure that the filter drains within 12 - 24 hours after a storm and that potentially clogging material (leaves, etc) is not preventing discharge through the gravel. The top several inches of gravel in the trench should be replaced with fresh material when water ponds above the permanent pool for longer than 72 hours after a storm. Sediments removed from the wetpond should be disposed of in accordance with applicable regulations

Embankments

Wetpond embankments should be inspected annually for erosion, side slopes destabilization, embankment settling or other signs of structural failure.

Snow Removal

Snow shall be stockpiled only in the approved snow storage areas. Plowing of snow into wetland areas or detention ponds shall be avoided. Additionally, a mostly sand mix (reduced salt) shall be applied during winter months to prevent excessive salt from leaching into wetland areas. Excess sand shall be removed from the storage areas, all paved surfaces and adjacent areas each spring.

Seeding, Fertilizing and Mulching

All exposed soil materials and stockpiles must be either temporarily or permanently seeded; fertilized and mulched in accordance with plan specifications. This is one of the

most important features of the Erosion Control Plan, which will provide both temporary and permanent stabilization. Eroded or damaged lawn areas must be repaired until a 75% effective growth of vegetation is established and permanently maintained.

Record Keeping

Routine maintenance ~~and inspections~~ will be accomplished by the property owner or condominium association [current owner is: Higipine Properties, LLC; P.O. Box 339; Wells, ME 04090, (207)-437-1761], or third party contracted by the property owner or condominium association. All ~~inspections~~ inspections accomplished in accordance with this program shall be documented on the attached Inspection & Maintenance Log. Copies of the Log shall be kept by the property owner or condominium association and be made available to the Department (Maine Department of Environmental Protection), upon request. All records associated with this J&M plan shall be retained for a minimum of 5 years.

Recertification:

The MDEP permit associated with the project includes a 5-year recertification requirement.

Prepared by: Lewis Chamberlain, P.E.

C079-215w_opmain1.doc

WATER INSPECTION & MAINTENANCE LOG VILLAGES AT HIGHPINE GENERAL INSPECTION

[illegible]

1. Purpose is the reason for the inspection. For example, "quarterly" or "after a significant rain event."
2. Maintenance Done means any maintenance required as a result of the inspection, such as trash removal or re-seeding of areas.

**STORMWATER INSPECTION & MAINTENANCE LOG
VILLAGES AT HIGHPINE
STORMWATER BUFFERS**

Date	Purpose ¹	Maintenance Done ²	By
	Boundary Markings		
	Disturbance / Unauthorized Use		
	General Growth		

1. Purpose is the reason for the inspection. For example; "quarterly" or "after a significant rain event"
2. Maintenance Done means any maintenance required as a result of the inspection, such As trash removal or re-seeding of areas.

STORMWATER INSPECTION & MAINTENANCE LOG
VILLAGES AT HIGHPINE
WETPOND 10

Date	Purpose ¹	Maintenance Done ²	By
	Gravel Trench Outlet		
	Embankment Stabilization		
	Emergency Spillway		
	Sediment Forebay		
	Outlet Structure/Pipe		
	Level Spreader		
	Outlet Access		
	Other Comments		
	Other Comments		

1. Purpose is the reason for the inspection. For example: "quarterly" or "after a significant rain event."
2. Maintenance Done means any maintenance required as a result of the inspection, such as trash removal or re-seeding of areas.

STORMWATER INSPECTION & MAINTENANCE LOG
VILLAGES AT HIGHPINE
WETPOND 20

Date	Purpose ¹	Maintenance Done ²	By
	Gravel Trench Outlet		
	Embankment Stabilization		
	Emergency Spillway		
	Sediment Forebay		
	Outlet Structure/Pipe		
	Level Spreader		
	Outlet Access		
	Other Comments		
	Other Comments		

1. Purpose is the reason for the inspection. For example; "quarterly" or "after a significant rain event."
2. Maintenance Done means any maintenance required as a result of the inspection, such as trash removal or re-seeding of areas.

**STORMWATER INSPECTION & MAINTENANCE LOG
VILLAGES AT HIGHPINE
WETPOND 30**

Date	Purpose ¹	Maintenance Done ²	By
	Gravel Trench Outlet		
	Embankment Stabilization		
	Emergency Spillway		
	Sediment Forebay		
	Outlet Structure/Pipe		
	Level Spreader		
	Outlet Access		
	Other Comments		
	Other Comments		

1. Purpose is the reason for the inspection. For example; "quarterly" or "after a significant rain event."
2. Maintenance Done means any maintenance required as a result of the inspection, such as trash removal or re-seeding of areas.

STORMWATER INSPECTION & MAINTENANCE LOG
VILLAGES AT HIGHPINE
UNDERDRAINED SOIL FILTER (USF) 40

Date	Purpose ¹	Maintenance Done ²	By
	Filter Media		
	Embankment Stabilization		
	Emergency Spillway		
	Sediment Forebay		
	Outlet Structure/Pipe		
	Level Spreader		
	Outlet Access		
	Other Comments		
	Other Comments		

1. Purpose is the reason for the inspection. For example, "quarterly" or "after a significant rain event."
2. Maintenance Done means any maintenance required as a result of the inspection, such as trash removal or re-seeding of areas.

EXHIBIT E. COMMUNITY WATER SYSTEM.

See attached.

EXHIBIT E. COMMUNITY WATER SYSTEM MANAGEMENT

Highpines Village Condominium has a community water System. This system is subject to regulations issued by the Maine Department of Health and Human Services (DHHS). All DHHS required operation, testing and reporting procedures shall be adhered to by the Association.

Operation and maintenance of the community water system shall be performed by qualified technicians per a service contract with the Association. See attached requirements.



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VILLAGES AT HIGHPINE OPERATION AND MAINTENANCE PROGRAM COMMUNITY WATER SYSTEM

The Villages at Highpine Subdivision on Sanford Road in Wells, Maine contains a community water system that serves a maximum of 120 single family residences. This document describes the operation and maintenance required to ensure that the system operates as designed, but it does not replace the specific requirements of individual components, these should be operated and maintained as directed by the individual manufacturers.

Operation

The system was designed by Lewis Engineering, PLLC (Litchfield, NH), an engineering firm with extensive experience designing community water systems. The system consists of supply wells, treatment units, subsurface storage cisterns and a distribution system that includes submersible, VFD supply pumps and controls. The treatment units and controls are contained in a weathertight, heated structure (pumphouse).

Regulatory

The system was permitted by and is regulated by the Maine Department of Health and Human Services (DHHS) Drinking Water Program. The system shall be operated by a Licensed Water Operator under the requirements of the DHHS General Operations permit. Water testing shall be accomplished in accordance with DHHS rules.

Wells

Wells shall be inspected monthly to ensure that covers are secure and that the wellhead area is clear of forest (and other) debris and accessible.

Cisterns

Cisterns shall be inspected monthly to ensure that access points are secure and to verify that no leakage is present.

Pumphouse

The pumphouse shall be inspected monthly to ensure that it is in good condition and weathertight. Electrical and heating systems should be inspected to ensure normal operation.

Pumps

Pumps, including submersible well pumps and submersible VFD supply pumps shall be inspected yearly for proper condition and operation. Individual O&M plans/schedules should be obtained from respective pump manufacturers and kept on file.

Treatment Units

Treatment units shall be inspected monthly to ensure proper operation. Individual O&M plans/schedules should be obtained from respective unit manufacturers and kept on file.

Distribution

The distribution system consists of 8" pvc mains and 1" service lines to each unit, as well as valving, flushing hydrants and blowoff assemblies. The flushing hydrants and blowoff assemblies should be operated at least yearly to ensure proper operation.

Irrigation

The system was designed to accommodate occasional hand-watering of the landscaped areas surrounding units. The system was not designed to accommodate automatic sprinkler systems or larger scale watering of common areas.

Fire Protection

The system was not designed to provide water at fire-fighting pressure/volume levels. The distribution system does not include fire hydrants.

Summary

Periodic maintenance of the community water system is essential to preventing a premature failure of system components and maintain the long life of this capital investment.

OPERATION & MAINTENANCE LOG
VILLAGES AT HIGHPINE
COMMUNITY WATER SYSTEM

Date	Purpose ¹	Maintenance Done ²	By

1. Purpose is the reason for the maintenance event; such as monthly inspection of the pumphouse.
2. Maintenance Done means any maintenance required as a result of the inspection, such as replacement of a pump.

EXHIBIT F. COMMUNITY WASTEWATER SYSTEM

See attached.

EXHIBIT F. COMMUNITY SEPTIC SYSTEM MANAGEMENT

Highpines Village Condominium has a waste disposal system containing several disposal fields. Waste disposal is subject to regulations issued by the Maine Department of Health and Human Services (DHHS). All DHHS required operation, testing and reporting procedures shall be adhered to by the Association.

Operation and maintenance of the septic systems shall be performed by qualified technicians per a service contract with the Association. See attached.

VILLAGES AT HIGHPINE OPERATION AND MAINTANANCE PROGRAM SUBSURFACE WASTEWATER DISPOSAL SYSTEM

The Village at Highpine Subdivision on Sanford Road in Wells, Maine contains a subsurface wastewater disposal system that serves a maximum of up to 120 single family residences. This program describes the operation and maintenance required to ensure that the system operates as designed. This program is a guide to the overall operation and maintenance of the system but it does not replace the specific requirements of individual components, these should be operated and maintained as directed by the individual manufacturers.

Operation

The system is designed to treat a maximum of 32,400 gallons per day (GPD), as required by the State of *Maine Subsurface Wastewater Disposal Rules* (10-144 CMR 241). This peak flow is received from 120, three bedroom dwelling units. Flows in excess of this quantity could cause a premature failure of the system. Excessive flows could be the result of infiltration of the wastewater lines, septic tanks, grease traps, or manhole structures; chambers, either through a break in the line or component or a leak in a cover. The Homeowners Association maintenance staff should ensure that there is no infiltration of the system through a comparison of the project's water usage and the wastewater treated by the system.

Wastewater is treated through individual or shared septic tanks, pretreatment units and conveyance pipes prior to discharge to the wastewater disposal fields.

The system is divided into ten sub-systems that are separately operated and maintained. The sub-systems are not intended to interact with each other.

Pre-Treatment Units

Each sub-system contains a pre-treatment unit manufactured and installed by Advanced Wastewater Solutions. The pre-treatment units require yearly inspection and maintenance by the manufacturer. A separate Operation & Maintenance manual for the pre-treatment units, prepared by the manufacturer, can be provided for review and will be provided to the homeowner's association.

Septic Tanks

Each pod will be served by a single septic tank, containing a volume equal to or greater than 150% of the design flow from the pod. Septic tanks offer the first line of protection of the system by removing solids from the waste stream. These solids are removed through settling in the tank. Septic tanks must be pumped periodically (a minimum of once every two years) to remove the solids that build up in the tank and to prevent these materials from being exported to the wastewater disposal fields. Tanks shall also be inspected to ensure that baffles are properly in place (see Zabel Filter paragraph). The homeowner shall avoid draining or flushing greases (including kitchen grease), paints, chemicals, solvents, "flushable" wipes or other detrimental materials to the tank, which could also cause a failure of downstream components. A dwelling unit with a garbage disposal generates much more solids than a unit without one; therefore, if garbage disposals are used, septic tanks should be pumped more frequently. Large volume discharges into the septic tank or downstream components, such as emptying a hot tub, should be avoided.

Pump Stations

The each sub-system contains one pump station. Each pump station contains two pumps and is considered a "duplex" pump station and pumps effluent to a distribution box, which contains piping to distribute the effluent to the wastewater disposal fields. pump stations shall be inspected monthly to verify satisfactory operation of both pumps and their respective controls and float switches. The chamber shall also be inspected for the build-up of solids in the sump, or bottom, of the chamber.

Zabel Filter

A Zabel Filter is installed at the outlet of each septic tank. The filter is intended to protect the pumps and wastewater disposal fields from solids by removing them prior to discharge to the system. Because solids should never be in the waste stream at the filter, the filter is designed to clog with the accumulation of solids, resulting in a back up of wastewater in the upstream collection system and septic tanks. This is a drastic measure to alert the Owner or the Homeowners Association of a problem. The Zabel Filter and manhole shall be inspected at the time of septic tank pumping, to ensure that the filter media is clean and that there is no build-up of solids. The filter shall be cleaned by using a garden hose to wash off any solids or other materials.

Wastewater Disposal Fields

The wastewater disposal fields shall be inspected monthly to ensure that there is no breakout of effluent along the sideslopes or top of the system mound. The distribution boxes shall be inspected annually to ensure that this component remains in a level condition and has not been disturbed by frost action. An un-level distribution box could result in a non-distributed, or unequal, loading of the wastewater fields.

Manhole Structures

Manhole structures shall be inspected for the build-up of solids in the sump area and for the overall integrity of the structure against cracks and leaks.

Summary

Periodic maintenance of the system is essential to preventing a premature failure of the wastewater disposal fields or the individual components. The prevention of solids and infiltration from the system are two of the most important maintenance items, which will maintain a long system life. The prevention of foreign materials from the system will also maintain the long life of this capital investment.

**OPERATION & MAINTENANCE LOG
VILLAGES AT HIGHPINE
SUBSURFACE WASTEWATER DISPOSAL SYSTEM**

Date	Purpose ¹	Maintenance Done ²	By

1. Purpose is the reason for the maintenance event; such as monthly inspection of pump chamber.
2. Maintenance Done means any maintenance required as a result of the inspection, such as removal of solids.

EXHIBIT G. BYLAWS

See attached.

BYLAWS

HIGHPINES VILLAGE CONDOMINIUM ASSOCIATION

January 17, 2023

Prepared by
Joseph G. Carleton, Jr.
Jensen Baird
Portland, Maine

BYLAWS
HIGHPINES VILLAGE CONDOMINIUM ASSOCIATION

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ARTICLE 1-INTRODUCTORY PROVISIONS.

Section 1.1. Creation.

Highpine Village Condominium Association (the "Association") is organized as a Mutual Benefit Corporation under the Maine Nonprofit Corporation Act, Title 13-B of the Maine Revised Statutes, in connection with the submission of property known as Highpines Village Condominium (the "Condominium") in the Town of Wells, York County, Maine to the Maine Condominium Act.

Capitalized terms not otherwise defined in these Bylaws shall have meanings specified in the Condominium Act or the Declaration.

The term "Property" as used herein shall include the lands, buildings, and all other improvements on them (including the Units, the Common Elements, and all easements, rights, and appurtenances belonging to it) and all other property, real, personal or mixed, intended for use in connection with it, to or governed by the Declaration.

Section 1.2. Purposes.

The Association has two purposes:

1. Establishing an association of Unit Owners for the administration, operation, and maintenance of the Condominium according to the Maine Condominium Act;
2. Maintaining and enforcing the Agreement for Workforce Housing Covenants applying to the Property. The Workforce Housing Covenants are generally administered by the Workforce Housing Consultant, who is referred to as the "Qualified Holder" in these Bylaws.

Section 1.3. Application.

All present and future Unit Owners (after this called "members" or "Unit Owners"), mortgagees, lessees, licensees and occupants of the Units, their employees, guests, invitees, agents and customers, and any other people who may enter upon the Property are subject to these Bylaws and the Rules.

Section 1.4. Powers.

The Association shall have the powers outlined in the Maine Condominium Act and the Maine Nonprofit Corporation Act. By reference, the specific powers in Section 7.2 of the Declaration are incorporated into these Bylaws. The Association acts through its Board of Directors, except as limited in Section 7.3 of the Declaration and these Bylaws.

Section 1.5. Office.

The Association's principal office shall be the location designated by the Directors.

Section 1.6. Interpretation; Inconsistency; Validity.

The Declaration shall govern if it conflicts with the Bylaws or Rules.

The Articles of Incorporation shall govern if it conflicts with these Bylaws.

The validity of any provision of these Bylaws shall be determined by referring to the law in effect when the same was adopted or referring to the Nonprofit Corporation Act's current requirements,

whichever supports its validity. Bylaw provisions valid under the law in existence when they were adopted shall remain in effect, notwithstanding a contrary provision of the Nonprofit Corporation Act, until repealed or amended by the voluntary act of the Association. However, any amendment of it shall be adopted by the procedures set out in the Nonprofit Corporation Act then in effect. The provision, as amended, shall conform to the Act's requirement then in effect.

The rest of these Bylaws shall not be affected if any provision of these Bylaws is found invalid. For this purpose, these Bylaws are declared to be severable.

ARTICLE 2 – MEETINGS OF UNIT OWNERS

Section 2.1. Membership

The members shall consist exclusively of all Unit Owners in the Condominium or, following termination of the Condominium, of all former Unit Owners or their successors entitled to the distribution proceeds. Membership is transferable only as provided in the Declaration or these Bylaws. A Unit Owner's membership ends when the Unit is sold or ownership is transferred. New Owners automatically become Association members. Membership is otherwise non-transferable. A mortgage or creation of a security interest on a Unit does not transfer membership until a foreclosure occurs.

Section 2.2. Annual Meeting.

Each year, the Board of Directors will set a date for the annual meeting of members. The date cannot be more than 13 months after the previous meeting. The annual meeting and any special meetings shall be held at a place designated by the Board in the notice of meeting.

Section 2.3. Special Meetings.

Special meetings of the members may be held upon the President's call, the Board of Directors, or the greater of five Owners or twenty percent (20%) or more of the total votes in the Condominium. Upon receipt of such call, the Secretary shall promptly send out notices of the meeting to all Association members.

Only matters described in the meeting notice may be considered at a special meeting.

Section 2.4. Notice of Meetings.

Written notices of meetings shall be sent at the direction of the President or Secretary at least ten days but at most sixty days before the meeting. However, notice for budget ratification meetings shall be as provided for in Section 1603-103 (c) of the Maine Condominium Act

The notice shall state:

- whether it is an annual meeting or special meeting,
- the authority for the call of the meeting,
- the place and time of the meeting,
- the items on the agenda (including the general nature of any proposed Declaration or bylaw amendment(s), any budget proposal(s) or change(s), and any proposal(s) to remove an officer or Board member.

As required by the Declaration, the Association shall send the notice to every Unit Owner at the address in the Association's records and every Eligible Mortgage Holder:

- By hand delivering it to the Unit Owner or leaving it at the Unit, or
- By mailing it, postage prepaid, addressed to the Unit Owner at the address of the Unit or any other address designated in writing by that Unit Owner with the records of the Association; or
- by email or electronic communication if authorized by the Member.

Providing notice following this Section shall not invalidate the meeting if a Unit Owner does not receive the notice.

There shall be no inclusion of the day of notice in the calculation, but the day on which the act for which the notice is given must be performed shall be counted.

Section 2.5. Waiver of Notice.

The presence of all members, in person, by proxy, or by other legal means, at any meeting shall conclusively establish the meeting's validity unless any member objects at the meeting to noncompliance with this Article. Any meeting held without objection shall be valid for all purposes. The Association may transact any general business at any annual meeting, and members may take any otherwise action the membership has authority to take.

Section 2.5-A. Remote Attendance and Remote Participation.

In its sole discretion, the Board of Directors may adopt guidelines and procedures authorizing Unit Owners who are not physically present at a meeting of members to attend by remote communication. Unit Owners who participate by remote communication may:

- A. Participate in the meeting; and
- B. Be considered present for quorum purposes

Unit Owners who attend by remote communication may vote in matters considered at the meeting only if:

- (1) The Association has put reasonable measures into practice to verify that each person participating remotely is a member or proxy holder of a member;
- (2) The Association has put reasonable measures into practice to provide members or their proxy holders with a reasonable opportunity to participate in the meeting and to vote on matters submitted to the members, including an opportunity to communicate with other members and to read or hear the proceedings of the meeting substantially simultaneously; and
- (3) If any member or proxy holder votes or takes other action at the meeting using remote communication, a record of such vote or other action is maintained by the Association.

Section 2.5-B. Voting by electronic transmission.

The Board of Directors or members may determine that members' votes may be conducted by electronic transmission under procedures established by the Association. A vote conducted by electronic communication has the same effect as an in-person vote or a vote by proxy. If the Board allows electronic voting, it shall adopt procedures that protect the integrity of the vote.

Section 2.6. Order of Business.

The order of business at all meetings of the members shall generally be as follows, if

applicable:

- Roll call.
- Proof of notice of meeting or waiver of notice.
- Reading of minutes of preceding meeting.
- Reports of Officers.
- Report of Board of Directors.
- Report of committees.
- Election of the Board of Directors.
- Unfinished business.
- New business.
- Adjournment

Section 2.7. Quorum.

Quorum is defined as Unit Owners whose aggregate voting interest is three votes or thirty (30) percent of the total votes, whichever is greater, present in person or by proxy at the beginning of any meeting of the Association.

Section 2.8. Adjournment for Lack of Quorum or Other Reasons.

Even if a quorum is not present, members may adjourn a meeting for up to 30 days without further notice if the date, place, and time for the reconvened meeting are announced at the initial meeting. Owners and others entitled to notice of the original meeting must be notified again of any adjournment for more than 30 days. Any business that might have been taken by a quorum at the initial meeting may be transacted at any adjourned meeting where a quorum is present.

Section 2.9. Voting – Meetings of Unit Owners.

Each Unit has the number of votes in the Association as specified in Exhibit B of the Declaration, as it may be amended. The Owner or Owners of each Unit may exercise that voting power under these Bylaws.

Votes cast by a Unit co-owner shall be considered the Unit's vote unless another co-Owner submits a prompt objection. If co-Owners of a Unit disagree, the Unit's vote is determined by a majority of the ownership interests present and voting.

Votes for Units owned by a corporation, limited liability company, trustee, estate, or other entity, cast by a person representing themselves as authorized to act for the entity, shall be counted as cast by the Unit Owner unless a prompt objection is made to their authority.

The affirmative vote of a majority of the voting interests of those present at a quorum meeting shall determine all questions except:

- a. In the election of Directors, the candidates receiving the most votes, even if fewer than a majority, is elected,
- b. For those questions where a greater vote is required by the Declaration, Bylaws, Rules or the Maine Condominium Act, or Maine Nonprofit Corporation Act. In voting on amendments to the Declaration or these Bylaws, the percentage in interest shall be measured against the total voting interest regardless of whether such Unit Owners are present.

c. No votes by the membership concerning matters within the exclusive authority of the Board shall be binding on the Board.

The Declarant may exercise the voting rights of any Unit to which it keeps the title.

No vote connected with a Unit owned by the Association may be cast. Such a Unit's voting interest shall not be considered outstanding in determining a quorum or the percentage of approval needed to act.

There shall be no cumulative voting or splitting of votes.

Section 2.10. Proxies; Balloting by Proxy.

Proxies must be in writing, dated not more than 11 months before the meeting, and must include the Owner's original, facsimile, or electronic signature. A proxy cannot purport to be revocable without notice. An email or electronic message is invalid without electronic verification or a copy of the person's signature giving the proxy.

Section 2.11. Unanimous Action Without Meeting.

If written consents, signed by all members entitled to vote on such action, are filed with the Secretary of the Association, stating the action taken (to the extent not otherwise prohibited by law), any action required or permitted at a meeting of members may be taken without a meeting. Such written consent shall have the same effect as a unanimous vote of the members.

Section 2.12. Rules of Order.

The Unit Owners may adopt and amend Rules of Order not conflicting with these Bylaws or the Declaration to govern its meetings. However, until the Unit Owners adopt their own Rules of Order, the most current edition of Robert's Rules of Order shall govern the Owners' meetings.

ARTICLE 3-BOARD OF DIRECTORS-GENERAL

Section 3.1. Choice by Declarant; Election by Owners.

a. Initial Directors Appointed by Declarant. The Association's affairs shall be governed by a Board of Directors first composed of three (3) Directors appointed by the Declarant, as set out in the Declaration.

b. Initial Election of Directors by Unit Owners after Declarant Control Period Expires. By the end of the Declarant Control Period as defined in the Declaration, the Declarant shall call a meeting of Unit Owners to select five (5) Directors, who shall serve until the next annual meeting of Unit Owners, at which time their terms shall end.

c. Election to Staggered Terms at Next Annual Meeting. At the next annual meeting of Unit Owners following the initial selection of Directors, the terms of all five Directors shall end, and five new members of the Board of Directors shall be elected by Unit Owners. Two of these Directors shall be elected for a term of one (1) year, two shall be elected for a term of two (2) years, and one shall be elected for a term of three (3) years. After the end of the terms, the Directors' terms shall then be three (3) years.

d. Who Can be a Director? A Director may be an occupant of a Unit, or the Owner or the

spouse of a Unit Owner, or if a Unit Owner is a corporation, limited liability company, partnership, trust, or estate, then an officer, director, member, manager, partner, trustee, beneficiary or appointed agent of it. Other people may be Directors, but a majority of Directors are required to be Owners, spouses of Owners, or such agents, under Section 1603-103 (e) of the Maine Condominium Act.

e. How Long to Hold office. The Board of Directors shall hold office from the end of the meeting at which they are elected until the earlier to occur of the election and qualification of their respective successors or their death, adjudication of incompetency, removal, or resignation. Directors may serve an unlimited number of terms and may succeed themselves. No oath of office is required.

f. Nomination of Directors. Directors can be nominated in these ways:

1. Nomination by Nominating Committee. Nomination for election to the Board of Directors, beginning with the first meeting at which Owners are entitled to elect members of the Board, may be made by a Nominating Committee appointed by the Board of Directors. The Nominating Committee shall consist of not more than one Member of the current Board of Directors (who shall not be the President of the Association,) and two other people. The Nominating Committee may recruit and evaluate suitable candidates and make recommendations for membership on the Board.

2. Nomination from the floor at the meeting. Candidates for membership on the Board of Directors may also be made by motion at a Unit Owners' meeting.

g. Conduct of Election. Election to the Board of Directors shall be by written ballot or by electronic voting if authorized by the Directors (including the mail-in ballots) unless the number of nominated candidates for the position does not exceed the number of places to be filled. In such a case, the Directors may be elected as a slate by voice vote or show of hands.

The Board of Directors shall take reasonable steps to verify and assure the fairness of the vote.

Section 3.1-A. Duty to Cooperate with Qualified Holder.

The Board has an affirmative duty to help the Qualified Holder enforce the Agreement for Workforce Housing Covenants.

Section 3.2. Powers and Duties of Directors.

The Board of Directors shall generally act on behalf of the Association. It shall have all powers and duties necessary or appropriate for administering the Association's affairs. Board members also have all the powers outlined in the Declaration, the Bylaws, or otherwise provided for by the Maine Condominium Act or the Maine Nonprofit Corporation Act, as amended, except for those matters explicitly reserved by law, the Declaration, or these Bylaws to the Unit Owners.

However, the Board of Directors shall have no authority over matters within the jurisdiction of the Qualified Holder or other matters subject to the Agreement for Workforce Housing Covenants.

Besides other duties imposed by these Bylaws or by duly adopted resolutions of the Unit Owners of the Association, the Board of Directors shall be responsible for:

- A. Election of the officers of the Association;
- B. Management and administration of the Condominium, the Association's property, and the Common Elements, including the maintenance, repair, and replacement of it;
- C. Subject to the Declaration, the determination and collection of assessments for Common Charges and Special Charges and regulating its fiscal affairs;

D. Establishment of reserves for the maintenance, repair, and replacement of Common Elements and contingencies.

E. Appointment and dismissal of the staff and agents for the maintenance and operation of the Condominium, including without limitation the Common Elements, and to fix the terms of their engagement and their compensation and authority; and

F. Designation of executive and other committees and appointment of committee members to serve at the Board's pleasure.

Section 3.2-A. Powers and Duties of Directors-Workforce Housing Covenants.

The Board of Directors, together with others who may be granted similar authority, shall enforce the Agreement for Workforce Housing Covenants. The Board has the affirmative duty to notify Qualified Holders of any violation of the Covenants that come to its attention.

After providing an Opportunity to be Heard to the Unit Owner, the Directors may levy fines for violating the Agreement for Workforce Housing Covenants. In addition, they may pursue other remedies required by the Workforce Housing Covenants and grant waivers and extensions allowed under them. Penalties may include forfeiture of profits made by Owners resulting from the breach of the Covenants. Any fines assessed shall be enforceable as a lien on the Unit like nonpayment of assessments under the Maine Condominium Act.

Section 3.3. General Standards for Directors;

A Director shall discharge the Director's duties:

- a. In good faith;
- b. With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- c. In a way the Director reasonably believes to be in the best interests of the Association and not for their own personal interest.

In discharging the Director's duties, a Director may rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by one or more officers or employees of the Association or its management company whom the Director reasonably believes to be reliable and competent in the matters presented. A Director may rely on legal counsel or a public accountant or a manager or other person as to issues the Director reasonably believes are within the person's professional or expert competence. A Director may also rely on a committee of the Board of Directors of which the Director is not a member, as to the matters within its jurisdiction, if the Director reasonably believes the committee merits confidence.

Each Director has an affirmative duty to promptly tell the Qualified Holder about any known violation of the Agreement for Workforce Housing Covenants.

Section 3.3A. Conflicts of Interest.

A conflict of interest transaction is a transaction in which a corporation's Director or officer has a direct or indirect financial interest. For this Section, a Director or officer has an indirect interest in a transaction if:

- A. Another entity in which the Director or officer has a material interest or in which the Director or officer is a general partner is a party to the transaction; or
- B. Another entity of which the Director or officer is a director, officer, or trustee is a party to the transaction.

A conflict of interest transaction is not voidable or grounds for imposing liability on a director or officer of a corporation if the transaction was fair when it was entered into, or it receives the affirmative vote of a majority of the Directors on the Board of directors of the Association or on a committee of the Board who have no direct or indirect interest in the transaction. However, a transaction may not be approved under this subsection by a single Director. If a majority of the Directors on the Board who have no direct or indirect interest in the transaction vote to approve the transaction, a quorum is present to act under this Section.

Section 3.4. Committees.

The Board of Directors may create committees to help it in its work and name Unit Owners and others to each committee. Unless the Board or the Declaration specifically delegates power to a committee, the committee shall only act in an advisory role.

Section 3.4-A. Delegation of Powers; Managing Agent.

The Board of Directors may use a managing agent for the Condominium at a compensation established by the Board of Directors. The managing agent shall perform such duties and services as the Board of Directors shall allow, including, but not limited to, the responsibilities in the Act, the Declaration, and these Bylaws. Where a managing agent does not have the power to act under the Act, the Declaration, or these Bylaws, the managing agent may act as an advisor to the Board of Directors. The Board of Directors may delegate to the managing agent the powers granted to the Board of Directors by the Act, the Declaration, and these Bylaws other than these powers:

- a. to adopt an annual budget and any amendment to it or to assess Common Charges ;
- b. to adopt, repeal or amend Rules;
- c. to designate signatories on Association bank accounts;
- d. to borrow money on behalf of the Association;
- e. to acquire mortgages on Units;
- f. to assign Common Elements as Limited Common Elements; and
- g. to nominate candidates for Director

Section 3.5. Appointment and Vacancies.

Until the end of the Declarant Control Period, the Declarant shall appoint replacement Directors in the event of vacancies in the Board of Directors.

After that, a vacancy caused by the end of a Director's term or the end of the Declarant Control Period shall be filled by vote of the Unit Owners.

Otherwise, vacancies in the Board of Directors before the end of a Director's term shall be filled by vote of the other Directors, even though a quorum is lacking. A Director elected to fill a vacancy shall be elected for the predecessor's unexpired term in office.

Section 3.6. Removal of Directors.

At a special meeting called expressly for that purpose, all Directors or any individual Director may be removed, with or without cause, by a vote of Unit Owners. Such removal may be done by the affirmative vote of a majority in Unit Owners' voting interest. If any Directors are removed at such meeting of the Unit Owners, new Directors may be elected at the same meeting without express notice being given of such election.

This Section shall not apply to Directors appointed by the Declarant or a Successor Declarant.

Section 3.7. Compensation; Loans

No compensation shall be paid to Directors for their services as Directors or in any other capacity unless a resolution authorizing such payment shall have been adopted by the members before or after the services are undertaken. The Association shall make no loans to its Directors or officers. Any director or officer who assents to or participates in making any such loan shall be liable to the corporation for such loan until the repayment of it.

Section 3.8. Communication by Owners with Directors and Association Employees and Vendors.

The Board may place reasonable limits on communication from Owners to Directors by Rule, where the Board finds that one or more Owners send frequent rude, excessive, obnoxious, insulting, or repetitive communications to one or more Directors by electronic means. The Board may require that communications to Board members from such individuals be sent by U.S. Mail to a central mailbox, not by electronic means. Such messages sent by electronic means in violation may be automatically deleted without being read and without liability accruing to the Director or the Association.

ARTICLE 3-A. DIRECTORS MEETINGS

Section 3-A.1. Meetings.

After the period of Declarant Control ends, meetings of the Board of Directors shall be conducted in the following manner.

- a. The annual meeting of the Board of Directors shall be held right after the annual meeting of the Association, no further notice shall be necessary in order legally to constitute such meeting.
- b. Regular meetings of the Board of Directors (other than the annual meeting) may be held at such time and place as determined by the Directors.
- c. Special meetings of the Board of Directors may be called by the President or by the Secretary upon written request of a Director, upon three days' notice, except in an emergency, when reasonable notice under the circumstances shall be given.

Section 3-A.2. Notice.

Unless the meeting has been included in a schedule given to the Unit Owners or the meeting has been called in response to an emergency, the Secretary or other person designated by the Board will provide reasonable electronic notice to each Unit Owner who has consented to electronic communication. Notice by other means need not be given to Unit Owners who are not on any electronic notice distribution list. The

notice must be given at least ten days before the meeting and must state the meeting's time, place, and agenda. Any materials distributed to the Board before a meeting must be made reasonably available to Unit Owners at the same time, except that the Board need not provide copies of minutes not approved or materials to be considered in executive session.

Directors may waive notice of Board meetings in writing before or after meetings, and such waiver shall be considered equivalent to giving notice. Directors who go to meetings waive their right to notice of their time and place by attending. No notice shall be required if all the Directors are present at any Board meeting, and any business may be transacted at such meeting.

Section 3-A.3. Quorum.

The presence at the beginning of a meeting of a majority of Directors shall be a quorum for business transactions. The acts of the majority present shall be the acts of the Board. If a quorum is not present at any meeting, the majority of those present may adjourn the meeting. Any business that might have been transacted at the meeting as originally called may be transacted at an adjourned meeting without further notice if a quorum is present at the beginning of the adjourned meeting.

No proxy voting is allowed in meetings of the Board of Directors because Directors' duties are nondelegable.

Section 3-A.4. Rules of Order.

The Board of Directors may adopt and amend Rules of Order not conflicting with these Bylaws or the Declaration to govern its meetings. However, until the Directors adopt their own Rules of Order, the "small board rules" found in the most current edition of Robert's Rules of Order shall govern the Directors' meetings.

Section 3-A.5. Conduct of Meeting; Consents.

The President (or in their absence, a chair pro-tem) shall preside over meetings of the Board of Directors. The Secretary (or designee) shall keep a Minute Book of the Board of Directors meetings, recording all resolutions and other actions taken by the Board. They need not include a summary of discussions made at the meeting.

This Article's requirements, including notice and quorum requirements, may be waived in the circumstances reasonably considered an emergency by those Directors immediately available to decide and act.

A gathering of Board members at which the Board members do not conduct Association business is not a meeting of the Board. The Board and its members may not use incidental or social gatherings of Board members or any other method to evade this Section's open meeting requirements.

Section 3-A.6. Owner Attendance at Board Meetings.

After the date that the Declarant relinquishes the right to name the Board of Directors' members, all meetings of the Board of Directors shall be open for Unit Owners to attend, except for meetings held in executive session. Owners have no right to speak at meetings of the Board except by permission of the presiding officer. The Board may include in its agenda time for Owners to address the Board on matters of concern to them, subject to time and other limits which the Board may establish by Rule.

If the Board of Directors believes all or some of the Unit Owners are, or are likely to disrupt, disorderly, or abusive, or unlikely to keep their remarks reasonably brief, then it may move all or parts of a future meeting, or a meeting already in progress, to a private area to exclude all Unit Owners.

Section 3-A.7. Executive Sessions.

Executive Sessions may be held only during a regular or special meeting, and no vote or action may be taken during an executive session. In addition, an executive session may be held only to:

1. consult with the Association's attorney about legal matters;
 2. discuss existing or potential litigation, mediation, arbitration, or administrative proceedings;
 3. discuss labor or staff matters;
 4. discuss matters relating to contract negotiations, including the review of bids or proposals, if premature general knowledge of those matters would place the Association at a disadvantage; or
 5. prevent public knowledge of the matter to be discussed if the Board or committee determines that public knowledge would violate any person's privacy.
 6. let an Opportunity be Heard before the Board's assessing fines and penalties against a Unit Owner or others unless the Unit Owner requests that the meeting be open to other Unit Owners.
 7. consider candidates to be nominated for Director by the Nominating Committee.
- The Board must come out of executive session to conduct votes.

Section 3-A 8. Board of Directors Quorum/Attendance by Telephone/Internet.

In all meetings of the Board of Directors, a quorum shall consist of at least a majority of Directors then in office at the beginning of the meeting. The acts of the majority of the Directors present shall be the acts of the Board of Directors. If a quorum is not present at any meeting of the Board of Directors, the majority of those present may adjourn the meeting. Any business that might have been transacted at the meeting as originally called may be transacted without further notice at any such adjourned meeting.

Directors may attend a Board meeting via a telephonic or another electronically sent communication if they hear and can be heard by other Directors. However, Directors wishing to participate in this manner shall notify the Secretary reasonably in advance of the meeting. The Association shall reasonably cooperate in arranging such services for Directors at Association expense.

Section 3-A. 9. Unanimous Action.

Unless otherwise provided by law, any action taken at a meeting of the Directors may be taken without a meeting if all of the Directors sign written consents setting forth the action taken or to be taken before or after the intended effective date. Such consent shall be filed with the minutes of Directors' meetings and shall have the same effect as a unanimous vote.

ARTICLE 4 – OFFICERS

Section 4.1. Designation.

The principal officers of the Association shall be a President, a Secretary, and a Treasurer.

Section 4.2. Election of Officers.

The principal officers of the Association shall be elected yearly by the Board of Directors at the annual meeting of Directors. They shall hold office at the pleasure of the Board. They shall serve until their successors are elected. Any person may hold two offices simultaneously, except that the President shall hold no other office.

Section 4.3. Duties.

The duties of the officers shall be:

The President shall be the chief executive officer of the Association and shall be a Director. He shall preside at all meetings of the Association and of the Executive Board. Meetings may be presided over by a chairperson pro tempore if the chairperson is absent. In addition, the President shall have the powers and duties incidental to the office of President of a Maine business corporation.

The Secretary shall have responsibility for the minutes of all meetings of the Board of Directors and the Association (but may delegate the act of keeping minutes). The Secretary shall give all notices as provided by these Bylaws and shall have other powers and duties as may be incidental to the offices of Secretary, given them by these Bylaws or assigned to them by the Directors. Whenever the Secretary, assistant Secretary, or their designee is not present at a meeting, the presiding officer shall appoint a Secretary pro tempore to keep and record the meeting minutes. The Secretary shall file all reports and documents required to be filed by the Association with any governmental agency.

The Treasurer shall keep financial records and accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible, subject to the direction of the Board of Directors, for the preparation and dissemination to the Unit Owners of all financial reports, budgets, and notices required and for the preparation and signing of all financial statements or tax returns required to be filed by the Association. The Treasurer shall have the powers and duties incidental to the Treasurer's office of a Maine business corporation.

Section 4.4. Auditor.

The Board of Directors shall appoint some person, firm, or corporation engaged in the auditing business to act as the Association's auditor and perform such audits and fiscal duties as requested by the Association at reasonable compensation set by the Board.

Section 4.5. General standards for officers.

An officer with discretionary authority shall discharge that officer's duties under that authority:

- a. In good faith;
- b. With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- c. In a way the officer reasonably believes to be in the best interests of the Association and its members and not for the officer's own personal interest.

Section 4.6. Resignation and Removal.

Any Officer may be removed, either with or without cause, by a majority vote of the Board of Directors at any regular or special meeting of the Board of Directors. In addition, any officer may resign their office by a resignation in writing delivered to the Association at its principal office or to the President or Secretary. Such resignation shall be effective upon receipt, and acceptance shall not be necessary to make it effective unless it so states.

Section 4.7. Certification of Amendments to the Declaration and Bylaws.

On behalf of the Association, the President shall certify amendments required under the Maine Condominium Act or the Declaration or Bylaws to be recorded in the York County Registry of Deeds.

Section 4.8. Compensation of Secretary and Treasurer.

The Secretary and the Treasurer of the Association may be compensated for their duties in an amount determined by the Board of Directors. Any current Secretary or Treasurer who is a member of the Board of Directors shall be subject to the conflict of interest provisions of these bylaws in voting for compensation for themselves.

ARTICLE 5 – FINANCIAL, BUDGETARY; RECORDS

Section 5.1 Accounting.

Members shall receive a statement of income, disbursements, and a balance sheet as of the close of each fiscal year within ninety (90) days after the close of the fiscal year. The Association may send this statement to those Unit Owners whose email address is on the email distribution list. It shall send the statement to others by U.S. mail, postage prepaid.

Section 5.2. Budget Preparation by the Board of Directors.

The Board of Directors shall determine the fiscal year of the Association.

The Association shall adopt an annual budget for the fiscal year. The budget shall provide for the establishment and maintenance of adequate working capital and reserves, including without limitation general operating and working capital reserves, reserves for contingencies, losses not covered due to insurance deductibles for which the Association is responsible, and reserves for periodic maintenance, repair and replacement of the Common Elements and Limited Common Elements the Association must maintain, and all estimated expenses it incurs in connection with the Agreement for Workforce Housing Covenants, all to be held in a segregated fund in an account insured by the United States government or an agency of it. In addition, each budget shall include an estimate of Special Charges.

The budget shall provide for periodic funding that:

- a. assures a stable income stream over the past two years with decreases of no more than 15 percent;
- b. covers the cost of insurance coverage and deductibles;
- c. provides for a reserve fund, maintained in a separate account from the Association's operating account, funded with 10 percent of the aggregate of 12 months of Unit assessments, unless a lower amount is considered sufficient, based on a reserve study conducted in compliance with secondary mortgage market requirements.

d. covers the estimated cost of services rendered under the Agreement for Workforce Housing Covenants.

Section 5.2-A. Reserve Studies.

The Board shall periodically conduct a Reserve Study complying with requirements of secondary mortgage market organizations providing loans to a substantial number of Owners. The Reserve Study must be prepared by an independent third party that has demonstrated knowledge of and experience in completing reserve studies.

Section 5.2-B. Budget Ratification by Unit Owners.

Within 30 days after adopting an annual or any other proposed budget or budget revision for the Condominium, the Board of Directors shall provide notice of a meeting to members to consider ratification of the budget not less than ten or more than 30 days after the mailing of the summary.

Unless a majority of all the voting interests in the Association reject a budget, the budget is ratified, regardless of whether a quorum is present. Unit Owners may express their views on the budget at the meeting but cannot change it, it must either be ratified or rejected. If any proposed budget is rejected, the periodic budget last ratified by the Unit Owners shall be continued until the Unit Owners ratify a subsequent budget proposed by the Board of Directors.

Section 5.3. Powers of the Board Regarding Expenditures.

The Board of Directors shall have the power to spend funds and incur expenses out of the reserves even if not outlined in the budget.

At the end of a fiscal year, any surplus funds of the Association remaining after payment of or provision for all Common Charges and any prepayment of reserves for future Common Charges shall be applied to the reserve fund.

For budgeting and working capital purposes, the Board of Directors may charge Unit Owners regularly in advance for Special Charges based on its reasonable estimate of it, subject, however, to such periodic reconciliation as the Board considers appropriate. At the Board of Directors' election, the expense of capital improvements, major repairs, or renovations may be assessed as a Common or a Special Charge.

Section 5.4. Revised, Emergency, and Special Assessments.

a. Revised Assessments. If at any time the Board shall determine the budget to be inadequate, the Board may adopt and deliver to the Unit Owners a revised estimated annual budget for the balance of such fiscal year, which can be paid only for by revised assessments for the rest of the fiscal year. Unit Owners must ratify the revised budget in the same manner as the annual budget.

b. Emergency Assessments. The Board may, upon determining circumstances that require an immediate assessment of the Owners due to an emergency, make special assessments not to exceed an amount equal to two (2) months of the current monthly Common Charges.

c. Special Assessments. With the approval of a majority in interest (over 50%) of Unit Owners, the Board may adopt a Special Assessment. The Board may specify details of payment of the Special Assessment, including options for lump-sum payment, interest rates, and further information as the Board considers necessary.

The Special Assessment shall be binding and shall be automatically included as a part of all future annual budgets of the Association while remaining outstanding. Each Unit Owner and any successor in

interest to the current Unit Owner(s) shall be personally responsible for the balance due of the Special Assessments. The Special Assessment shall be a lien on the Unit until paid in full by that Unit. A Special Assessment may be prepaid in full at any time with no penalty.

Upon the sale of a Unit, the Special Assessment's unpaid balance shall become due in full unless the Board of Directors otherwise approves at its discretion.

If the Association has obtained a loan secured by a Special Assessment, then any principal and interest received under the Special Assessment shall be applied to the balance due on such loan, and the payments due on such loan shall be funded first from the Special Assessment and not from general Common Charges against the Unit Owners.

If any installment of the Special Assessment is not paid when due, the Board of Directors, upon thirty (30) days written notice of default and Opportunity to cure, may declare the entire balance of the Special Assessment due in full. When this happens, the entire balance shall, after that, bear interest at a rate equal to 18% per year. Payment may be enforced following the Maine Condominium Act, these Bylaws, and the Declaration.

Section 5.5. Borrowing and Pledge.

The Board of Directors shall have the power to borrow and to pledge, assign and grant a security interest covering all Association revenues and assets, including assessments for Common Charges and Special Charges, including Common Charges and Special Charges to raise funds to repair, renovate, improve, and incur associated costs and expenses related to the Common Elements. Exercising such power is subject to approving a majority in percentage interest vote required by the Condominium Act.

Section 5.6. Accounts; Compilations.

a. Funds; Accounts. Sums collected by the Board of Directors shall be kept in separate operating and reserve accounts according to generally accepted practices and following FHA requirements.

b. Accepted accounting practices are required. All books and records of the Association shall be kept following good and generally accepted accounting practices.

c. Annual verification is required. Association accounts shall be verified at least once yearly by an independent accountant retained by the Board of Directors.

d. Financial statements furnished to mortgagees. The Association shall make a financial statement for the preceding fiscal year available to any holder, insurer, or guarantor of a first Mortgage secured by any Unit who submits a written request for it to the Association.

e. The Association management company cannot draw checks on or transfer funds from the reserve account of the Condominium Association without approving the Association.

Section 5.7. Statement of Common Charges; Resale Certificates; Transfer Certificates.

When requested in writing, the Board of Directors shall promptly provide any Unit Owner, contract purchaser, or proposed Mortgagee with a written statement of all unpaid assessments for Common Charges and Special Charges due from such Unit Owner. The Board of Directors may impose a reasonable charge for preparing such a statement as a Special Charge to cover its preparation cost.

A prospective grantee of a Unit may obtain a Resale Certificate from the Association setting forth the then outstanding unpaid Common Charges and Special Charges against the Unit and other items required by the Condominium Act, upon payment of such fee as established by the Board of Directors. The Association does not have to update the information in such a statement subsequently. The grantee shall not be liable for, and the Unit conveyed shall not be subject to a lien for any unpaid amounts due from the grantor before the statement date more than the amount outlined in the statement as of its effective date except interest, late fees, and costs of collection accruing after that.

The Resale Certificate shall have, in addition to information required by the Maine Condominium Act, a statement of any known violation of the Agreement for Workforce Housing Covenants and any outstanding sums due for their violation.

The Resale Certificate shall also have the following language in prominent type:

NO UNIT MAY BE TRANSFERRED WITHOUT OBTAINING A DULY AUTHORIZED TRANSFER CERTIFICATE. THE TRANSFER CERTIFICATE MUST BE RECORDED IN THE YORK COUNTY REGISTRY OF DEEDS CONTEMPORANEOUSLY WITH THE DEED. PURPORTED TRANSFERS OF UNITS WITHOUT A TRANSFER CERTIFICATE ARE VOID.

Section 5.8. Surplus.

Unless otherwise decided by the Board of Directors, any amounts accumulated from assessments for Common Charges that are greater than what is needed to pay Common Charges and reserve shall be held by the Association and applied to reduce the amounts to be raised from assessments the following year.

Section 5.9. Signatures on Checks or Other Documents; Two Signatures Required.

All checks, drafts, notes, vouchers, bonds, acceptances, contracts, deeds, certificates, and all other instruments, except meeting notices and correspondence, shall require two signatures. One signature shall be the President, Secretary, or Treasurer. The different signature may be another officer, Director, agent, manager, or employee, all as the Board of Directors may designate, unless the Board establishes a different requirement by unanimous vote. The Board may exempt this requirement for checks in a dollar amount below a threshold set by the Board.

Section 5.10. Recordkeeping Requirements; Inspection by Unit Owners.

The Maine Condominium Act requires the recordkeeping requirements listed below.

A. Books and accounts of the Association and income tax returns shall be kept under the Treasurer's direction and following customary accounting principles and practices. Unit Owners may receive a statement of income and disbursements for the prior fiscal year as well as a balance sheet within ninety (90) days after the close of each fiscal year

B. Under the Maine Condominium Act, the Association must retain these records:

- (1) Records of receipts and expenditures affecting the operation and administration of the Association and other appropriate accounting records for the past six (6) years;
- (2) All meetings of the Unit Owners and the Board of Directors, except executive sessions, as well as all actions taken by the Unit Owners or Board of Directors without a meeting, and all actions taken by a committee on behalf of the Association in lieu of the Board of Directors;

- (3) The names of current Unit Owners in a form that permits the preparation of a list of the names of all Unit Owners and the U.S. Postal Service addresses at which the Association communicates with them, in alphabetical order showing the number of votes each Unit Owner is entitled to cast, but email addresses may be furnished only if the Unit Owner has expressly consented to the disclosure of such records;
- (4) Copies of its original or restated organizational documents and bylaws and all amendments to them and all Rules currently in effect;
- (5) All financial statements and tax returns of the Association for a minimum of the past three (3) years;
- (6) A list of the names and U.S. Postal Service addresses of persons serving on the current Board of Directors and its current officers;
- (7) The Association's most recent annual report delivered to the Secretary of State;
- (8) Financial and other records sufficiently detailed to enable the Association to comply with Section 1604-108 of the Maine Condominium Act;
- (9) Copies of current contracts to which the Association is a party;
- (10) Records of Board of Directors or committee actions to approve or deny any requests for design or architectural approval from Unit Owners; and
- (11) Ballots, proxies, and other records related to voting by Unit Owners for one (1) year after the election, action, or vote to which they relate.

C. To the extent required by the Maine Condominium Act, all records retained by the Association must be accessible for examination and copying by a Unit Owner or the Unit Owner's duly authorized agent during reasonable business hours or at a mutually convenient time and place; and upon ten days' written notice identifying the specific records of the Association requested.

Provided, however, that records retained by the Association may be withheld from inspection and copying to the extent that they concern:

- A. Personnel, salary, and medical records relating to specific individuals;
- B. Contracts, leases, and other commercial transactions to purchase or provide goods or services currently being negotiated;
- C. Existing or potential litigation or mediation, arbitration, or administrative proceedings;
- D. Existing or potential matters involving federal, state, or local administrative or other formal proceedings before a governmental tribunal for enforcement of the Declaration, Bylaws, or Rules and Regulations;
- E. Communications with the Association's attorney that are otherwise protected by the attorney-client privilege or the attorney work-product doctrine;
- F. Information the disclosure of which would violate any governmental law or regulation other than the Maine Condominium Act;
- G. Records of an executive session of the Board of Directors; or
- H. Individual Unit files other than those of the requesting Unit Owner.

The Association may charge a reasonable fee for locating and providing copies of records under this Section and supervising the Unit Owner's inspection. However, the Association is not obligated to compile or synthesize information.

The right to copy records under this Section includes receiving copies by photocopying or other means, including copies through electronic transmission if available upon request by the Unit Owner. However, the Association may require the advance payment of a reasonable fee.

Information and records provided under this Section may be used only in connection with the Association's management and the duties, rights, or responsibilities of Unit Owners, officers, or Board members under this Act or the Association's governing documents. They may not be used for commercial purposes or any other purpose not reasonably related to authorized uses. The recipient may have to confirm in advance that the records and information received will be used in compliance with these restrictions.

ARTICLE 6 – COLLECTION; ENFORCEMENT

This Article applies to collecting assessments and remedies for violating the Declaration, Workforce Covenants, Bylaws, and Rules.

Section 6.1. The duty to Pay Assessments and Fines

Each Unit Owner shall pay on a due date set by the Board all Common Charges and Special Charges, Special Assessments, Interest on unpaid Assessments, Fines (including fines assessed for violation of the Agreement for Workforce Housing Covenants.), Late Charges, and collection costs, including attorney's fees and revised Common Charges due on account for that Unit.

If unpaid for fifteen (15) days after the due date, such sums shall bear interest at eighteen percent (18%) per annum from the due date until paid. At the Directors' sole discretion, an additional assessment may be charged for any payment not received when due. The initial late charge shall be \$25.00 per assessment. The Board of Directors may increase this amount at its discretion.

Multiple Unit Owners shall be jointly and severally liable for all sums due under this Section. This means the Association may collect the entire amount owing from any Owner.

No Unit Owner may exempt themselves from liability for sums due to the Association by waiving the enjoyment of the right to use any Common Elements or by the Unit's abandonment.

Unit Owners' payments to the Association shall first be applied to late charges, interest, attorneys, fees, and the amounts due, in that order.

All amounts levied against each Unit shall be each Owner's liability so assessed.

Section 6.1-A. Violation of Workforce Housing Covenants.

Violation of the Agreement for Workforce Housing Covenants is also a violation of the Declaration, subjecting Owners to the same penalties as failure to pay assessments and fines.

Provided, however, that the lien and other remedies available to the Association under the Declaration and these Bylaws shall be extinguished automatically and permanently on a Unit when a Permitted Mortgagee (as defined in the Agreement for Workforce Housing Covenants) exercises its rights to foreclose, accept a deed in lieu of foreclosure, or other remedies found in Article 9 of the Agreement for Workforce Housing Covenants.

Section 6.2. No Setoff or Deduction.

Owners cannot withhold payment of Common Charges or Special Charges because of claims the Owners may have against the Association.

Section 6.3. Automatic Lien

Sums due from a Unit Owner to the Association create an automatic lien against the Unit for six years or any extended period authorized by the Maine Condominium Act. The lien is not affected by the transfer of title to the Unit to others, except that it is automatically extinguished upon a Permitted Mortgagees action under Article 9 of the Agreement for Workforce Housing Covenants. The Board may approve a notice of the lien to be recorded in the York County Registry of Deeds. The lien may be foreclosed like a mortgage, resulting in the Unit's sale.

Section 6.4. Attorneys' Fees

Any attorney's fees incurred by the Association in connection with the collection of amounts due to the Association for unpaid assessments and fines, including advice regarding collections, preparation, and filing of lien notices, services relating to hearings before the Board relating to the Opportunity to be Heard, and other enforcement actions for violation of the Declaration, Bylaws or Rules, or the Workforce Housing Covenants shall be the duty of the Unit Owner to pay. The amounts due are a lien on the Unit, whether or not formal legal action is started. Any attorney's fees incurred by the Association in connection with alleged violations by Unit Owners, including advice regarding collection options, the Opportunity to be Heard, hearings before the Board, fines, and enforcement, shall also be the duty of the Unit Owner to pay.

Section 6.5. Remedies Available to the Board

For nonpayment of any sums due to the Association or violation of the Declaration, Bylaws, Rules, or the Agreement for Workforce Housing Covenants, the Board has these remedies.

a. Fines for violation of the Declaration, Bylaws, or Rules. The Board may determine that each day is a separate violation. The Board may provide for increased penalties for repeat violations. It may establish a schedule of fines by Rule. Before pursuing this remedy, the Board must give the Owner Notice and an Opportunity to be Heard under Section 6.6 of these Bylaws.

b. Suspension of rights or privileges for violation of Declaration, Bylaws, or Rules or nonpayment of sums due to the Association. Privileges that may be suspended may include, without limitation, parking in the Common Elements (other than any Limited Common Elements assigned to the Unit), the use of amenities and use of the Common Elements, the right to vote, and the right to hold office in the Association. However, the Association may not deny a means of access to the Unit or withhold services provided to a Unit or a Unit Owner by the Association if the effect of withholding the service would endanger the health, safety, or property of any person. Before pursuing this remedy, the Board must give the Owner Notice and an Opportunity to be Heard under Section 6.6 of these Bylaws.

c. The right to sue to recover a money judgment for unpaid assessments, interest, fines, penalties, and collection costs. This may be maintained against the Unit Owner without foreclosing or waiving the lien securing such assessments. Foreclosure may be maintained, notwithstanding the pendency of any suit to recover a money judgment.

d. The right to foreclose in like manner as a mortgage on real estate as provided in the Condominium Act. In any action brought by the Association to foreclose a lien on a Unit because of

unpaid Common Charges, the Owner shall pay a reasonable rental for his Unit, and the plaintiff may appoint a receiver to collect the rent.

e. If otherwise allowed under Maine law, the right of possession under Forcible Entry and Detainer laws, including the right to appoint a receiver to rent the Unit, collect proceeds, and remit proceeds to the Association in payment of current and past due assessments;

f. To summarily remove vehicles parked in non-designated areas, including parking of unauthorized vehicles, and remedy conditions that threaten health and safety.

g. The right of reasonable inspection of Units to ensure compliance with the Declaration, Bylaws, and Rules.

h. Any other means presently or hereafter provided by law or in equity.

Exercising any one remedy shall not prevent the exercise of other remedies provided by law, the Condominium Act, the Declaration, or in the Bylaws.

Section 6.6. Due Process in Enforcement, Opportunity to be Heard; Collection of Assessments and Fines.

The Opportunity to be Heard may be conducted as set out below.

a. The Board shall send notice to the alleged violator by certified mail, return receipt requested, containing a description, in reasonable detail, of the suspected violation and the place, date, and time of a meeting at which the Board will consider the matter. A notice of ten (10) days shall be considered reasonable. The Board shall allow the meeting to be postponed to another date upon a reasonable request before the scheduled meeting.

b. The meeting shall be held in executive session unless the alleged violator requests an open meeting. The meeting shall be conducted by the Board or a committee appointed by the Board. The alleged violator and his representatives may attend and explain their position in person or by conference call. In addition, the Board may invite other interested parties to participate in the meeting. The Opportunity to be Heard is not a court proceeding, and the legal rules of evidence do not apply.

c. After hearing from the alleged violator, the Board may dismiss all parties except members of the Board and consider the matter. It shall come from the executive session before deciding what action to take. In writing, it shall notify the alleged violator of its conclusions and reasoning.

The Board may still act if the alleged violator does not attend the meeting at which the alleged violation is discussed since it has allowed the alleged violator to be heard.

Section 6.7. Discretion in Enforcement.

The Board may determine whether to exercise the Association's power to impose fines and sanctions and pursue legal action for violations of the Declaration, Bylaws, and Rules, or Workforce Housing Covenants, including whether to compromise any claim for unpaid assessments or other claims made by or against it. The Board does not have a duty to take enforcement action if it determines that, under the facts and circumstances presented:

a. the Association's legal position does not justify taking any further enforcement action,

b. the covenant, restriction, or Rule being enforced is, or is likely to be construed as, inconsistent with current law;

- c. although a violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify spending the Association's resources; or
- d. it is not in the Association's best interests to pursue an enforcement action.

The Board's decision not to pursue enforcement under one set of circumstances does not prevent the Board from taking enforcement action under other circumstances, except the Board may not be arbitrary or capricious in taking enforcement action.

Section 6.7-A Dispute Resolution.

Except for disputes about unpaid Common Charges and Special Charges, disputes between Unit Owners and between Unit Owners and the Association shall first be mediated to reach a fair and acceptable resolution at the earliest possible stage of the process.

1. Unless considered destined to be unsuccessful, the Board may require a period of direct negotiation between the parties, either in person or in writing, to see if they can agree.

2. If direct negotiation fails, the parties shall mediate the dispute using a mediator, the cost of which is evenly divided.

3. If mediation fails, the parties shall arbitrate their dispute before one or more neutral third parties, including lawyers or retired judges, or trained arbitrators. The arbitration shall occur where both parties state their position without witnesses, documentary evidence, or legal representation. If this is impossible, the Rules of the Maine Arbitration Act shall apply.

This Section 6.7-A shall not apply to disputes about determinations made by the Qualified Holder under the Agreement for Workforce Housing Covenants.

ARTICLE 6-A – RULES

a. Authority to adopt rules. Directors have the authority to adopt and amend Rules about behavior in and use of the Common Elements and limited authority to adopt and amend Rules about behavior and use within Units, as set out elsewhere in the Declaration and these Bylaws, which complement, amplify, or clarify such behavior or use restrictions.

The Board may not enact Rules which contravene the Maine Condominium Act, the Declaration of Condominium, the Bylaws, the Agreement for Workforce Housing Covenants, the Maine Nonprofit Corporation Act, or other state or federal law.

b. Adoption of Guidelines. The Board may adopt guidelines, carrying no penalties for violation, instead of Rules, in appropriate cases.

c. Procedure for Adopting Rules. Before adopting, amending, or repealing any Rule, the Board of Directors must give reasonable notice by U.S. mail or electronic transmission of:

1. its intention to adopt, amend, or repeal a Rule and provide the text of the Rule or the proposed change; and

2. a date on which the Board will act on the proposed Rule or amendment after considering comments on those changes from Unit Owners.

3. following the adoption, amendment, or repeal of a Rule, the Association shall notify the Unit Owners by Email notice and provide a copy of any new or revised Rule.

d. Schedule of Fines. The Board may adopt Rules specifying a schedule of fines for particular violations of the Rules, the Declaration, or the Bylaws.

e. Limitations on Rules.

- 1.A Rule regulating the display of the United States flag must follow federal law.
- 1-B. A Rule regulating the display of political signs must follow state and local law.
2. The Association may adopt rules that affect the use of or behavior in Units, only to:
 - a) implement a provision of the Declaration;
 - b) regulate any behavior in or occupancy of a Unit which violates the Declaration or adversely affects the use and enjoyment of other Units or the Common Elements by other Unit Owners; or
 - c) restrict the leasing of Units to the extent set out in the Declaration.
3. Otherwise, the Association may regulate no use of or behavior in Units.
4. The Association's internal business operating procedures need not be adopted as Rules.
5. The Association may enact no Rule limiting the authority of the Qualified Holder.
5. Every Rule must be reasonable.

f. Repeal by Unit Owners. Any Rule adopted by the Board of Directors may be repealed by a majority vote of all Unit Owners (not just those who vote) at a meeting of Unit Owners, at which the question of repeal is on the agenda.

ARTICLE 7 – INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 7.1 Exculpation.

No Director or Officer of the Association shall be liable for acts or defaults of himself or any other officer or member or any loss sustained by the Association or any member thereof unless the same has resulted from his willful misconduct or gross negligence.

Section 7.2 Indemnification.

The Association shall indemnify any person who was or is threatened to be made a party against any actual, threatened, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, because of he being or was an officer, Director, member of a committee appointed by the Board, agent or employee of the Association against all expenses including reasonable counsel fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection therewith, excepting, however, such matters in which such person is finally adjudged by a court of competent jurisdiction to have acted with willful misconduct or gross negligence towards the Association or (absent a final adjudication of it) excepting such matters in which the Board of Directors (excluding any interested Director) determines any such person acted with willful misconduct or gross negligence. This right to indemnification shall be in addition to any other power of the Association to indemnify as permitted by law. The Association may also maintain insurance on behalf of any person who is or was a Director, Officer, committee member, agent, or employee of the Association against any liability asserted against him and incurred by him in such capacity or arising out of his status whether or not the Association would otherwise have the power or duty to indemnify him.

Section 7.3 Claims.

The Board of directors of the Association shall promptly notify the Unit Owners, the Eligible Mortgage Holders, and the Mortgagees of Units of any claims filed against the Association, the Board of

Directors, its officers, employees, or agents in their respective capacities or the Condominium. The Association shall defend against such complaints. The Unit Owners shall have no right to participate in such defense other than through the Association.

ARTICLE 8 – AMENDMENTS OF THE BYLAWS.

Amendments to the Bylaws are governed by Section 9.4 of the Declaration, whose provisions are incorporated by reference.

These Bylaws and any amendments must be recorded in the York County Registry of Deeds and are effective only when recorded.

ARTICLE 9–GENERAL PROVISIONS; DISPUTE RESOLUTION; NOTICE

Article 10 of the Declaration is incorporated into these Bylaws by reference.