THE WOODLANDS AT PARKMAN BROOK CONDOMINIUM

1ST AMENDED BYLAWS

ARTICLE I

PLAN OF UNIT OWNERSHIP

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

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

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

4. Office. The principal office of the Condominium and of the Board of Directors shall be located at 21 Manchester Street, Merrimack, New Hampshire or at such other place as may be designated from tune to time by the Board of Directors.

ARTICLE II

THE WOODLANDS AT PARKMAN BROOK CONDOMINIUM ASSOCIATION

1. Composition. All of the Owners, acting as a group in accordance with the Condominium Act, the Declaration and these Bylaws, shall constitute " The Woodlands at Parkman Brook Condominium Association" or the "Association", which shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the assessments for Common Expenses, arranging for the management of the Condominium, and performing all of the acts that may be required to be performed by the Association by the Condominium Act. Except as to those matters which the Act, the Declaration or these Bylaws specifically require to be performed by the vote of the Owners, the administration of the Condominium shall be performed by the Board of Directors (as more particularly set forth in Article III).

2. Voting. Each completed Lot shall be entitled to an equal vote proportionate to the Total Number of Lots in the Declaration. Because an Owner may be more than one person, if only one of such persons is present at a meeting of the Association, that person shall be entitled to cast the vote appertaining to that Lot. But if more than one of such persons is present, the vote appertaining to that Lot shall be cast only in accordance with the agreement of a majority of them, and such consent shall be conclusively presumed if any one of them purports to cast the vote appertaining to that Lot without protest being made forthwith by any of the others to the person presiding over the meeting. As applied to a person which is not a natural person, the word "person" shall be deemed for the purposes of this Section to include, without limitation, any one natural person having authority to execute deeds on behalf of such person which is not a natural person and which is, either alone or in conjunction with another person or persons, an Owner. Except where a greater number is required by the Condominium Act, the Declaration, or these Bylaws, a majority of the votes of Owners present in person or by proxy, in good standing and entitled to vote, is required to adopt decisions at any meeting of the Association at which there is a quorum present. If the Declarant owns or holds title to one or more Lots on which a Dwelling has been substantially completed, the Declarant shall have the right to declare such Lot to be a completed Lot for purposes of this Bylaw whereupon Declarant shall be deemed to be a Lot Owner with respect to such Lot subject to and benefited by the obligations and rights which appertain to all other Lot Owners, including the right, at any meeting of the Association, to cast the vote to which such Lot is entitled.

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

4. Annual Meeting. The first annual meeting of the Association shall be held on a date to be determined by the Declarant, which date shall be within one (1) year after the formation of the Association by the recordation of the Declaration at the Registry of Deeds. Notice of such meeting shall be given in accordance with the provisions of Section 6 of this Article II. Thereafter, the annual meetings of the Association shall be held on the same date of each succeeding year, or on such other date within a thirty (30) day period prior to or subsequent to such date (so long as such a meeting is held at least once each calendar year), as may be

designated by the Board of Directors and reflected in the said notice. At such annual meetings, the Board of Directors shall be elected by ballot of the owners in accordance with the requirements of Section 4 of Article III. The foregoing notwithstanding, until five (5) years after the recordation of the Declaration or until Lots representing three-fourths of the Percentage Interests appertaining to Thirty Eight (38) Lots have been legally conveyed by the Declarant, or until Declarant relinquishes the right to so elect, whichever first occurs (the "Transition Date"), the Declarant shall be entitled to elect a majority of the members of the Board of Directors. The Association may transact such other business as may properly come before it at such meetings.

5. Special Meetings. It shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Clerk by Owners having not less than 30% of the votes of all Owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

6. Notice of Meeting. It shall be the duty of the Clerk to mail, by United States mail, a notice of each annual meeting or special meeting of the Owners, at least twenty-one (21) days in advance of an annual meeting, and at least seven (7) days in advance of a special meeting, except as provided in Article III, Section 11, stating the purpose thereof as well as the time and place where it is to be held, to each Owner of record, at the address of their respective Lots or at such other address as each Owner may have designated by notice in writing to the Clerk. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

7. Voting Requirements. An Owner shall be deemed to be in good standing and entitled to vote at any annual meeting or at any special meeting of the Association if, and only if, he shall have fully paid all assessments made or levied and due against him and his Lot by the Board of Directors as hereinafter provided, together with all interest, costs, attorneys' fees, penalties and other expenses, if any, properly chargeable to him and against his Lot, at least three (3) days prior to the date fixed for such annual or special meeting.

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

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

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

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

ARTICLE III

BOARD OF DIRECTORS

1. Powers and Responsibilities. The affairs and business of the Condominium shall be managed by a Board of Directors (sometimes herein referred to as the "Board") which shall have all of the powers and responsibilities necessary for the administration of the affairs of the Condominium and may do all such acts and things as are by the Condominium Act or by these Bylaws directed to be exercised and done exclusively by the Association. The Board of Directors shall elect one of its members to serve as Chair of the Board. The Board may delegate to the Chair the authority to act on behalf of the Board on all matters which might arise between meetings of the Board. In addition to the general duties imposed by these Bylaws, the Board shall have the power to perform, and shall be responsible for, the following:

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

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

(c) Providing for the operation, management, repair, replacement and maintenance of all of the Common Area

(d) Designating, hiring, supervising and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the Common Area and those portions of the Lots for which the maintenance, operation, repair and replacement has been assumed by the Association, and where appropriate, providing for the compensation of such personnel and for the purchase or use of equipment, supplies and material to be used by such personnel in the performance of their duties;

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

(f) Obtaining and carrying insurance against casualty and liability, as provided in Article VI of these Bylaws, and paying the premium cost thereof and making, or contracting for the making of, repairs, additions, and improvements to, or alterations of, the Condominium, in accordance with the other provisions of these Bylaws;

(g) Opening bank accounts on behalf of the Association and designating signatories required therefore, and keeping books with detailed accounts of the receipts and expenditures affecting the Property and the administration of the Condominium. The said books shall be available for examination by the Owners, and their duly authorized agents, at reasonable times and places. All books and records shall be kept in accordance with generally accepted accounting practices. Following the completion of the first full fiscal year of the Association and following each fiscal year thereafter, the Board shall arrange for the preparation of audited financial statements for the Association which statements shall be made available within 120 days of the Association's fiscal year-end, upon written request delivered to the Clerk, of any Owner and any holder, insurer, or guarantor of any first mortgage secured by a Lot;

(h) The Board shall have the irrevocable power as attorney-in-fact on behalf of all of the Owners, their heirs, successors and assigns to do the following things:

(i) To execute easements through the Common Area benefiting the Condominium or any portion thereof;

(ii) To negotiate, settle and litigate, including execution of any

necessary documents, any proceeding by any governmental authority to condemn all or any portion of the Common Area, any dispute concerning the location of the boundaries of Common Area, disputes concerning title to all or any portion of the Common Area and any other dispute which affects the Common Area;

(iii) To execute any documents necessary to encumber all or any portion of the Common Area to secure any borrowing, provided that such borrowing is authorized pursuant to Article V, Section 7 or Article VII, Section 2(b) hereof; and

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

2. Managing Agent. The Board may employ, or contract with, a professional manager or management firm ("Manager") for a fee or compensation established by the Board, to

perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 1 of this Article III. The Board may delegate to the Manager all of the powers granted to the Board by these Bylaws, provided that any actions by the Manager with respect to the powers set forth in paragraphs (b) through (h) of Section 1 of this Article HI shall require the written consent of the Board. The term of any employment contract for a Manager may not exceed two (2) years, and any such employment contract shall provide, inter alia, that such agreement may be terminated without cause upon no more than 90 days written notice and without payment of a termination fee. Notwithstanding the above, no contract entered into with a Manager prior to the Transition Date defined in Section 4 of Article II hereof, shall be binding following such Transition Date unless such contract is then renewed or ratified by the Association by a majority vote of the Owners.

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

3. Number of Directors and Initial Selection of Board. The Board shall be composed of three (3) persons. The Board shall elect one of its members to serve as Chair of the Board, which member shall serve as Chair at the pleasure of the Board. Until the election of the Board takes place at the first annual meeting of the Association as provided in Section 4 of Article II, the Board shall consist entirely of such persons as are designated by the Declarant. Thereafter, until the Transition Date, a majority of the members of the Board shall be designated by the Declarant. The Declarant shall have the right in its sole discretion to replace such Directors as may be so selected and designated by it, and to select and designate their successors. The Declarant may relinquish its rights hereunder at any time. Directors, except for those designated by Declarant, shall consist only of Owners or spouses of owners, or, where a Person who is an Owner is not a natural person, any natural person having authority to execute deeds on behalf of such Person.

4. Election and Term of Office. Subject to Declarant's rights to select Directors prior to the Transition Date as set forth herein, at the first annual meeting of the Association, three Directors shall be elected. The term of office of one Director shall be fixed at one year, the term of one other Director shall be fixed at two years and the term of office of one Director shall be fixed at three years. Prior to the Transition Date the Declarant may select which positions shall be subject to designation by Declarant and which positions shall be filled by election as provided herein. Subject to Declarant's right to designate set forth herein, at the expiration of the initial term of office of each respective Director, each successor shall be elected at subsequent annual meetings of the Association to serve a term of three (3) years. Each Director shall hold office until its respective successor has been elected and attends its first meeting.

5. Organization Meeting. The first meeting of the members of the Board following

the annual meeting of the Association shall be held immediately after, and at the same place as, such annual meeting, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the whole Board shall be present there at.

6. Regular Meetings. Regular meetings of the Board may be held without call or notice at such time and place as shall be determined, from time to time, by unanimous consent of the Directors. Notice of regular meetings of the Board shall be given to each Director, personally or by first class mail, postage prepaid, at least ten (10) business days prior to the day named for such meeting provided that no notice shall be required for a regular meeting held immediately after and at the same place as, the annual meeting of the Association. At least two (2) such meetings shall be held during each twelve (12) month period after the annual meeting of the Association, one of which may be the meeting held immediately following such annual meeting.

7. Special Meetings. Special meetings of the Board may be called by the President on five (5) business days notice to each Director. Such notice shall be given personally or by first class mail, postage prepaid and such notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President in like manner and on like notice on the written request of at least two (2) Directors.

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

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

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

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

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

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

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

15. Fidelity Bonds. The Board may require that all Directors, officers, agents (including the Manager), employees and volunteers of the Association handling or responsible for handling iunds belonging to, or administered by, the Association, furnish adequate fidelity bonds. The premiums on such bonds shall constitute a Common Expense. The amounts of such bonds shall equal or exceed the funds in the custody of the Association but in no event shall the amount of the bonds be less than the total of three months assessment against all Lots plus reserve funds. The fidelity bonds required hereunder shall meet all other requirements of the Federal National Mortgage Association pertinent to fidelity bonds for condominium officers, directors, trustees and employees of the Association.

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

17. Liability of the Board of Directors. The members of the Board shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct, bad faith or actions contrary to the provisions of the Declaration or these Bylaws. The Owners shall indemnify and hold harmless each of the Directors from and

against (i) all contract or negligence liability to others arising out of contracts made by, and action taken or omitted by, the Board on behalf of the Owners unless any such contract or action shall have been made, taken or omitted in bad faith or due to willful misconduct or contrary to the provisions of the Declaration or of these Bylaws, and (ii) against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement incurred by such Director in connection with any threatened, pending or completed action, suit or proceeding unless he acted in bad faith or was guilty of willful misconduct or acted contrary to the provisions of the Declaration or these Bylaws. It is intended that the members of the Board shall have no personal liability (except as Owners) with respect to any contract made or action taken or omitted by them on behalf of the Owners, unless made, taken or omitted in bad faith, due to willful misconduct or contrary to such provisions. It is also intended that, except with respect to Directors guilty of willful misconduct or bad faith or actions which are contrary to the provisions of the Declaration or these Bylaws, each owner's share of the total liability arising out of any contract, action or omission made by the Board or out of the aforesaid indemnity in favor of the members' of the Board shall be limited to such proportion of such total liability as his Percentage Interest bears to the Percentage Interests of all of the Owners. Every written agreement made by the Board or by the Manager on behalf of the owners shall, if obtainable, provide that the members of the Board or the Manager, as the case may be, are acting only as agents for the Owners and shall have no personal liability thereunder (except as Owners), and that each Owner's liability, thereunder shall be limited to such proportion of the total liability thereunder as his Percentage Interest bears to the Percentage Interests of all Owners.

ARTICLE IV

OFFICERS

1. Designation. The principal officers of the Association shall be a President, a Clerk, and a Treasurer, all of whom shall be elected by the Board. The Board may appoint such other officers as in its judgment may be necessary. With the exception of the President, no officer need be a member of the Board. The offices of Treasurer and Clerk may be held by the same person but shall not be held by held by the person serving as President.

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

3. Removal of Officers. The officers shall hold office until their respective successors are chosen and qualify to serve in their offices. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the Board, and his

successor may be elected at any meeting of the Board.

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

5. Clerk. The Clerk shall attend all meetings of the Board and all meetings of the Association, shall record the minutes of all proceedings in the record book of the Association and shall perform like duties for committees when required. He shall keep the record book current and in his custody. He shall give, or cause to be given, notice of all meetings of the Association, special meetings of the Board and meetings of the committees and shall perform such other duties as may be prescribed by the Board or President. The Clerk shall compile and keep current at the principal office of the Association, (i) a complete list of the Owners and their last known mailing address, (ii) a complete list of names and addresses of Lot mortgagees, together with conformed copies of mortgages, filed pursuant to Section 7.1 of the Declaration, and (iii) copies of the Condominium Instruments. These lists and Condominium Instruments shall be open to inspection by all owners and other persons lawfully entitled to inspect the same at reasonable hours during regular business days.

6. Treasurer. The Treasurer shall have the custody of all funds and securities that are not under the control of the Directors or Manager, and with the assistance of the Directors or Manager, shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall deposit all money and other valuable effects in such depositories as may be designated by the Board. Such records shall include, without limitation, chronological listings of all assessments and Common Expenses on account of the Common Area and each Lot and the amounts paid and the amounts due on such assessments by each Owner. He shall disburse funds as ordered by the Board, where possible taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the Association. Owners shall have the right to examine the hooks of the Association at reasonable times and places.

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

8. Compensation of Officers. No officer shall receive any compensation from the Association for acting as officer, unless voted by the owners at an annual or special meeting.

ARTICLE V

OPERATION OF THE PROPERTY 1.

Determination of Common Expenses and Assessments Against Owners.

(a) Fiscal Year. The fiscal year of the Association shall consist of the twelve (12) month period commencing on January 1 of each year and terminating on December 31 of the same year, except that the first fiscal year shall begin at the date of organization and terminate on the next succeeding December 31. The fiscal year herein established shall be subject to change by the Board of Directors should the Board in its sole discretion deem such change to be in the best interest of the Association.

(b) Preparation and Approval of Budget. Each year the Board shall adopt a budget for the Condominium containing an estimate of the total amount which it considers necessary during the ensuing fiscal year for the cost of maintenance, management, repair and replacement of the Common Area and any parts of the Lots as to which it is the responsibility of the Board to maintain, repair and replace, including the cost of compensation, materials, insurance premiums, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, the Declaration, these Bylaws or the Association. Such budget shall also include such reasonable reserves as the Board considers necessary to provide a general operating reserve, and reserves for contingencies and replacements. The Board shall make reasonable efforts to send each Owner a copy of the budget, in a reasonably itemized form which sets forth the amount of the Common Expenses payable by each Owner, at least fifteen (15) days in advance of the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each Owner's assessment for the Common Expenses of the Condominium.

(c) Assessment and Payment of Common Expenses. The total amount of the estimated funds set forth in the budget for the fiscal year adopted by the Board shall be assessed against each owner of a completed Lot, in proportion to his Percentage Interest, and shall be a lien against each owner's Lot in accordance with the Condominium Act. However, Declarant shall not be charged or obligated to pay any assessment or reserves for Lots that do not contain a completed Dwelling for any month for which an assessment shall be made. If Declarant shall allow any such Lot to be occupied prior to sale, Declarant shall be charged the regular assessment for that Lot. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven (11) months in such fiscal year, each Owner shall be obligated to pay to the Association one-twelfth (l/12th) of the assessment for such fiscal year made pursuant to the foregoing provisions. Within 60 days after the end of each fiscal year, the Board shall supply to all Owners an accounting consisting of an itemized income and expense statement for the fiscal year just ended. Any amount accumulated in excess of actual expenses and budgeted reserves shall, in the discretion of the Board, either be rebated to the Owners in accordance with each owner's Percentage Interest by crediting same to the next successive monthly installments due from Owners under the then current fiscal year's budget, until exhausted, or shall be added to reserves. Any net shortage shall, if the Board deems it advisable, be added to the installments due in the succeeding six (6) months after the rendering of the accounting, according to each owner's Percentage Interest.

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

(e) Initial Assessment. When the members of the first Board take office, they shall determine the budget, as defined in this Section, for the period commencing upon the recordation of the Declaration at the Registry and ending on the last day of the fiscal year in which their election occurs. Assessments shall be levied against the owners during said period as provided in subsection (c) of this Section.

(f) Effect or Failure to Prepare or Adopt Budget. The failure or delay of the Board to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release of an Owner's obligation to pay his allocable share of the Common Expenses as herein provided, whenever the same shall be determined. In the absence of any annual budget or adjusted budget, each Owner shall continue to pay the monthly charge at the then existing monthly rate established for the previous fiscal period until ten (10) days after a statement has been mailed or delivered showing the monthly payment which is due under the new annual or adjusted budget.

(g) Initial Working Capital Fund. A working capital fund shall be established for the initial months of the Condominium equal to at least a two months estimated Common Expense charge for each Lot created in the Condominium registration. Each Lot's share shall be collected at the close of the sale of such Lot and shall maintained in a segregated account by the Association for the use and benefit of the Association. Amounts paid into this fund shall not be considered as advance payments of regular assessments. This fund shall be used to meet unforeseen expenditures or to purchase any additional equipment or services but may not be used by the Declarant to defray any of its expenses, reserve contributions or construction costs or to make up any budget deficits prior to the Transition Date. When unsold Lots are sold, the Declarant may reimburse itself at the closing of such Lot for funds it previously paid into the fund for such Lot's share of the fund.

2. Paymentof Common Expenses. All Owners of completed Lots shall be obligated to pay the Common Expenses assessed by the Board pursuant to the provisions of Section 1 of this Article V. No owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Area or by abandonment of his Lot. No Owner shall be liable for the payment of any part of the Common Expenses assessed against his Lot after a sale, transfer or other conveyance by him of such Lot. A person acquiring a Lot shall be jointly and severally liable with the transferring Owner for all unpaid assessments against the latter for Common Expenses up to the time of the conveyance, without prejudice to the acquiring Owner's right to recover from the transferring Owner the amounts paid by the acquirer therefore; subject, however, to the provisions of Section 3 of this Article V relative to recordable statements of unpaid assessments and subject to the provisions of Section 7.3 of the Declaration relative to first mortgagees.

3. Recordable Statement of Unpaid Assessment. Any such acquiring Owner or transferring Owner shall be entitled to a recordable statement of the Board or the Manager setting forth the amount of the unpaid assessments against the transferring Owner and such acquiring Owner shall not be liable for, nor shall the Lot conveyed be subject to a lien for, any unpaid assessments in excess of the amount therein set forth. Failure to furnish such a statement, in the manner in which notices are provided pursuant to Section 1 of Article XI, within seven (7) days from receipt of such a request by the Board or Manager, shall extinguish the lien for unpaid assessments. Payment of a fee not exceeding the maximum allowable under the Condominium Act may be required as a prerequisite for issuance of such a statement.

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

5. Uncollectible Assessments. Any assessments which are not collectible due to a waiver or limitation imposed by the provisions of Section 3 above or due to the provisions of Section 7.3 of the Declaration relative to first mortgagees shall be collectible from all Owners, including the purchaser or first mortgagee, in proportion to their respective Percentage Interests.

6. Maintenance and Repair.

(a) By the Board. The Board shall be responsible for the maintenance obligations specified in Section 3.8 of the Declaration.

(b) By the Owner. Each Owner shall be responsible for the maintenance obligations specified in Section 3.8 of the Declaration.

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

7. Additions. Alterations or Improvements by the Board. Whenever in the judgment of the Board the Common Area shall require additions, alterations or improvements costing in excess of $10,000 during any period of twelve (12) consecutive months, and the making of such additions, alterations or improvements shall have been approved by a Majority of the Owners, the Board shall proceed with such additions, alterations, or improvements and shall assess all Owners for the cost thereof as a Common Expense. Any additions, alterations or improvements costing $10,000 or less during any period of twelve (12) consecutive months may be made by the Board without approval of the Owners and the cost thereof shall constitute part of the Common Expenses. The Board may, if it deems it appropriate, borrow funds for these purposes and encumber the Common Area to secure such borrowing. Notwithstanding the foregoing, if, in the opinion of not less than two-thirds of the members of the Board, such additions, alterations or improvements are exclusively or substantially exclusively for the benefit of a limited number of Owners requesting the same, such requesting Owners shall be assessed therefore in such proportion as they jointly approve or, if they are unable to agree thereon, in such proportions as may be determined by the Board.

8. Additions. Alterations, or Improvements by Owners. No Owner shall make any structural addition, alteration or improvement in or to his Lot or Limited Common Area appurtenant to his Lot except in compliance with Section 3.11 of the Declaration. The Board shall be obligated to answer any written request by an Owner for approval of such proposed structural addition, alteration or improvement or such external change within thirty (30) days after such request, and its failure to do so within the stipulated time shall constitute a consent by the Board to the proposed addition, alteration, improvement or change. If any application to any governmental authority for a permit to make any such structural addition, alteration or improvement in or to any Lot or Limited Common Area requires execution by the Association, and provided consent has been given by the Board, then the application shall be executed on behalf of the Association by the Board only, without, however, incurring any liability on the part of the Board, or any of them to anyone on account of such addition, alteration or improvement.

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

(a) No awnings, antennas, flags, screens, sun shades or covers, air conditioning equipment, fans, advertisements, signs or posters of any kind shall be affixed to the exterior of a building or otherwise placed, posted in or on the Property so as to be visible from the outside of a Lot except as authorized by the Board. The Board shall not unreasonably withhold permission to place "for sale" signs within Lots. The restriction shall not apply to advertisements, signs or posters utilized by the Declarant, or its agents, in selling or renting the Lots.

(b) No clothing, laundry, rugs, or other unsightly objects shall be hung from any window or exterior portion of a Lot or otherwise left or placed in such a way as to be exposed to public view.

(c) Two common household pets per Lot may be kept or maintained on the Property with the consent of the Board. No other animals shall be kept or maintained on the Property, nor shall common household pets be kept, bred or maintained for commercial purposes on the Property. Dogs shall not be permitted outside of Lots unless they are on a leash accompanied by an adult person. The person controlling such pet shall be responsible for cleaning all droppings of such pet. The Board of Directors may make further provisions in the Rules for the control and regulation of household pets in the Condominium. The Owner of a Lot where a pet is kept or maintained shall be responsible and may be assessed by the Board of Directors for all damages to the Property resulting from the maintenance of said pet, and any costs incurred by the Association in enforcing the Rules prescribed by the Board for the control and regulation of pets in the Condominium and each such Owner shall indemnify and hold the Board and the Association harmless against such loss or liability resulting from said pet. The Owner of a Lot where a pet is kept or maintained may install an "invisible fence" (one in which all wires are underground and all controls are within the Dwelling) within such Owner's Lot.

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

(e) No owner, tenant or guest shall allow the installation of wiring for electrical or telephone use, television antenna, air conditioning unit or other machine or equipment, which protrudes through the perimeter walls or the roof of a Dwelling or is otherwise visible on the exterior of a building except as presently installed or as authorized by the Board.

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

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

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

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

(j) Owners shall not be entitled to maintain any vehicles within the Condominium except as provided herein. Owners may maintain non-commercial registered vehicles, including automobiles and pickup trucks (not to exceed 3/4 tons), only within the paved driveway and parking areas situated within such Owner's Lot boundaries or Limited Common Areas. Owners may also maintain such commercial vehicles as are kept within a garage within the Owner's Lot boundaries. No service, repairs or other maintenance shall be performed upon any such automobiles or trucks within the Common Area or Limited Common Area. No motorbikes, motorcycles, minibikes or snowmobiles shall be operated within the Condominium, except that a motorcycle may be driven directly to an Owner's Lot from off Premises. No motorbikes, minibikes, snowmobiles, motorized boats, trailers, campers or all-terrain vehicles shall be parked or allowed to remain within the Condominium except in a garage within a Lot.

(k) Owners shall be entitled to rent or lease their Lot. The Board may adopt Rules, subject to Section 3.4 of the Declaration and pursuant to Article V, Section 11, to govern the leasing of Lots, including Rules requiring prior approval of prospective tenants by the Board of Directors and deposits to pay the cost of any damage caused to the Condominium.

(1) Without the consent of the Board, no Lot shall be occupied by more than six (6) persons, or by more than four (4) persons who are not related by blood, marriage or legal adoption to some other occupant of said Lot.

All authorizations required of the Board by this Section 9 shall be in writing signed by the Board and shall be upon such terms, conditions and limitations as the Board deems advisable.

10. Right of Access. A right of access shall exist to each Lot and to the Dwelling

located therein in favor of the Board or the Manager, or any other person authorized by the Board for the purpose of making inspections or for the purpose of correcting any condition originating in his Lot or Dwelling and threatening another Lot or Common Area, or for the purpose of performing such installation, maintenance and repair as the Association is obligated to perform under Section 3.8 of the Declaration, provided that requests for entry into a Dwelling are made in advance and that any such entry is at a time reasonably convenient to the Owner. In case of any emergency, such right of entry shall be immediate whether the Owner is present at the time or not.

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

ARTICLE VI

INSURANCE

1. Insurance Required. Pursuant to Section 43 of the Condominium Act, the Board shall obtain (i) a master casualty policy affording fire and extended coverage in an amount equal to the full replacement value of any Common Area structures within the Condominium, specifically excluding the Dwellings; (ii) a master liability policy covering the Association, the Board, the Manager and agents or employees of the foregoing with respect to the Condominium, and all owners and other persons entitled to occupy any portion of the Condominium (nothing herein shall be deemed to require that the Board obtain what is commonly known as "officers' and directors' liability" insurance coverage), and (iii) such other policies as are specified hereinbelow, which insurance shall be governed by the following provisions to the extent obtainable or possible.

(a) Public liability insurance in such amounts as the Board may from time to time determine, but in no event shall the limits of liability be less than $1,000,000 for bodily injury and property damage per occurrence, insuring the Association and all individuals referred to in Section 1 above, against any liability to anyone, and with cross liability coverage with respect to liability claims of any one insured thereunder against any other insured thereunder. This insurance, however, shall not insure against individual liability for negligence occurring within a Dwelling or within the Limited Common Area, if any, to which a Lot Owner has exclusive use.

(b) Workmen's compensation insurance as required by law.

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

2. General Insurance Provisions.

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

(b) The Board shall make every effort to see that all policies of physical damage insurance provided for under Section 1 above (i) shall contain waivers of subrogation by the insurer as to claims against the Association, its employees and agents, members of the Board, Owners and guests, tenants, licensees and employees and members of the family of any Owner who reside with said Owner, except in cases of arson and fraud, (ii) shall contain a waiver of defense of invalidity or prejudice on account of the conduct of any of the Owners over which the Association has "no control", (iii) shall contain a waiver of defense of invalidity or prejudice by failure of the insured, or Owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the insured, or owners collectively, have no control, (iv) shall provide that such policies may not be cancelled, jeopardized or substantially modified without at least thirty (30) days written notice to all of the insureds thereunder and all mortgagees of Lots in the Condominium, (v) shall provide that in no event shall the insurance under said policies be brought into contribution with insurance purchased individually by owners or their mortgagees and (vi) shall exclude policies obtained by individual owners from consideration under any "no other insurance" clause.

3. Individual Policies. Each Owner shall obtain at his own expense fire insurance with standard extended coverage endorsement, vandalism, malicious mischief endorsements insuring such Owner's Dwelling including, without limitation, all exterior and such portions of the interior of such Dwellings as are for insurance purposes normally deemed to constitute part of the building and customarily covered by such insurance, such as heating and air conditioning and other service machinery, interior walls, all finished wall surfaces, ceiling and floor surfaces including any wall to wall floor coverings, bathroom and kitchen cabinets and fixtures, including appliances which are affixed to the buildings, and heating and lighting fixtures, such insurance to be in an amount at least equal to the replacement value of the Dwelling and to be payable to the Owner and its mortgagees as their respective interests may appear.

4. Notice to Lot Owners. Excepting such policies as are obtained on behalf of the Association prior to the conveyance of the first Lot in the Condominium, when any policy of

insurance has been obtained on behalf of the Association, written notice of the obtainment thereof and of any subsequent changes therein or in such initial policies, or termination thereof shall be promptly furnished to each Owner by the Clerk of the Association. Such notice shall be sent to all Owners of record at the address of their respective Lots and to such other addresses as any of them may have designated to the Clerk; or such notice may be hand-delivered by the Clerk or Manager.

ARTICLE VII

REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY

1. When Repair and Reconstruction are Required. Subject to the provisions of Section 3.9 of the Declaration, in the event of damage to or destruction of all or part of any Common Area buildings in the Condominium, as a result of fire or other casualty, the Board shall arrange for and supervise the prompt repair and restoration of the damaged or destroyed portion of such buildings.

2. Procedure for Reconstruction and Repair.

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

(b) If the proceeds of insurance, paid to the Board as trustee for the Owners and their mortgagees are not sufficient to defray the said costs of reconstruction and repair, assessments in sufficient amounts to provide payment of such costs shall be made against the Owners in proportion to their respective Percentage Interests. If all or any portion of such assessments are not available to the Board prior to the time that the amounts thereof are needed to provide payment of such costs, the Board may borrow such amounts, on behalf of the Association, and may secure such borrowing by assignment of the liens relative thereto arising pursuant to Section 2 of Article XII of these Bylaws.

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

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

3. Disbursements of Construction Funds.

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

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

(c) It shall be presumed that the first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds; and if there is a balance in the construction fund after the payment of all of the cost of the reconstruction and repair for which the fund is established, such balance shall first be applied to any borrowing pursuant to Section 2(b) of this Article VII, and the remainder, if any, shall be distributed to the owners to repay them for assessments, if any pursuant to said Section 2 (b). Otherwise, any remainder shall be added to the reserve for contingencies and replacements of Common Area.

ARTICLE VIII

SALES, LEASES, AND ALIENATION OF LOTS

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

The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area by the Condominium, and the granting of easements and dedication of certain Common Area as described in the Declaration or these Bylaws shall not be deemed a transfer within the meaning of this section.

All leases or rental agreements for any Lot shall be in writing and shall specify that such agreement and the parties' use of the Lot thereunder shall be subject to the Condominium Instruments.

2. Payment of Assessments. No Owner shall be permitted to convey, mortgage, sell, lease, give, or devise his Lot unless and until he (or his personal representative) shall have paid in full to the Board of Directors all unpaid Common Expenses theretofore assessed by the Board with respect to his Lot, and shall have satisfied all unpaid liens with respect to his Lot, except liens of mortgage. Where this provision is satisfied at the time of execution of a mortgage, there shall be no requirement that it again be satisfied at the time of a subsequent foreclosure of such mortgage, or deed in lieu of such foreclosure. In the event that the Lot is subject to an outstanding assessment previously levied against such Lot, and the acquiring Owner or the transferring Owner requests a recordable statement pursuant to Section 3 of Article V, the statement shall expressly state any waiver of, or failure or refusal to exercise, the right of the Association to prevent the disposition of such Lot, in any case where such waiver, failure or refusal may exist. Failure or refusal to furnish such a statement as provided in said Section 3 shall not only constitute a waiver of such assessment, but also make the above-mentioned prohibition inapplicable to any such disposition of the Lot. Any such statement given by the Board shall be binding on the Association, the Board and every Owner. Payment of a fee not exceeding the maximum amount allowable under the Act may be required as a prerequisite to the issuance of such statement.

ARTICLE IX

AMENDMENT TO BYLAWS

1. Amendments. Except as otherwise provided in the Condominium Act, the Declaration and herein, these Bylaws may be modified or amended by the procedure, and subject to the limitations, set forth in Paragraphs 6 and 7 of the Declaration; provided, however, that (a) Section 4 of Article II hereof, and Section 3 of Article III hereof, insofar as they relate to the selection of members of the Board of Directors by the Declarant, (b) Section 2 of Article II, insofar as it provides that the Declarant, so long as it is the owner of one or more Lots, may vote the votes appurtenant thereto, and (c) this Section 1 of Article IX, may not be amended without the consent in writing of the Declarant, so long as the Declarant shall be an Owner. Furthermore, notwithstanding the foregoing, so long as the Declarant is the owner of one or more Lots, no amendment to the Bylaws or Rules may be adopted which could interfere with the construction, display, sale, lease or other disposition of such Lot or Lots.

ARTICLE X

MORTGAGES

1. Notice of Default. The Board shall give written notice to an Owner of any default by the Owner in the performance of any obligations under the Act, Declaration or Bylaws. No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to the Declaration or these Bylaws except after ten days written notice to the holder of the first mortgage on the Lot which is the subject matter of such suit or proceeding, provided that the Board has been given notice of such mortgage in the manner set forth in Section 7.1 of the Declaration.

ARTICLE XI

NOTICE

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

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

ARTICLE XII

COMPLIANCE AND DEFAULT

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

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

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

(c) Costs and Attorneys' Fees. In any proceeding arising out of any alleged default by an Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorneys' fees as may be determined by the court.

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

(e) Interest. In the event of a default by any Owner which continues for a period in excess of fifteen (15) days, such Owner shall be obligated to pay interest in the amounts due at the highest rate permitted by law, or at 18%, whichever is less, per annum from the due date thereof. In addition, the Board of Directors shall have the authority to impose a late payment charge on such defaulting Owners of $20, or six cents per dollar on any amount so overdue, whichever is greater.

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

2. Lien for Assessments.

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

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

(c) The lien for assessments shall include interest, late charge, costs and attorneys fees as provided in Section 1 of this Article XII and may be foreclosed in the manner provided by the laws of the State of New Hampshire for the foreclosure of power of sale mortgages or by suit brought in the name of the Board, acting on behalf of the Association. During the pendency of such proceedings or suit the Owner shall be required to pay a reasonable rental for the Lot for any period prior to sale pursuant to any judgment or order of any court having jurisdiction over such sale.

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

ARTICLE XIII

COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

1. Compliance. These Bylaws are set forth in compliance with the requirements of the Condominium Act.

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

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

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

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

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