Return to: Sweeney & Sweeney, PC 6 Manchester Street Nashua, New Hampshire 03064

Re-State Declaration of Condominium 6 Spruce Lane Condominiums

This Declaration, is made this ______ day of June, 2020, by Capri Realty and Management, LLC, a limited liability company established under the laws of the State of New Hampshire, having a mailing address of 52 Colby Road, Danville, New Hampshire, being the sole owners of all of the property subject to said Declaration hereby submits the land and improvements herein described and located at 6 Spruce Lane, Town of Kingston, County of Rockingham, State of New Hampshire to the condominium form of ownership and use in the manner provided New Hampshire Revised Statues Annotated, Chapter 356-B, The Condominium Act as follows:

- 1. The above named parties (herein collectively referred to as the "Declarant") are the sole owners of land and buildings as they currently exist and are described herein and the improvements thereon by virtue of a deed dated May 23, 2019 and recorded in the Rockingham County Registry of Deeds at Book 6002, Page 548.
- 2. The Condominium shall be a two (2) unit condominium and shall now be called 6 Spruce Lane Condominiums.

I. DEFINITION IN ACCORDANCE WITH N.H. RSA 356-B:3

- 1. <u>Association</u> means the Association of Unit Owners of Units A & B, inclusuive. This term does not mean the Declarant, except to the extent of the Declarants' reserved right to exercise the powers of the Board of Directors of the Association, pursuant to the By-Laws and, in such case, only to the extent of such reservation.
- 2. <u>Board of Directors means an executive and administrative entity</u>, by whatever name denominated, designated in the condominium instruments as the governing body of the Unit Owners' Association.

- 3. <u>By-Laws</u> means the By-Laws of the Unit Owners' Association providing for the self-governing of the Condominium attached to this Declaration as Appendix A, as amended from time to time.
- 4. <u>Common Area</u> means all the portions of the Condominium other than the Units, including the walls and all plumbing or waste disposal facilities serving more than one Unit, except to the extent such facilities are within a Unit, also including the driveway and walkway. The well and leaching field and their associated systems, as constructed on the property, shall also specifically be deemed as common area for purposes of use, maintanance, repair and replacement.
- 5. <u>Limited Common Area</u> As depicted on a certain plan entitled "6 Spruce Lane Condominium Plan", dated ______ and drawn by James M Lavelle Associates and recorded in the Rockingham County Registry of Deeds as Plan No______, as well as any entrance or egress servicing each unit so long as said access or egress does not serve more than one unit, whether depicted as such on above referenced plan or not, and any parking area designated on said plan to be parking for a particular unit.
- 6. <u>Common Expenses</u> mean and include:
 - (a) Expenses of administration, maintenance, operation, repair or replacement of the Common Area and facilities;
 - (b) Expenses lawfully made or incurred by or on behalf of the Condominium Association together with all funds lawfully assessed for the creation and/or maintenance of reserves pursuant to the provisions of this Declaration or other Condominium instruments;
 - (c) Expenses declared Common Expenses by the provisions of this Declaration or the By-Laws of the Association; and
 - (d) Any valid charge against the Condominium as a whole.
- 7. <u>Future Common Expenses</u> means common expenses for which assessments are not yet due and payable.
- 8. <u>Unit</u> shall mean a portion of the condominium designed and intended for individual ownership and use and shall consist of everything from the outside sheathing of the walls to the interior of the unit, including but not limited to all plumbing and electrical services a particular unit and not in common with any other unit.

9. <u>Utility Services</u> shall include services as that term is used in The Condominium Act and shall be treated as Common Facilities only when they are "central services" as contemplated by the Condominium Act.

II. DESCRIPTION OF THE LAND ON WHICH THE BUILDING AND IMPROVEMENTS ARE LOCATED REQUIRED BY THE NH RSA 356-B:16-I(C)

The Units are located in the Town of Kingston, Rockingham County, New Hampshire within the area known as 6 Spruce Lane. Said land is more particularly described as shown on a certain plan entitled "6 Spruce Lane Condominium Plan", dated ______ and drawn by James M Lavelle Associates and recorded in the Rockingham County Registry of Deeds as Plan No

III. DESCRIPTION OF THE BUILDING, NUMBER OF STORIES, NUMBER OF UNITS, AND THE PRINCIPAL MATERIALS OF WHICH THEY ARE CONSTRUCTED AS REQUIRED BY NH RSA 356-B:16-I(D)

The Condominium consists of one, two story wood frame buildings with basement, concrete foundation and attic containing two Units lettered A & B. The building and Units have been constructed as of the date of this Declaration. The location of said Buildings is so shown on the Site Plans referenced above. There is a detached garage on the premise which shall be considered part of Unit B.

IV. DESCRIPTION AND LOCATION AND BOUNDARIES OF EACH UNIT AS REQUIRED BY NH RSA 356-13:16-I(d), (e) and (g)

- 1. Description/Location: The Condominium Units and the designations, locations, approximate areas, number of rooms, immediately accessible Common Area, and other description specifications thereof are set forth in Exhibit A attached hereto and as shown on the Floor Plans filed at the Rockingham County Registry of Deeds as Plan No. ______.
- 2. Boundaries The boundaries of each Unit shall include that part of all of the buildings containing the Unit which lies within the following:
 - (a) Horizontal Boundaries the horizontal boundaries of each Unit shall be:
 - 1. Lower Boundary The upper surface of the concrete slab in the basement if any exists.

- 2. Upper Boundary The plane of the unfinished surface of the highest ceiling within such Unit.
- (b) Vertical Boundaries The vertical boundaries of each Unit shall be:
 - 1. Interior walls The plane of the unfinished exterior surface the wall between Units.
 - 2. Exterior walls The entire surface of the exterior walls.
 - 3. Doors, windows, and frames The entire entrance door, the entire surface of the glass, and the entire window frame and door frame.

3. <u>Units – Floor Plans.</u> As provided in NH RSA 356-18:20(11), a set of floor plans for the buildings are filed with the Rockingham County Registry of Deeds as Plan No. ______. Such Floor Plans should be referred to and read with the provisions of this Article IV.

Each Unit shall include portions of the buildings within its boundaries as described herein and the space enclosed by said boundaries, and Common Area described in Article V herein, which may be located therein. The building shall be portioned down the dividing walls of the Units. The Owner of each Unit shall be responsible for repair of the interior and exterior of their respective Units. The Owner of the Unit shall be deemed to own such finished interior and exterior surfaces, the interior and exterior walls and partitions which are contained in said Owner's Unit, and shall also be deemed to own the window glass in his or her Unit, the entrance doors, window frames, (to the unfinished interior surface thereof; and doors connecting his or her Unit with the Limited Common Area reserved for his or her Unit, if any, and the sinks and other plumbing facilities, and any appliances that may be located in his or her Unit and serving solely his or her Unit.

The Owner of a Unit shall be deemed not to own any pipes, wires, cables, chutes, flues, thimbles, conduits, public utility lines, ventilation, or other ducts, bearing walls, bearing columns or structural portions of the building running through said Unit which are utilized for or serve more than one Unit or serve any portion of the Common Area, which items are by those presents hereby made a part of the Common Area. Nor shall such boundaries include any decks, stairs, or stairways leading thereto, which service more than one unit, which decks, stairs, stairways shall be Limited Common Area.

V. DESCRIPTION OF THE UNDIVIDED INTERESTS IN THE COMMON AREA AND FACILITIES PERTAINING TO EACH UNIT AND DESCRIPTION OF THE LIMITED COMMON AREA AS REQUIRED BY NH RSA 356-B:16-I(g) and (e)

- 1. <u>Common Area</u>. Each unit shall have a 1/2th undivided interest in the Common Area and Facilities of the Condominium.
- 2. Description of the Undivided interest in the Common Area. The Owners of each Unit shall be entitled to use the Common Area and Facilities in accordance with their intended use. The Common Area and Facilities shall be used, owned and regulated in accordance with, and subject to, the provisions of this Declaration of Condominium; its By-Laws, as now exist or as may from time to time be amended; the Rules and Regulations, if any, promulgated pursuant to the By-Laws; and the assignment, if any, by the Association, of parking spaces, storage enclosures, or other facilities located in the Common Area to a particular Unit Owner.

The Percentage of undivided interest on the Common Area and Facilities shall not be separated from the Unit to which it appertains and shall be deemed to be conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance, mortgage or other instrument.

VI. DESCRIPTION OF THE COMMON AREA

The Common Area shall consist of the land area shown on the Site Plan filed herewith, subject to and including the following:

- 1. The land as described on the Site Plan with the benefit of and subject to all rights, easements, restrictions, reservations, agreements and appurtenances of record so far as the same may in force and applicable.
- 2. The yards, lawns, gardens, walkways, common passageways and other improved or unimproved areas not within the Units, any driveway and surface parking areas as shown on the site plan to be recorded herewith, all exterior railings, retaining walls, walls, steps, sillcocks, lighting fixtures and plants.
- 3. All areas of the building comprising the Condominium and all facilities, installations, and improvements therein which are not within the boundaries of the Unit as defined in this Declaration and without limiting the generality of the foregoing;
 - (a) The foundations, structural columns and elements, studs, supports, beams, girders, ground level concrete floor, if any, roof, fire escape, if any, and those portions of the exterior walls, common walls, party walls, floor, chimneys and flues, and ceilings which are not part of the Unit.

- (b) All building entrances, and stairways and all improvements thereto, equipment and fixtures therein and other features and facilities thereof, unless the same service only one unit.
- (c) All conduits, ducts, pipes, plumbing, wiring, electric meters. Rubbish closets, and other facilities for the furnishing of utility services which are contained in portions of the building contributing to the structure or support thereof, and all such facilities contained within and Unit which serve part of the Condominium other than the Unit within which such facilities are contained, together with an easement of access thereto in favor of the Condominium for maintenance, repair and replacement of the line; all other apparatus and installations existing in the building for common use or necessary or convenient to the existence, maintenance or safety of the building.
- (d) All installations outside the Unit for services such as power, light, heat, gas, hot and cold water, well, washer pipes, and waste disposal systems, including all equipment apparatus thereto.
- (e) All leaching fields, sewer, water, well and drainage pipes, septic tank, heating apparatus, other than apparatus which serves an individual Unit only. Should any of the same be housed or pass throught one unit to service another, the owner of the unit who is being serviced by the same shall have the right to access the unit in which the services are being housed inorder to maintain, repair and replace the same as necessary.
- (f) All areas of the building containing central heating apparatus, other than apparatus which serves an individual Unit only.
- (g) Installation of central services including all equipment attendant thereto, excluding equipment contained within and servicing a single Unit.
- (h) Notwithstanding the above, to the extent that walls, floors and/or ceilings are designated as the boundaries of the Units or of any particular Unit without further specification, all doors and windows therein, and all lath, wallboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, and any other materials are deemed a part of such Units, while all other portions of such walls, floors and/or ceilings shall be deemed a part of the Common Area, Subject to the provisions of this section, all space, interior partitions, and other fixtures and improvements within the boundaries of a Unit shall be deemed a part of that Unit.

VII. STATEMENT OF USE AND RESTRICTION AND PURPOSES THEREFOR AS REQUIRED BY NH RSA 356-B:16-I(h)

The Units, Common Area and Limited Common Area shall be occupied subject to the following restrictions:

- No Unit Owner shall occupy or use his or her Unit or permit the same, or any part thereof, to be occupied or used for any purpose other than as a private residence for the Unit Owner and Unit Owners family or the Unit Owner's lessees or guests. The occupancy of each Unit shall be restricted to not more than five (5) persons related by blood or marriage or five (5) unrelated persons unless otherwise permitted in writing by the Board of Directors.
- 2. The Declarant shall have the right to transact any business on the Condominium property necessary to consummate sales of Condominium Units, including, but not limited to, the right to maintain models, utilize signs identifying Units, maintain employees in the office, use the Common Area and Facilities on the Condominium property as needed, and show Units for sale. All furniture, furnishings and equipment in the model Units, except for plumbing facilities servicing more than one Unit, signs and all items pertaining to the sales, shall not be considered part of the Common Area and Facilities and shall remain the property of the Declarant. In the event there are unsold Condominium Units, Declarant, as the Owner of the Condominium Units, shall contribute to the Common Expenses in the same manner as other Condominium Unit Owners and shall have a vote in the Association for each unsold Condominium Unit.
- 3. Nothing shall be done or kept in any Unit of in the Common Area which will increase the rate of insurance in the Common Area without the prior written consent of the Board of Directors. No Owner shall permit anything to be done or kept in his or her Unit of in the Common Area which will result in the cancellation of insurance or any Unit or any part of the Common Area or which would be in violation of any law. No waste will be permitted in the Common Area.
- 4. No sign of any kind shall be displayed to the public view on or from any Unit without prior consent of the Board of Directors, except For Sale signs of Declarant and Office and Model Unit signs of Declarant or both.
- 5. Neither noxious or offensive activities shall be carried on in an Unit or in the Common Are, nor shall anything be done therein which may become an annoyance or a nuisance to the other Unit Owners.
- 6. Insofar as may be necessary, the Declarant and person that he or she may select shall have the right to ingress and egress over, upon, across and

through the Common Area and Facilities and the right to store materials thereon and to make such other use thereof as, may be reasonably necessary and incident to construction, development and sale of the Condominium Units, but the Declarant and the person who has been granted this permission shall not unduly interfere with the Unit Owners or persons living in the Units and their rights to use the Common Area and Facilities.

- 7. No Unit Owner shall paint or otherwise decorate or change the appearance of any portion of the exterior of any of the buildings without the written permission of the Board of Directors.
- 8. No Unit Owner shall make any alterations on his or her Unit; construct any new structure or appurtenance; or make any improvements to the building or Common Area or Limited Common Area without the written consent of the Owners or the other Unit in his or her building and the Board of Directors, Provided, however, that any Unit Owner shall have the right to make interior decoration improvements or any interior changes which do not affect any facilities which are shared with the other Unit within the building.
- 9. No subdivision of any kind shall be allowed.
- 10. In order to preserve the architectural coherence and integrity of the building and the Units, no screens, antenna, sign, banner or other device, and no exterior change, addition, structure, projection, decoration or feature shall be erected or placed upon or attached to any Unit or any part thereof, and no addition to or change or replacement (except, so far as practicable, with identical kind) of any exterior light, door knocker, or other exterior hardware, exterior door, or door frames shall be made, and no painting or other decorations shall be done on any exterior part or exterior surface of any Unit or on the exterior surface of any window, without the prior written consent of the Board of Directors.
- 11. All garbage and trash containers must be placed in garbage receptacles outside the Units.
- 12. Clothing shall not be permitted to be aired or hung to dry on any form of clothesline, or may be aired or hung to dry on portable clothing dryers, provided the use of said dryers does not create an unsightly appearance.
- 13. No mobile home, trailer, or other similar vehicle or structure used as a residence shall be erected, placed or caused to remain upon the Common Area.

- 14. No unregistered motor vehicle of any type shall be allowed to remain exposed on the Common Area.
- 15. No junk shall be allowed to remain on the Common Area.
- 16. No wild animals, livestock, poultry, bird or reptile of any kind shall be raised, bred, or kept in any Unit or in the Common Area without the express written permission of the Board of Directors. No animal shall be allowed to run free in the Common Area. If any animal is kept by any Unit Owner, such Unit Owner shall see to it that such animal does not soil the Common Area and shall see to, and be liable for, removing from the Common Area any debris or waste of such animal.
- 17. There shall be no obstructions of the Common Area or Limited Common Area. Except in the case of a temporary storage shed, nothing shall be stored in or upon the Common Area or in the Limited Common Area without the prior consent of the Board of Directors
- 18. Flowers or other suitable quality plants or landscape materials may be placed around a Unit as long as they are adequately maintained.

VII. AGENT FOR SERVICE OF PROCESS

Until such time as the Declarant transfers the right and responsibility to elect a Board of Directors to the Owners, or until such time as the Declarant has named a Board of Directors, as provided in the By-Laws, the name and address of the person for the service of process in matters pertaining to the property as provided by NH RSA 356B is J. Leonard Sweeney, III, 6 Manchester Street, Nashua, New Hampshire; thereafter the person to receive service of process shall be any member of the Board of Directors or Manager residing in Hillsborough County. The person to receive service of process shall be designated by formal amendment to this Declaration, which shall be recorded at the Hillsborough County Registry of Deeds.

IX. RECONSTRUCTION OR REPAIR AFTER CASUALTY AND VOTING REQUIREMENTS IN THE EVENT OF DAMAGE OR DESTRUCTION AS REQUIRED BY RSA 356-B:16-I(I)

- 1. <u>Determination to Reconstruct or Repair.</u> If any part of the Condominium shall be damaged by fire or casualty, whether it shall be reconstructed or repaired shall be determined in the following manner:
 - (a) <u>Common Area and Facilities.</u> If the damaged improvement is a Common Area of the Facility other than a building or a portion of a Unit, the damaged property shall be reconstructed or repaired.

- (b) Building.
 - 1. <u>Partial Destruction</u>. If the damaged improvement is a building, and if any Unit in the Building is found by the Board of Directors of the Association to be habitable, the damaged building shall be reconstructed or repaired with construction to begin within sixty (60) days of the casualty or destruction.
 - 2. Total Destruction. If the damaged improvement is a Building and if none of the Units in the Building is found by said Board of Directors to be habitable, the damaged property shall be reconstructed or repaired, unless within sixty (60) days after the fire or casualty, the Unit Owners unanimously vote, at a meeting duly called, not to reconstruct the destroyed Building and to terminate the Condominium in accordance with Section 356-13:34 of the Condominium Act. In the event of any such termination of the Condominium, each Unit Owner's proportionate share of the insurance proceeds with respect to the Common Area and Facilities, together with the portion of the insurance proceeds allotted to his or her Unit as a result of a loss to such Unit due to casualty shall, to the extent of, but not in excess of the amounts remaining due thereon; and thereafter any excess shall be paid to the Unit Owners. The Condominium shall be subject to the partition and the net proceeds of a partition sale together with common funds of the Association (adjusted for insurance proceeds paid or payable to mortgagees as aforesaid) shall be undivided all as provided by law, distribution thereof to be made first to the holders of the first mortgages on Units, if any, to the extent of the amount remaining due; thereon, and thereafter any excess shall be paid to the unit Owners.
- (c) <u>Certificate</u>. The insurance Trustee may rely upon a certificate of the Association made by its President and Secretary to determine whether the damaged property is to be reconstructed of repaired
- 2. <u>Emergency Repairs.</u> The Board of Directors may perform emergency work essential to the preservation and safety of persons, or required to avoid the suspension of any essential services to the Condominium, without having first adjusted the loss or obtained proceeds of insurance.
- 3. <u>Plans and Specification</u>. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the

original building in regard to the exterior appearance, size, dimensions and all portions of the Common Area, or Limited Common Area, or otherwise in accordance with plans and specifications approved by the Board of Directors of the Association, and by the Owners of all damaged Units therein, which approvals shall not be unreasonably withheld.

- 4. <u>Responsibility.</u> If the damage is only to those parts of one Unit for which the responsibility of maintenance and repair is that of the Unit Owner, then the Unit Owner shall be responsible for and pay the cost of such reconstruction and repair after fire or casualty. In all other instances, the responsibility and cost of such reconstruction and repair after fire of casualty shall be that of the Association.
- 5. <u>Estimate of Costs.</u> Immediately after determination to rebuild or repair damaged property for which the Association has the responsibility for reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair from an independent appraiser.
- 6. <u>Assessments.</u> If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction and repair on the basis of the independent appraisal; or upon completion of reconstruction or repair, if the funds for the payment of the cost thereof are insufficient and exceed the sum of available insurance proceeds, then the Board of Directors shall assess, levy or charge all Unit Owners, as a Common Expense, the amount estimated to repair or restore the Common area and Facilities in excess of the insurance proceeds available therefore and shall assess, levy or charge the Unit Owner(s) of a Unit in which a loss has occurred for the amount estimated to repair or restore said Unit or Units in excess of the insurance proceeds available therefore.
- 7. <u>Construction Funds.</u> The funds for payment of cost or reconstruction and repair after fire or casualty, which shall consist of proceeds of insurance held by the Association or by the Insurance Trustee appointed by the Association and funds collected by the Association from assessments against Unit Owners, shall be disbursed in payment of such costs in the following manner:
 - (a) The insurance proceeds and the total assessments made by the Association in order to provide funds for payment of costs of reconstruction and repair which is the responsibility of the Association, shall be paid to, held, and disbursed by the Treasurer of the Association and the Association shall hold the sums.
 - (b) The proceeds of insurance collected on account of fire or casualty and the sums collected from Unit Owners as assessments on account of such fire or casualty shall constitute a construction fund

from which the Association shall disburse in payment for costs of reconstruction or repair in the following manner:

- 1. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association, is less that Fifteen Thousand Dollars (\$15,000.00), then the construction funds shall be disbursed in payment of such costs upon the order of the Treasurer of the Association; provided, however, upon the request by a mortgagee which is the beneficiary of an insurance policy, the proceeds of which are included in the construction funds, such funds shall be disbursed in the manner hereinafter provided for the reconstruction and repair of damage in excess of Fifteen Thousand Dollars (\$15,000.00)
- 2. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is more that Fifteen Thousand Dollars (\$15,000.00), then the construction funds shall be disbursed by the Treasurer of the Association, after approval by the Board of Directors of the Association, and upon approval of any mortgagee requesting notice of such payments, but only after review of an architect qualified to practice in the State of New Hampshire and employed by the Association to supervise work.
- (d) If there shall have been repair or restoration pursuant to the foregoing provisions of this Section and that amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds shall be divided into separate shares for the Unit Owners and their respective mortgagees, in proportion to the respective costs of repair or restoration of the damaged portions of the Common Area and Facilities and of each damaged Unit, and their respective mortgagees entitled to share.
- 8. <u>Eminent Domain.</u> In the event of a taking of all or part of the Condominium under the powers of eminent domain, the provisions of this Section shall apply as if the taking were a casualty loss, with the proceeds of the taking award being treated in the same manner as would the proceeds of an insurance settlement. Provided, however, if the taking award specifically allocates certain damages as being attributable to the Common Area and Facilities, particular Units, or both, such allocation shall be used in allocating the proceeds.

X. EASEMENTS

Easements are reserved to the Condominium as may be required for utility services of otherwise in order to adequately serve the property provided, however, such easements through a Unit shall be according to the plans and specifications for the building or as the building is constructed, unless approved in writing by the Unit Owner. None of the rights and obligations of the Unit created herein, or by the deed creating the Condominium, shall be altered in any way by encroachments due to a settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist; provided, however, that in no event shall a valid easement for an encroachment be created in favor of an Owner or Owners if said encroachment occurred during the willful conduct of said Owner or Owners.

XI. CHANGES IN PRICE – ALTERATION OF UNIT PLAN

N/A

XII. RIGHTS OF FIRST MORTGAGEE

1. <u>Notice</u> To the extent that any provision hereof requires the consent of a mortgagee of a Unit, notice of the meeting shall be given to such mortgagee prior to such action being taken in the same form and manner as notice is given to the Unit Owners.

2. <u>Qualifications for Secondary Market</u> Notwithstanding anything to the contrary elsewhere in the Condominium instruments, the following provisions shall govern and be applicable insofar and for so long as the same are required in order to qualify mortgages for any unit, for sale to the Federal Home Loan Mortgage Corporation (FHLMC) and to the Federal National Mortgage Association (FNMA) under laws and regulations applicable thereto;

(a) Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the unit number or address, any such eligible mortgage holder or eligible insurer or guarantor will be entitled to receive written notice of any of the following occurrences within seven (7) days of the date the request is received:

- 1. Any default by the Mortgagor such Unit in the performance of such Mortgagor's obligations under this Declaration which is not cured within sixty (60) days; and
- 2. Any condemnation loss or casualty loss which affects a material portion of the project or any Unit which there is a

first mortgage held, insured or guaranteed by such eligible mortgage holder or eligible insurer or guarantor, as applicable.

(b) Any first Mortgagee of a Unit who obtains title to the Unit pursuant to the remedies provided in the Mortgage, or foreclosure of the mortgage or deed (or assignment) in lieu of foreclosure, shall not be liable for, and shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the acquisition of title to the Unit by the Mortgagee.

(c) First Mortgagees of Units shall have the right to examine the books and records of the Directors.

3. Except as provided by RSA 356-B:34, in case of condemnation or substantial loss of the Units and/or Common Areas, unless all of the first mortgagees or Owners of Units shall have given their prior, written approval, the Association shall not by act or omission seek to abandon or terminate the Condominium; nor change the pro rata share of interest or obligations of any Units for the purposes of levying assessments or charges against of allocating distributions of hazard insurance proceeds or condemnation awards or determining the pro rata share of ownership of each Unit in the Common Area; nor partition or subdivide, encumber, sell or transfer the Common Area, except for easements for public utilities and public services consistent with the intended use of the Common Area; nor use hazard insurance proceeds for losses to the Condominium for anything other than repair, replacement or reconstruction of the Condominium;

4. That all taxes, assessments and charges which are due and payable have been paid and are assessed on individual units and not on the Common Area separately from the units;

5. That all improvements to the Condominium are included within the Common Area and each Unit and the first mortgagee thereof have an equivalent, undivided interest in such Common Area and that all such improvements have been installed, completed and are in operation;

6. That no default of the Unit Owner's obligations to the Association exists with regard to a Unit or has arisen within the sixty (60) day period prior to the other request for such information, which remains uncured as of the date of certification of such fact by the Association; or if any such default exists, the nature and status thereof;

7. The Declarant is empowered to render this certification on behalf of the Association until such time as the Association assumes the management of the Condominium pursuant to the By-Laws; and the Association, during such time

irrevocably appoints said Declarant as its true and lawful attorney in fact for the purpose of execution and delivery of such certificate.

8. IF FHMLC or FNMA holds an interest in one or more mortgages on Units, the public liability insurance policies obtained by the Directors shall be in such amounts and contain such terms as may be required by whichever FHMLC or FNMA (or both) holds such interest.

9. So long as FNMA holds any interest in one or more Mortgages of Units, any division by the Directors or Unit Owners to terminate professional management of the Homeowners' Association shall, in FNMA so requires, require approval of the holders of all first Mortgages of record.

10. All leases or rental agreements for Unit estates shall be in writing and specifically subject to the requirements of the Declaration and By-Laws. No unit estate may be leased or rented for a period of less than thirty (30) days.

3. <u>Written Warranties</u> In addition, and notwithstanding anything to the contrary elsewhere in the Condominium Instruments, the Association shall, upon written request of all institutional first mortgagees of a Unit, or their assigns, render the following written warranties which shall be binding upon the Association;

- (a) That as far as is known to the Association, the Condominium has been created and is in full compliance with the applicable laws of the State of New Hampshire and City of Nashua.
- (b) That any such mortgagee or its assigns may take title to a Condominium Unit pursuant to the power of sale in its mortgage, or accept a deed or assignment of title in lieu of foreclosure or sell or lease a Unit so acquired by said mortgagee;
- (c) That any said Mortgagee acquiring or succeeding to title in any said Unit in the manner set forth above shall not be liable for unpaid assessments or fees accruing prior to said mortgagee's taking or succeeding to a Unit Owner's Title.

4. Effect of Amendment on Rights of First Mortgagees As set forth in this Declaration and the By-Laws, the unanimous consent of both Unit Owners and the unanimous approval of eligible holders of mortgages (as the terms "eligible mortgage holder" is now or may at any time hereinafter be defined in the FNMA Conventional Home Mortgage Selling Contract Supplement (shall be required to terminate the legal status of the Condominium, including termination after substantial destruction or condemnation; and such unanimous consent and approval shall be required to add or amend any material provisions of the Condominium instruments, which establish, provide for, govern or regulate any of the following:

- (a) Voting;
- (b) Assessments, assessment liens, or subordination of such liens;
- (c) Reserves for maintenance, repair and replacement of the Common Area;
- (d) Insurance of fidelity bonds;
- Rights to use the Common Area and Facilities or Limited Common Area;
- (f) Responsibility for maintenance and repair of the several portions of the Condominium;
- (g) Expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the project;
- (h) Boundaries of any Unit;
- (i) The interests in the Common or Limited Common Areas;
- (j) Convertibility of Units into Common Area or of Common Area into Units;
- (k) Leasing of Unit estates;
- Imposition of any right of first refusal or similar restriction of the right of a Unit Owner to sell, transfer or otherwise convey his or her Unit;
- (m) Any provisions which are for the express benefit of mortgage holders, eligible mortgage holders or eligible insurers or guarantors of first mortgages on Units;
- A decision by the Unit Owner's Association to establish self
 management when professional management had been required by an
 eligible mortgage holder; and
- Restoration and repair of the Condominium (after a hazard damage or partial condemnation) in a manner other than that specified in the Condominium instruments.

Any eligible mortgage holder which does not deliver or post to the Unit Owners Association a negative response within thirty (30) days of a written request by the Association for approval of any addition or amendment pursuant to this paragraph shall be deemed to have consented to the addition or changes set forth in such request. An affidavit by an officer of the Association making reference to this provision, when recorded at the Rockingham County Registry of Deeds, shall be conclusive as to the facts therein set forth as to all parties and may be relied upon pursuant to the applicable provisions hereof.

Furthermore, notwithstanding the foregoing, so long as the Declarant is the Owner of one or more Units, no amendment to the Declaration or By-Laws may be adopted which could interfere with the construction, display, sale, lease or other disposition of such Unit or Units.

A modification or amendment of the Declaration or By-Laws shall become effective only when it is duly evidenced in accordance with the provisions of RSA 356-C:34.

An addition or amendment shall not be considered material, if it is for the purpose of correcting technical errors, or for clarification only.

XIII. AMENDMENTS

This Declaration of Condominium and the By-Laws recorded herewith, except as otherwise provided herein, may be amended at any time by the Declarant prior to the Declarant selling the last unit owned by the Declarant and thereafter only with approval of the Planning Board of the Town of Kingston and by a vote in accordance with the By-Laws and by an instrument in writing signed, acknowledged and recorded as provided by New Hampshire RSA 356-B:34, and such amendment shall be effective upon recording in the office of the Registry of Deeds, Rockingham County, State of New Hampshire, subject to the following:

- 1. <u>Notice</u>. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is to be considered.
- 2. <u>Pro Viso.</u> No amendment shall discriminate against any Unit Owner, unless the Unit Owner affected shall consent; and no amendment shall change any Unit the share of the Common Area or Facilities appurtenant to it, or increase a Unit Owner's share in the Common Area and Facilities, unless all the record Owners of mortgages thereon, shall join in the execution of the amendment; provided, however, that any one dealing with the Association or attempting to establish title to a particular Unit, in the absence of actual knowledge of discrimination on the part of the Condominium Association, may conclusively rely upon the validity and legality of any amendment to this Declaration recorded in the Hillsborough County Registry of Deeds, said amendment is signed, acknowledged and recorded in compliance with this section entitle "Insurance" or in the section entitled "Reconstruction or Repair After

Casualty and Voting Requirements in the Even of Damage or Destruction" unless all the Unit Owners and all of the record Owners of the mortgages on Units in the Condominium shall join in the execution of the amendment.

XIV. MAINTENANCE, ALTERATION, IMPROVEMENT AND MANAGEMENT.

Responsibility for the maintenance of the Condominium Parcel and restrictions upon the alteration and improvements thereof shall be as follows:

1.<u>Control and Responsibility.</u> Each Unit Owner shall equally shared the control over and responsibility for the building; common interior walls and exterior walls; the roof, doors, windows, doorsteps; and any other apparatus or utility, including the well and septic tank; servicing the building; provided, however, that where there shall be any part of the building, or material or apparatus or utility which clearly services one of the Units, but not both of the Units, that Unit Owner shall be deemed to have the control over and responsibility for that portion of the building, as a Limited Common Area. The front entry platform, considered Common Area shall be maintained by both Units.

2.By the Association. The Board of Directors shall maintain, repair and replace:

(a) All portions of the Common Area and Facilities not included within the Unit, as described in Article IV, V and VI. All such repairs shall be at the Association's expense, except as hereinafter set forth:

(b) All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services which are contained in a portion of a building maintained by the Association, and all such facilities contained within a Unit which service part of parts of the Condominium in addition to the Unit within which contained, and

(c) All incidental damage caused to a Unit by such work shall be promptly repaired at the expense of the Association

3. <u>By the Unit Owner</u>. The responsibility of the Unit Owner shall be as follows:

(a) To maintain, repair and replace at his or her expense all portions of his or her Unit except the portions to be maintained, repaired and replaced by the Association and to pay the cost of maintaining and repairing all Limited Common Area and Facilities in conjunction with the other users, if any, except as otherwise set forth herein with respect to the entry platform and stairs, which shall be repaired or replaced at the expense of the Association. Each Unit Owner shall be responsible for performing normal maintenance to his or her Unit and the Limited Common Area appurtenant thereto, including, but not limited to removal of snow and ice, keeping it in sanitary, safe, and clean condition; and any Unit Owner shall make, at his or her own expense, all repairs thereto, beyond normal maintenance, caused or necessitated by his or her negligence, misuse, or neglect. Each Owner shall keep the interior or his or her Unit and its equipment appurtenances in good order, condition, and shall do no redecorating, painting, and varnishing which may at any time be necessary to maintain the good appearance and condition of his or her Unit. In addition, each Owner shall be responsible for all damage to any Unit and all other Units or to the Common Area resulting from his or her failure to make any of the repairs required to be made by him or her by this Article. Each Unit Owner shall perform his or her responsibility in such manner as shall not unreasonably disturb or interfere with the other Owners.

(b) To pay any commonly allocated costs and expenses as provided in Article XIV of this Declaration; and

(c)To promptly report any defect or need for repairs, the responsibility of remedying of which is that of the Association.

- 4. <u>Unit Alteration and Improvement.</u> Except as elsewhere reserved to the Declarant, neither a Unit Owner not the Association shall make any alterations in the portions of a building which are to be maintained by the Association, or remove any portion thereof, or make any additions thereto, or do anything which may jeopardize the safety or the soundness of a building, or impair any easement, without first obtaining the unanimous approval in writing of the other Unit Owner in such building, the Board of Directors of the Association, and the respective mortgagees, if any, and if approval is required. A copy of plans for all such work prepared by an architect to practice in this state shall be filed with the association prior to the start of work.
- 5. <u>Common Area Alteration and Improvement.</u> After completion of the improvements included in the Common Area which are contemplated by this Declaration, there shall be no alteration nor further improvement of the Common Area without first obtaining the unanimous approval in writing of the other Unit owner in such building, the Board of Directors, and the respective mortgagees, if any, and if approval is required.
- 6. <u>Maintenance and Management Contracts.</u> Specifically reserved to the Declarant or the Board of Directors of the Association, as the case may be, is the authority to enter into a management and maintenance contract with a qualified management or maintenance service organization providing for the maintenance and repair services contemplated by this Section of the Declaration and further providing for the general management of the Condominium.

XV. ASSESSMENTS

- 1. Share of Common Expense. Each Unit Owner shall be liable for a proportionate share of the Common Expenses and shall share in the common surplus, such shares being the same as the undivided share in the Common Area which is appurtenant to the Unit owner by him or her, as set forth in Article V; provided, however, that if a Unit is declared to be uninhabitable by the Board of Directors of the Association on account of fire or casualty covered by the Association insurance policy and it remains uninhabitable for a period of sixty (60) days, the common Expense attributed to such Unit may be abated by the Board of Directors in its sole discretion, until such Unit is determined to be habitable by the Board of Directors. During such period of abatement, if any, the Common Expenses attributed to such Unit shall be prorated and borne by the remaining habitable Unit in accordance with its proportionate share of the common Expenses.
- 2. Commonly Allocated Costs and Expenses.

(a) <u>Insurance.</u> Fire and liability insurance, in accordance with NHRSA 356:B 43 shall be carried on the building in an amount equal to the full replacement value of the building. Public liability insurance shall be carried covering the Common Area in an amount determined by the Association. This insurance shall be a replacement value multi-peril insurance as provided in Section XVI of this Declaration.

(b) <u>Real Estate Taxes.</u> Real Estate taxes shall be shared, until such time as the tax assessor for the Town of Amherst shall make individual assessments for each Unit. Any purchaser of a Unit shall be responsible for a pro-rate share of the real estate taxes associated with his or her Unit, which shall be payable at the time that such assessment is made or at the time of purchase, whichever occurs last.

- c. <u>Other Expenses</u>. Any other expense incurred by the Association which benefit Unit Owners substantially equally shall be shared equally.
- 2. <u>Interest Application of Payment.</u> Assessments paid on or before ten (10) days after the date when due shall not bear interest, but all sums not paid within ten (10) days after the date when due, shall bear interest at the rate of five (5%) percent, per month, from the date when due until paid. All payments upon account shall be first applied to interest and then to the assessments.
- 3. <u>Lien for Assessment.</u> The lien for unpaid assessments, as provided in NH RSA 356-B:46, shall also secure reasonable attorneys fees incurred by the Association incident to the collection of such assessment in the enforcement of such liens.

4. <u>Mortgagees.</u> Any mortgagee which acquires its title as a result of a foreclosure or conveyance in lieu of a foreclosure on a Unit, shall be liable for the payment of any outstanding and or past due assessments.

XVI. ASSOCIATION

The operation of the Condominium shall be an unincorporated Association.

The Association shall have all of the powers and duties as set forth in the Condominium Act, except as limited by this Declaration and the By-Laws, and shall have all of the powers and duties reasonably necessary to operate the Condominium as set forth in this Declaration and the By-Laws, as they may be amended from time to time.

1. Membership in the Association.

(a) <u>Qualifications</u>. The members of the Association shall consist of all of the record Owners of the Units.

(b) <u>Change of Membership.</u> Change of membership in the Association shall be established by recording in the Registry of Deeds for Rockingham County, State of New Hampshire, a deed establishing record title to a Unit in the Condominium. The buyer shall deliver to the Board of Directors of the Association a photostatic copy of the deed showing the book, page, and time of the recording of the deed in the Rockingham County Registry of Deeds. The Board of Directors shall keep such photostatic copy on file as evidence of the grantee's membership in the Association for all purposes, rights and obligations as set forth in this Declaration and By-Laws. The Unit Owner designated by such an instrument shall thereby become a member of the Association. At such time, the membership of the prior Unit Owner shall be thereby terminated.

(d) <u>Voting Rights.</u> A member of the Association shall be entitled to cast a vote for each Unit owned in the percentage attributed to each Unit in Article V. Where there is more than one record Unit Owner, any of such persons may attend any meeting of the Association, but it shall be necessary for those present to act unanimously in order to cast the votes to which they are entitled. The Declarant shall be entitled to vote with respect to any Unit owned by the Declarant.

(e) Restraint upon Assignment of Shares in the Association. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his or her Unit.

- (f) Proxy. Members may vote at all meetings by written proxy delivered to the Board of Directors.
- 2. <u>Board of Directors.</u> The affairs of the Association shall be conducted by the Board of Directors who shall be designated in the manner provided in the By-Laws.
- 3. <u>Indemnification</u>. Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred or imposed upon him or her in connection with any proceeding to which he or she may be a party or in which he or she may become involved, by reason of his or her being or having or having been a Director or officer of the Association, or any settlement thereof, whether or not he or she is a Director or officer at such time the expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his or her duties; provided, however, that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best of interest of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.
- 4. <u>Limitation Upon Liability of the Association</u>. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium property, the Association shall not be liable for injury of damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association.
- 5. <u>By-Laws.</u> The By-Laws of the Association shall be in the form attached hereto as Appendix A.

XVII. INSURANCE

The Board of Directors shall obtain and maintain at all times, on behalf of the Unit Owners' Association, REPLACEMENT VALUE MULTI-PERIL INSURANCE which shall include:

1. A master casualty policy affording fire and extended coverage in an amount equal to the full replacement value of the structures within the Condominium, or such structures that in whole or in partly compromise portions of the Common Areas, the same shall provide coverage for both "Walls-In" and "Walls-Out", including, but not limited to, all flooring, light fixtures, cabinets, plumbing, built-in appliances and anything else attached to or in the unit; and

2. A master liability policy, in an amount as may be specified in the By-Laws, covering the Unit Owner's Association, the Board of Directors, if any, the Managing Agent, if any, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the Condominium, and all Unit Owners and other persons entitled to occupy any Unit or other portion of the Condominium.

The Board of Directors shall issue to any person making a written request, a certificate of insurance coverage within seven (7) days of such request.

In addition, the Board of Directors may obtain and maintain other insurance for such other risks, of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other condominiums of similar construction, design and use.

Any policies of insurance to the extent that the following provisions are available, shall provide that:

- 1. All policies shall be written with a company licensed to do business in the State of New Hampshire and shall provide for standard mortgagee endorsements for the Unit mortgagees.
- 2. Premiums upon insurance policies purchased by the Board of Directors of the Association shall be paid by the Association as a Common Expense.
- 3. Exclusive authority to adjust losses under policies hereafter in force shall be vested in the Board of Directors to its authorized representative.
- 4. In no even shall the insurance coverage obtained and maintained by the Board of Directors hereunder be brought into contribution with insurance purchased by individual Unit Owners or their mortgagees.
- 5. Each Unit Owner shall maintain public liability policy covering his or her Unit and the Limited Common Area appertaining to his or her Unit. Each Unit Owner may obtain additional insurance at his or her own expense; provided, however, that no Unit Owner shall maintain insurance coverage in such a way as to decrease the amount which the Board of Directors, on behalf of all the unit Owners, may realize under any insurance policy which the Board of Directors may have in force on the Condominium at any particular time.
- 6. Each Unit Owner may maintain his or her own insurance coverage on his or her own Unit and on his or her personal property contained therein.

NOTICE: UNIT OWNERS ARE URGED TO ASCERTAIN THAT THEIR INDIVIDUAL INSURANCE CONVERAGE INCLUDES PROVISIONS FOR ALL ADDITIONS AND ALTERATIONS, PHYSICAL ASPECTS OF THE UNIT NOT SPECIFICALLY COVERED BY THE MASTER POLICY AND TO SEE: THAT SUCH UNIT OWNER POLICIES CONTAIN A "LOSS ASSESSMENT" ENDORSEMENT.

THE UNIT OWNERS SHALL BE RESPONSIBLE FOR THEIR OWN CONDOMINIUM OWNER UNIT POLICIES. THE SAME SHALL PROVIDE COVERAGE FOR EACH UNIT OWNERS PERSONAL PROPERTY AND

SHALL INCLUDE A MINIMUM OF \$1,000,000.00 IN LIABILITY COVERAGE. IN ADDITION, EACH UNIT OWNER SHALL CARRY A LIMIT UNDER THE BUILDING LIMIT GREATER THAN OR EQUAL TO THE MASTER POLICY'S DEDUCTIBLE.

- 7. Each Unit Owner shall be required to notify the board of Directors of all improvements made by the Unit Owner to his or her Unit, the value of which is in excess of the One Thousand (\$1,000.00) Dollars.
- 8. Upon obtaining individual insurance polices covering any portion of the property other than personal property belonging to such Unit Owner, each Unit Owner shall be required to file a copy of such individual policy or policies with the Board of Directors within (30) days of such insurance coverage.
- 9. The Board of Directors shall be required to make every effort to secure insurance policies that will provide for the following:
 - (a) A waiver of subrogation by the insurer as to any claims against the Board of Directors, the Manager, and the Unit Owners or their respective servants, agents, and guests;
 - (b) That the master policy cannot be canceled, invalidated, or suspended on account of the conduct of any one or more individual Unit Owners, or without at least ten (10) days written notice to the prospective mortgagees of the Units.
 - (c) That the master policy on the Condominium cannot be cancelled, invalidated or suspended on account of the conduct of any officer or employee of the Board of Directors or Manager without a prior demand in writing that the Board of Directors or Manager cure the defect; and
 - (d) That any "no other insurance" clause in the master policy exclude individuals owners' policies from consideration.
 - (e) The annual insurance review which the Board of Directors is required to conduct as provided in the By-Laws shall include an appraisal of the improvements in the Condominium by a representative of the insurance agent writing the master policy.
 - (f) Notwithstanding any provisions to the contrary herein contained, the Master Policy shall cover all parts of the building, including fixtures, including those parts of the Units which are customarily insured as parts of a building (i.e. walls, ceiling, floor coverings and light fixtures) under fire and multi-peril policies issued in the State of New Hampshire.
 - (g) All holders of a first mortgages of Units shall receive at least ten (10) days prior written notice of any lapse, cancellation or material modification of the Master Policy insuring the Condominium.

XVIII. PARTITION

There shall be no judicial partition of the Condominium or any part thereof, nor shall the Declarant or any person acquiring any interest in the Condominium or any part thereof seek any judicial partition, until the happening of the conditions set forth in Article IX of this Declaration in the case of damage or destruction or unless the property has been removed from the provisions of the Condominium Act as provided in N.H. RSA 356-13:34; provided however, that if any Unit shall be owned by two or more co-tenants as tenants in common or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition as between such co-tenants. Such partition shall not affect any other Unit, nor shall it subdivide any Unit.

XIX. CONSENT OF FIRST MORTGAGEE

Not withstanding any other provision of this Declaration, the Bylaws or the Rules, unless at least fifty (50%) percent of the mortgagees holding mortgages recorded at the Hillsborough County Registry of deeds constituting first liens on the Condominium Units subject to such mortgages (based upon one vote by each mortgage owned), have given their prior written approval, the Unit Owners' Association and Board of Directors shall not be entitled to: 1.By act or ommission seek to abandon or terminate the condominium regime; 2. Change the pro rata interest or obligations of any Unit;

a. for the purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards;b. for determining the pro rata share of each Unit in the Common Area;

c. Partition or subdivide any Unit;

d. By act or ommission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area by the condominium shall not be deemed a transfer within the meaning of this clause); or e. Use hazard insurance proceeds for losses to the property (whether to Units or to Common Area) for other than the repair, replacement or reconstruction of such improvements, except as provided by statute in case of substantial loss to the Units and/or Common Area.

XX. PRIORITY OF FIRST MORTGAGEES

No provision of this Declaration, the Bylaws, or the Rules shall be construed to grant to any Unit Owner, or to any other party, any priority over any rights of first mortgagees of the Condominium Units pursuant to their first mortgages in the case of the distribution to Unit Owners of insurance proceeds or condemnation awards for losses to, or a taking of, Units and/or the Common Area of any portions thereof.

XXI. INTEREPRETATION

The provisions of the Declaration shall be liberally construed in accordance with the common law and statutory law of the State of New Hampshire in order to effect its purpose of creating a uniform plan for the development and operation of a condominium. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provisions or any other provision hereof.

XXII. SEVERABILITY

The provisions hereof shall be deemed independent and severable and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability or any other provision hereof.

XXIII. EFFECTIVE DATE

This Declaration shall take effect upon recording.

XXIV. GENERAL

<u>Resolution of Disputes.</u> In the event of a dispute (a) between the owners of the Units or (b) between the Directors as to any matter involving the Declaration or By-Laws and the condominium generally, the disputing parties shall:

1. Submit the matter to binding arbitration to the American Arbitration Association within fourteen (14) calendar days from the date of the dispute or lack of meeting of the minds. The decision of the arbitrator shall be concluding and binding upon all parties to the dispute and any such decision shall be enforceable by any Court of competent jurisdiction. Each party shall pay equally for the fees and other costs of the arbitrator appointed. The arbitration shall be conducted in accordance with the rules then obtaining to the American Arbitration Association.

<u>Insurance Provisions.</u> All Unit Owners are required to keep in place and renew on an annual basis, the homeowner's insurance master policy pursuant to the terms stated within the Declaration of Condominium.

Miscellaneous.

1. Common expense assessments shall include an adequate reserve fund for maintenance, repairs, and replacement of those common

elements that must be replaced on a periodic basis and shall be payable in regular installments rather than by special assessments.

- 2. No provision of any Deed or this Declaration shall be deemed or construed to give a Unit Owner or any other party priority over any rights of first mortgagees of Units pursuant to their Mortgages in the case of a distribution to Unit Owners of insurance proceeds or condemnation awards for loss to or taking of Units and/or elements.
- 3. Any agreement for professional management of the Condominium or any other contract providing services by the Declaration must provide for termination on ninety (90) days written notice, and a maximum contract term of three (3) years.
- 4. A written notice of such meeting of the Unit Owners stating the place, date and hour and the purposes of the meeting shall be given at least ten (10) days before the meeting to the holder of such Mortgage by mailing it, postage prepaid, to such Mortgagee at its last and usual known address.
- 5. If FHMLC or FHMA holds any interest in one or more Mortgages on Units, the Directors shall obtain such insurance as may be required from time to time by whichever of FHMLC or FHMA (or both) holds such interests, including without limitation fidelity coverage against dishonest acts on the part of the Directors, Managers, employees or volunteers responsible for handling the Association's funds. All such insurance shall provide that an adjustment of loss shall be made by the Directors and if FHMLC or FNMA holds any interest in one or more Mortgages on Units, all such policies shall be in such amounts and contain such terms as may be required from time to time whichever of FHMLC or FNMA (or both) holds such interest.
- 6. If FHMLC or FNMA holds any interest in one or more mortgages on Units, then whenever any Unit or the Common elements are damaged by fire or other casualty, the Board shall give notice of such damage to such person as may be required by whichever of FHMLC and FNMA (or both) holds interest.

IN WITNESS WHEREOF, the undersigned has placed his hands and seal on the date and year first above-written.

By:

Its:

Capri Realty and Management LLC

Witness

Steve Pascoe Name: Member

STATE OF NEW HAMPSHIRE COUNTY OF

On this the ______ day of ______, 2020 before me, personally appeared Steve Pascoe in his capacity as the Member of Capri Realty and Management LLC, known to me or satisfactorily proven to the same by virtue of a state issued drivers license and being duly authorized acknowledged that he executed the foregoing instrument as his/her free act and deed and that of the company.

Justice of the Peace/Notary Public

Exhibit A

<u>Unit A</u>

2 Story Kitchen, Living Room, Bathroom, 2 Bedrooms

<u>Unit B</u>

2 Story Kitchen, Living Room, Bathroom, 2 Bedrooms Detached Garage

EXHIBIT B SUBMITTED LAND

A certain tract of land situate in Kingston, County of Rockingham and State of New Hampshire, bounded and described as follows:

Beginning at the northeasterly corner of land now or formerly of Joseph E. Perry, which said point is situate S 44° 13' E 461 feet from Route 125, so called, thence running S 48° 15' W by said Perry land, 200 feet, more or less, to Goodwin land; thence turning and running approximately S 43° 45' E by said Goodwin land to land now or formerly of Christensen; thence turning and running approximately N 48° 15' E by said Christensen land about 200 feet to land now or formerly of one Nason; thence turning and running approximately N 44° 13' W by said Nason land to said Perry land at the point of beginning.

Subject to an Easement over the entire parcel conveyed by Arian T. Clements and Jacqueline W. Clements to the Exeter and Hampton Electric Company, recorded in the Rockingham County Registry of Deeds, Book 1613, Page 331.

Also conveyed such right-of-way as there may be over adjacent land to the within described parcel.

Also, a certain parcel of land, with the buildings thereon, situate in Kingston, in the County of Rockingham, and the State of New Hampshire, and bounded and described as follows:

Beginning at a point on the boundary line between the power line and the herein described premises and at the Southwesterly corner of the herein conveyed premises, and thence running

Northerly along the boundary line between the power line and the herein described premises 200 feet, more or less, to a point at land of one Nason; thence turning and running easterly along land of said Nason 180 feet, more or less, to a point at land of one Goodwin; thence turning and running Southerly along land of said Goodwin 204 feet, more or less, to a point; thence turning and running Westerly still along land of said Goodwin 180 feet, more or less, to the point of beginning.

Included as appurtenant to the herein described premises a right of way for the usual purposes of ingress and egress to and from the herein described premises and Route #125, so-called, to be used by grantees, their heirs, executors, administrators, and assigns, in common with the grantors, the survivors of them, his or her heirs, executors, administrators, and assigns.

APPENDIX A

<u>BY-LAWS</u> 6 Spruce Lane Condominiums

I. BOARD OF DIRECTORS

A. <u>Number, Qualification and Term</u>

There shall at all times be a Board of Directors consisting of two (2) Directors. Each unit owner shall be entitled to one vote naming one (1) person to the Board of Directors. That Board shall then vote to establish a President, Treasurer and Secretary from it's members, all who shall have the powers typical of said positions. All members shall serve for a three (3) year term, unless removed earlier per Paragraph C. below. Beginning the first year after the first board is approved, the term of Board Member who has been elected Secretary will end on the first anniversary thereof and a vote will take place to replace the same. On the second anniversary hereof, the term of the Board Member who has been elected Treasurer will end and a vote of the Association Members will take place to replace the same.

B. <u>Resignation and Removal</u>

Any Director may resign by written notice to the Board of Directors. Any Director may be removed, for cause, by a unanimous vote of the entire membership of the Association, then in good standing and who exercise their right to vote upon a duly called meeting of the members of the Association. Notwithstanding the foregoing, no Director appointed by the Declarant, as provided in Section A hereof, may be removed by any person other than the Declarant.

D. <u>Automatic Removal Upon Sale of Unit</u>

A Director shall be automatically removed from office upon the conveyance by Director of title to his/her Unit to another party. A vote of the new owners shall take place within thirty (30) days of said conveyance to replace said removed Director.

F. <u>Action by the Directors</u>

All decisions made and actions taken by the Directors must be by unanimous vote.

G. <u>No Compensation</u>

No Director shall be entitled to be compensated for his/her services as such, although the Directors may by agreement reimburse a Director for expenses incurred by him/her in connection with his/her duties hereunder.

H. Limitation of Liability

No Director shall under any circumstances or in any event be held liable or accountable out of his/her personal assets by reason of any action taken, suffered or omitted in good faith or for allowing one or more of the other Directors to have possession of the Association books or property, or be so liable or accountable by reason of honest errors of judgment or mistakes of fact or law or by reason of anything except his/her own personal and willful malfeasance and defaults.

I. <u>Powers</u>

The Directors shall have the power necessary for the administration of the affairs of the Condominium and may do all such acts and things in connection therewith, except as by the Declaration or these By-Laws may not be delegated to the Directors. The powers and duties of the Directors shall include, but shall not be limited to, the following:

(a) Operation, care, upkeep and management of the Common Areas and Facilities of the Condominium or any part thereof including Limited Common Areas;

(b) Conducting litigation as to any matter involving the Common Areas and

Facilities;

(c) Determination, budgeting and levying of the common expenses and reserves required for the affairs of the Condominium;

(d) Collection of the common expenses for the Unit Owners;

(e) Employment and dismissal of the personnel necessary for the operation, care, upkeep and management of the Common Areas and Facilities, including without limitation the employment of a manager or managing agent. Any management agreement shall be terminable for cause upon thirty (30) days without notice and shall not exceed one (1) year duration without renewal;

(f) Opening and utilizing bank accounts on behalf of the Association and designating the signatures required therefore;

(g) Obtaining of insurance for the Condominium;

(h) Making of repairs, additions and improvements to or alterations of the Common Areas and Facilities; and making repairs to and restorations of the Condominium property, in accordance with the other provisions of the Declaration and By-Laws, after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;

(i) Incurring obligations and paying, compromising or adjusting all obligations incurred and rights acquired in the administration of the Association; and

(j) Obtaining advice of counsel and relying thereon, and employing, appointing and removing such other persons, agents, managers, officers, brokers, engineers, architects, employees, servants and assistants as they shall deem advisable, and defining their respective duties and pay and compensation; provided, however, no Director shall be held personally liable for the act or default of any such person.

J. Enforcement

The Board of Directors, for the benefit of the Condominium and the Owners, shall enforce the provisions hereof:

(a) To enforce liens for unpaid assessments levied against a Condominium Unit. With regard to the common expenses to be shared equally by the Unit Owners, as provided in the Declaration, the Board shall make assessments on a quarterly or monthly basis.

(b) The Board shall have the authority to require the individual Unit Owners to paint, repair, maintain, landscape or otherwise provide upkeep to the buildings and Common Areas in which their Units are located.

(c) Any decision by the Board with regard to the above shall be discussed with the Unit Owners(s) affected by the decision and unless an agreement shall be reached, the Board shall have the right to set forth the particular details of such a decision and to set a time limit within which the said Unit Owner(s) shall perform the said work.

(d) In the event that the Unit Owner(s) affected by such decision shall fail to perform the above-required work within the time specified, the Board shall have the right to have the work performed and to make special assessments to the said Unit Owner(s) involved.

(e) Each monthly or quarterly assessment for the expenses to be shared equally, and each special assessment, shall be subject to collection by a suit to recover a money judgment and/or subject to the lien procedure provided for in RSA 356-B:46.

K. Meetings

A. Unit Owners

There shall be an annual meeting of Unit Owners on the Anniversary date of the First Meeting of the Association. Special meetings (including a meeting in lieu of a passed annual meeting) of the Unit Owners may be called at any time after a unanimous vote of the Board of Directors. Written notice of any such special meeting designating the place, day and hour thereof shall be given the Secretary or President of the Board of Directors to all Unit Owners at least seven (7) days prior to the date so designated unless agreed to in writing otherwise. At the annual meeting of the Unit Owners, the Directors shall submit reports of the management and finances of the Condominium. Whenever at any meeting the Directors propose to submit to the Unit Owners any matter with respect to which approval of or action by the Unit Owners is necessary or appropriate, the notice of such meeting shall reasonably specify such matter. All action taken by the Unit Owners must be by unanimous consent.

B. Directors

The Directors shall meet annually on the date of the annual meeting of the Unit Owners and at such meeting may elect such officers as they deem expedient Other meetings may be called by any Director, provided that notice of each such other meeting stating the place, day and hour thereof shall be given at least twenty-one (21) days before such meeting to the other Director. All action taken by the Directors must be by unanimous consent.

L. Notice to Unit Owner

Every notice to a Unit Owner required under the provisions hereof, or which may be deemed by the Directors necessary or desirable or which may be ordered in any judicial proceeding, shall be deemed sufficient and binding if a written or printed copy of such notice shall be given by one or more of the Directors or Unit Owners, as the case may be, to such Unit Owner by leaving such notice, or mailing it postage prepaid and addressed to such Unit Owner, at his/her address at the Condominium, unless such Unit Owner has designated in writing to the Directors some other address for the receipt of notices.

M. Association Voting Provisions and Voting Requirements

In accordance with the provisions of RSA 356-B:35, II, the By-Laws provide that the Unit Owners Association delegate certain powers and responsibilities assigned by said Chapter to its Board of Directors. Nonetheless, in the event that action by the Association or Unit Owners is deemed necessary, then, each Unit shall have one vote. Where there shall be more than one person having legal title to a Unit and more than one such person shall be present at any meeting of the Association, the vote pertaining to that Unit shall be cast only in accordance with the unanimous agreement of such persons. All decisions made and actions taken by the Association must be by unanimous consent, subject to provisions for resolutions of disputes contained herein.

An Owner or Member of the Board of Directors shall be deemed to be in good standing and entitled to vote at any annual meeting or at any special meeting where they would otherwise be entitled to vote, if and only if, he shall have full paid all assessments made or levied and due against him and his Condominium Unit by the Board of Directors, together with all interests, costs, attorney's fees, penalties and other expenses, if any, properly chargeable to him and against his Condominium Unit, at least three (3) days prior to the date fixed for such meeting.

N. Checks. Notes, Drafts and Other Instruments

Checks, notes, drafts and other instruments for the payment of money drawn or endorsed in the names of the Directors or of the Association must be signed by both Directors, unless both Directors by written instrument delegate such authority to one of their number.

O. Fiscal Year

The fiscal year of the Association shall be chosen at the first meeting of the Association.

P. Rules and Regulations

The Directors shall have the right at any time and from time to time to adopt, amend and rescind rules and regulations governing the details of the operation and use of the Common Areas and Facilities. Such rules and regulations and any changes therein shall become effective upon copies thereof being given to the Unit Owners.

Q. <u>Resolution of Disputes</u>

In the event of a dispute (a) between the Owners of the Units or (b) between the Directors as to any matter involving the Declaration or By-Laws and the condominium generally, either of the disputing parties at his/her option may:

(a) Refer the matter to binding arbitration by sending written notice requesting arbitration to the other party, which shall name one arbitrator who shall be an attorney licensed to practice law in the State of New Hampshire. Within fourteen (14) calendar days after receiving such notice, the other party shall by written notice to the requesting party name a second arbitrator who shall likewise be an attorney licensed to practice law in the State of New Hampshire, failing which, the first arbitrator appointed shall appoint such second arbitrator. If the two arbitrators thus appointed are unable, within fourteen (14) calendar days after the date of the appointment of the second arbitrator to be appointed, to agree upon a settlement to the dispute, they shall then appoint an impartial third arbitrator within twenty (20) calendar days after the said date of appointment of the second arbitrator. The third arbitrator need not be an attorney, but he shall be someone who is qualified by his/her profession to deal with the matter in dispute. If the two arbitrators cannot agree on a third arbitrator and if they fail to act to appoint him within said twenty (20) day period, then either party may apply to the Superior Court of Hillsborough County for the appointment of the third arbitrator. The third arbitrator shall within fourteen (14) calendar days after his/her appointment render his/her decision in the dispute. The decision of the arbitrators, whether it be by agreement of the first two arbitrators or, failing which, by the decision of the third arbitrator, shall be conclusive and binding upon all parties to the dispute, and any such decision shall be enforceable by any Court of competent jurisdiction. Each party shall pay for the fees and other costs of the arbitrator appointed by him (for him should he fail to duly make die appointment), and the fees and costs of the third arbitrator shall be shared equally by the parties. Except as otherwise herein provided, the arbitration shall be conducted in accordance with the rules then obtaining of the American Arbitration Association.

(b) Commence an action in a court of competent jurisdiction to decide the matter, with such notice being given to the other party as the Court may order. The fees and costs associated with bringing the matter to court and prosecuting the court proceedings shall be paid as the Court orders, and in the absence of such an order, shall be borne equally by the parties.

II. AMENDMENT AND TERMINATION

A. <u>Amendment</u>

Subject to the provisions herein for the protection of Mortgagees, this Declaration and the By-Laws herein contained may be amended, altered or repealed only after said Mortgagees having been given thirty (30) days written notice of the proposes amendment, alteration or repeal and then only by an instrument in writing signed by at least 2/3rds of the Mortgagees and persons who under oath affirm themselves to be the Owners of the Units and then recorded with the Rockingham County Registry of Deeds. Such instrument so executed and recorded, shall be conclusive evidence of the existence of all facts and of compliance with all prerequisites to the validity thereof, whether stated in such instrument or not, upon all questions as to title or affecting the rights of third persons, and for all other purposes.

B. <u>Termination</u>

The condominium hereby created shall terminate only upon the first to occur of the following: (a) the removal of the Condominium from the provisions of RSA 356-B in accordance with the procedure therefore set forth in said Chapter or (b) by agreement of all of the Owners of the Units, provided that such termination shall be assented to in writing by the holder of the first mortgages of record with respect to both Units.

Any amendment to these provisions shall be assented to in writing by the holders of first mortgagees of record with respect to both Units.