

Declaration of Condominium

Pursuant to New Hampshire Revised Status, Annotated

Chapter 356-B  
And By-Laws

The Bliss Farm,  
A Condominium Community

On Adams Pond Rd  
In Derry

Rockingham County  
New Hampshire

By:

Bliss Farm Properties, Inc.  
Richard Donovan, President

Dated the 15<sup>th</sup> day of April, 1988

Declaration of Condominium  
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Declaration of Condominium  
Bliss Farms  
A Condominium Community

Declaration made this \_\_\_\_\_ day of \_\_\_\_\_, 1988, by Bliss Farm Properties, Inc., a corporation formed in New Hampshire with its offices at the Joseph Greeley House, P.O. Box 3675, Nashua, New Hampshire, which corporation hereby declares the intent to submit the land and building described herein, and located on Adams Pond Road in Derry, Rockingham County, New Hampshire to the Condominium form of ownership and use, in accordance with RSA 356-B [hereinafter called "The Condominium Act"].

1. The above-named corporation [hereinafter referred to as the "Declarant"] is the owner of the land described herein and of the improvements thereon by virtue of a deed dated July 22, 1987, recorded in the Rockingham County Registry of Deed at Book 2693, Page 2552.
2. The term "Declarant" shall apply to the Corporation, and any successors and assigns, but shall not apply to purchasers of individual Residential Units.
3. References to the Condominium Act shall be stated by reference to section of RSA 356:B.

I. Definitions

The terms used in this Declaration and the By-Laws attached shall have the meaning stated in the Condominium Act and as follows, unless the context clearly indicates a different meaning.

1. Association means the Association of Residential Unit Owners known as the Bliss Farm a Condominium Community Association. This term does not mean the Declarant, except to the extent of the Declarant's reserved right to exercise the powers of the Broad of Directors of the Association, pursuant to this Declaration, the By-Laws or both, and, in such case, only to the extent of such reservation.
2. Board of Directors means the Board of Directors of the Association.
3. Common Area means the area and facilities specifically set forth by the defined in the Condominium Act at RSA 356-B:3:II, in subsection 8 herein, and in Section III and IV of this Declaration (sometimes referred to as "Common Area and Facilities" or "Common Facilities", where appropriate to the context), with the exception of any facility, improvement or other property which is otherwise described herein as part of a Residential Unit, which are shown on the Floor Plans to be recorded herewith, as part of the Units.

4. Limited Common Area means a portion of the Common Area reserved for the exclusive use of one or more of the Units and to the extent such are specifically stated as defined herein and in RSA 356-B:3.XX, such Limited Common Area shall be deemed to be within the Common Area, and treated as such, except for the specific limitations as to maintenance and use by certain unit Owners which are set forth below. Those Limited Common Areas serving one (1) or more Units on a exclusive bases, but not all of the Units, are to be maintained by the Unit Owners so served.
5. Common Expenses means and include:
  - (a) Expenses of administration, maintenance, operation, repair or replacement of the Common Area, except as may be otherwise set forth herein for Limited Common Area;
  - (b) Expenditures 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 the 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.
6. Future Common Expenses means common expenses for which assessments are not yet due and payable.
7. Singular, Plural, Gender means whenever the context so permits, the use of the plural shall include the singular, the use of the singular the plural, and the use of the gender shall be deemed to include all genders.
8. Common Facilities shall include all utilities and common services, if any, and shall be treated as Common Facilities only when they are "central services" as contemplated by The Condominium Act, with the exception of the wiring, conduits, and pipes which are part of any water or waste disposal facility serving the Unit, which shall be Common Facilities, whether central or not, except to the extent such facilities are located within only one Unit and service only that one unit.
9. Condominium Parcel the Condominium Parcel is shown in its entirety on the site plan and is described in Exhibit A-1, attached hereto. As described in Exhibit A-1, it is comprised of three (3) non-contiguous parcels of land, which are collectively referred to as The Condominium Parcel.

II. Description of the land on which the building and improvements are located as required by RSA 356-B:16-I(c).

The units are located in Derry, Rockingham County, New Hampshire within the area shown on the plan entitled the :Bliss Farm a Condominium Community, Adams Pond Road, Derry, New Hampshire, Scale 1" = 100'", dated July 13, 1987 and recorded in the Rockingham County Registry of Deeds and Plan #D-16704. Said land is more particularly described by metes and bounds on Exhibit A-1. Each Residential unit is a separate building, all of which is part of that unit.

III. Description and Delineation of the units as required by RSA 356-B:16-I(d).

1. Address of the unit, its area and number of rooms. The address of each unit, its

approximate area and number of rooms is set forth in proposed form on the Floor Plans and on the Site Plan to be filed herewith. The Units declared herewith are also listed on Exhibit C, attached, subject to the subsequent Declaration of additional Units on the Convertible Lands Pursuant to Article XXII.

2. Undivided Interest in the Common Area. The percentage of undivided interest in the Common Areas has been allocated equally to each unit.
3. Materials. These Residential Units are of wood frame construction and are seated on concrete slab or foundation walls. The exteriors are of wood clapboard, The windows in all units are standard aluminum frames and each unit has one (1) or more aluminum sliding doors. Each unit has one (1) or more wood exterior doors and wood garage door.
4. Immediate access to Common Area. Each residential unit has immediate access to the Common Area through the unit entrance doors and garages, which open immediately onto the Common area.
5. Boundaries:  
Each residential unit consists of a rectangular piece of ground which is the commensurate dimensions as the foundation slab or walls of the building which is built upon it. No such building, however, except for the farmhouse building and associated barn (all part of that unit) presently existing on the property, shall have a dimension of greater than thirty (30) feet by forty (40) feet. Proposed locations are shown on the Site Plan and proposed unit dimensions are shown on the Floor Plans. The farmhouse referred to above is also shown and depicted on these plans in its "As Built" condition.

Each Residential Unit contains all the land area within the boundary described above, together with the air space above this area, and includes all of any structure built within these boundaries, and any patio, desk, septic tank or other improvement which is attached to that structure and site upon the Limited Common Area reserved for that Unit. Each of these Units is called a "Residential Unit" or a "Unit" as the context permits.

The design and layout of each unit to be constructed will be determined by the Declarant who intends to use several basic floor plans, designated "The Adams", "The Poole", "The Nutfield" and "The Frost". The Declarant reserves the right to approve or construct other floor plans; but such reservation does not include the right to exceed the maximum boundaries of Units described above. Architectural details and interior layout of any Unit may vary in the Declarant's discretion.

Each Residential Unit shall have access to and the exclusive use of those Limited Common Areas shown on the Site Plan which immediately abut each Residential Unit and are further described in the Section entitled "Limited Common Area" below.

#### 6. Repair and Maintenance of Units

Each Residential Unit Owner shall, at their own expense, maintain in good order and repair each structure within said Unit and all grounds and landscaping within the Unit or within the Limited Common Area specifically abutting the Unit, and designated as Limited Common Area pertaining to that Unit on the Site Plan, subject to such rules, restrictions and requirements adopted from time to time by the Community Association or, where permitted, its Board or Directors. The provisions of the proceeding sentence are for the purpose of maintaining property values of the Condominium as a whole and

to minimize any adverse visual impact or inconvenience to other Unit Owners. To that end, the provisions hereof are specifically enforceable to the Condominium Community Association acting through its Board of Directors by all available legal and equitable remedies. In the event enforcement is required and the Unit Owner is found to have failed to perform the duty described above to a reasonable minimum standard or to at least the standard established by the Condominium Community Association, all cost of enforcement (in addition to the cost of maintenance and repair of the Condominium Community Association which shall be assessable in all cases) shall be borne by the Unit Owner; it shall be a special assessment against such Unit as prescribed in RSA 356-B:45 (II); and it may be enforced by a lien against any insurance proceeds payable with respect to any damage or destruction of such Unit or any portion thereof, (subject, however, to the senior rights of holders of a mortgage on such Unit).

7. Units – Floor Plans:

As provided in RSA 356-B:20(II), a complete set of floor plans for each unit will be filed with the Rockingham County Registry of Deeds. Such floor plans should be referred to carefully and read with the provisions of this Article III.

IV. Description of the undivided interests in the common area and facilities pertaining to each unit as required by RSA 356-B:16-I(g)

1. Undivided Interest in the Common Area

The Common Area is an appurtenance to each Unit, allocated thereto as a percentage of undivided interest in the Common Area, as described in Section V herein. No such undivided interest in the Common Area shall be deemed to be a separate or separate property interest from the Unit to which it pertains for any purpose; nor shall such undivided interest in the Common Area be separately taxed, deeded, mortgaged or otherwise hypothecated, except as an appurtenance of the Unit to which it pertains.

The undivided interest in the Common Area and Facilities 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.

2. Limitations of Use

Except as noted below, the Unit 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; and the Rules and Regulations, if any, promulgated pursuant to the By-Laws.

Certain portions of the Common Areas are subject to a certain Conservation Easement to the Town of Derry and the uses thereof are limited by the terms hereof and by any limitations which may in the future be placed thereon under the terms of the Conservation Easement by the Town of Derry. The Conservation Easement is set forth fully in Exhibit B. Exhibit B describes the permitted uses of the Conservation Easement and those persons

other than Unit Owners who may have any use thereof.

3. Taxation of Common Areas

The Common Area so allocated is an appurtenance to each Unit and shall be taxable only as such by relevant taxing authority pursuant to RSA 356:B and shall not be deemed to the separate property of the Association for the purpose of taxation.

4. Insurance of Units

Each Unit Owner shall, at all times, have purchased and maintained a Broad Form Fire and Multi-Peril Insurance Policy on his Unit for at least the Full Replacement Cost thereof, such policy to be written consistently with the standards set forth in Section XVI thereof and subject to provisions of that Section.

5. Reconstruction or Repair of Damaged Units

Subject to the rights of mortgagees of Units to the collection and application of insurance proceeds, all Units damaged by fire or other casualty shall be reconstructed or repaired by the Unit Owner and at the Unit Owner's expense, such repairs to be undertaken consistently with and subject to those standards applicable to repairs to be performed by the Condominium Community Association in Article IX herein.

V. Description of the Common Area and Facilities

The Common Area and Facilities include those items described below and in Section I of this Declaration.

1. The land described on Exhibit A-1, (exclusive of land which is a Unit) with the benefit of and subject to all rights, easements, restrictions, reservations, agreements and appurtenances of record so far as the same may be in force and applicable, and subject to all requirements of maintenance as set forth in this Declaration;
2. The roads within the boundaries of the Condominium Parcel; the yards, lawns, gardens, walkways, common passageways, and other improved or unimproved areas not within the Units;
3. All areas of buildings other than Units which may in the future be part of the Condominium and all facilities, installations and improvements therein shown on the Site Plans or Floor Plans as Limited Common Area pertaining to a specific Unit or Units; and, without limiting the generality of the foregoing:

(a) All conduits, ducts, pipes, plumbing, wiring, electric miters and other facilities for the furnishing of utility services not within a Unit; and all such facilities contained within any Unit which serve part of the Condominium other than the Unit within 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 Community Association for maintenance, repair and replacement thereof; all other apparatus and installations existing within the Condominium for common use or necessary or convenient to the existence, maintenance or safety of the Condominium.

(b) All installations outside the Units for services such as power, light, heat, gas and water, including all equipment appurtenant thereto, except if such installation are the property of (or are maintained by) a public utility providing such services.

(c) To the extent not otherwise described, all components of the sewer, drainage septic and water systems.

(d) To the extent that such are not owned or maintained by a public utility, all wells, pumps, storage tanks, pressure tanks, pipes and other apparatus or equipment required for or pertaining to the provisions of water, or drinking water to the Condominium; and any monitoring wells as required by the New Hampshire Water Supply and Pollution Control Commissions.

(e) Installation of any other common or central services including all equipment attendant thereto, excluding equipment contained within and servicing a single Unit.

(f) All drainage swells, head walls, dams, culverts and structures appurtenant to drainage as shown on the Site Plan.

#### VI Description of the Limited Common Area as required by RSA 356-B:16-I(e)

The Limited Common Area includes the leach bed and associated pumps, chambers, pipes and other facilities for septage, the driveway access to each Unit, which shall extend from the boundary of the Unit to the paved road servicing the other Units in the Condominium, the yard surrounding each Unit as shown on the Site Plan and Floor Plan to be files herewith and as further described below:

The Limited Common Area reserved to and pertaining to each Unit is further described as that area between the front boundary of the Unit and the private road which provides access from a Town Road; plus an area of land extending twenty-five (25) feet from the side boundaries of the Unit and the sides of the front Limited Common Area; plus an area of land extending thirty-five (35) feet from the rear boundary of the Unit and the back of the side yards described above the side and rear yards, the said side and/or rear yards for each Unit shall be defined by a line equi-distant between them.

Such Limited Common Area shall be maintained by the Unit Owner of the Unit to which it pertains, and provided above, and is reserved to the exclusive use of the Unit Owner.

Declarant reserves the right to designate certain additional areas, reserved to one or more Units, as Limited Common Area for the purpose of gardening, horticulture or floriculture within the Conservation Easement, such areas to be delineated and designated by a subsequently recorded amendment to the Site Plan.

#### VII Statement of Purposes and Restrictions on use as Required by RSA 356-B:16-I(h)

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

1. Except as reserved to declarant for sales offices, 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 Owner's family or the Unit Owner's lessees or guests. Two (2) bedroom Units shall have no more than five (5) permanent occupants and three (3) Bedroom Unit's shall have no more than six (6) permanent occupants.



2. The Declarant shall have the right to transact any business on the Condominium Units, including, but not limited to, the right to maintain a sales office in the farmhouse now on the property or in other Units; maintain model Units; 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, 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 and substantially completed 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. Substantially completed shall mean such a state of construction and installations shall enable the Derry Building Inspector to issue a Certificate of Occupancy.
3. Nothing shall be done or kept in any Unit or in the Common Area which will increase the rate of insurance for the Common Area without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in his or her Unit or in the Common Area which will result in the cancellation of insurance of 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 the prior consent of the Board of Directors. Except for For Sales or Lease signs of Declarant, or both. Any such sign shall in all cases conform to the Town Of Derry sign ordinance.
5. Neither noxious or offensive activities shall be carried on in any Unit or in the Common Area, nor shall anything be done therein which may become an annoyance or nuisance to the other Unit Owners.
6. Insofar as may be necessary, the Declarant and any contractor, sub-contractor or other person that Declarant may designate shall have the right to ingress and egress over, upon, across and through the Common Area 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.
7. No Unit Owner shall paint or otherwise decorate or change the appearance of any portion of the exterior of any the buildings without the written permission of the Board of Directors. Such permission shall not be unreasonably withheld; but the discretion herein described shall be used in such manner as to preserve the architectural integrity and value of the Units and the Condominium as a whole.
8. Entire Units may be rented, provided the occupancy is only by the Lessee and Lessee's family and guests. No room may be rented separately. No Units may be rented for less than thirty (30) days.
9. No subdivision of any Unit shall be allowed.
10. In order to preserve the architectural coherence and integrity of the Units, No awning, screen, 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 or other exterior hardware, exterior door, or for frames 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. In this regard only substantial or significant changes to or reduction of landscaping of a Unit on the Limited Common Area pertaining thereto shall require such approval.

11. All garbage and trash containers and bottle gas tanks, if any, must be placed so that they shall not be readily visible from the adjoining Units or from the private road.
12. Clothing shall not be aired or hung to dry on any form of clothes line except in the rear yard of the Limited Common Area pertaining to a Unit and on portable type clotheslines, provided the use of said clothesline 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, and no vehicle larger than a "pickup" truck shall be parked, kept, garaged or stored on the Common Area, without the written consent of the Board of Directors.
15. No off-road vehicles, including but not limited to snow mobiles, dirt bikes or other similar vehicles shall be used or stored on the Common Area (or the Limited Common Area); except that storage thereof, or for boats, may occur in the rear yard of the Unit if such does not create an unsightly appearance to any neighboring Unit and is not visible from the private road.
16. No junk shall be allowed to remain on the Common Area.
17. No dogs, wild animals, livestock, poultry, bird, or reptile of any kind shall be raised, bred, or kept in any Unit or in the Common Area and Facilities, without the express written permission of the Board of Directors. No animal shall be allowed to run free on the Common Area. If any allowed animal is kept by any Unit Owner, the Unit Owner shall see to it that the 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. The Board of Directors shall not grant permission for the keeping of other than small household dogs, cats, caged birds, or pets not required to be placed or kept outside the Unit.
18. There shall be no obstructions of the Common Area and Facilities or Limited Common Area. Except in the case of a temporary storage shed, required because of reconstruction or repair of a Unit, nothing shall be stored in or upon the Common Area and Facilities or in the Limited Common Area without the prior consent of the Board of Directors. Satellite dishes shall not be permitted.
19. A fence of the same type and quality of material as that used on the exterior of the building may, with the permission of the Board of Directors, be permitted to enclose the Limited Common Area, except for the driveway or any portion thereof in the front or on the sideline of a Unit.
20. No noxious or offensive activities shall be carried on in any Unit, or in the Common Area and Facilities or Limited Common Area, nor shall anything be done therein which may become any annoyance or nuisance to the other Unit Owners.
21. There shall be no violation of these restrictions concerning the use of the Units and Common Area or the Rules and Regulations of the Condominium adopted by the Board of Directors and furnished in writing to the Unit Owners; and the Board of Directors are authorized to adopt such Rules and Regulations. The initial Rules and Regulations are

attached thereto as Exhibit C.

#### VIII Agent for Service of Process

Until such time as the Declarant transfers the right and responsibility to elect a Board of Directors to the Unit Owners, as provided in the By-Laws, the name and address of the person in New Hampshire or the service of process in matters pertaining to the Condominium is Richard Donovan, Joseph Greenly House, P.O. Box 3675, Nashua, New Hampshire; thereafter the person to receive service of process shall be member of the Board of Directors or Manager residing in Rockingham County. If no member of the Board of Directors or Manager resides in Rockingham County, the person to receive service of process shall be designated by formal amendment to this Declaration which shall be recorded at the Rockingham 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. Determination to Reconstruct or Repair. 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, with such reconstruction or repair to begin as soon as practicable, but in no event later than thirty (30) days after such damage or destruction unless otherwise specified:

(a) Common Area and Facilities. If the damaged improvement is a Common Area or Facility, and not a Unit or a portion of a Unit, the damaged property shall be reconstructed or repaired.

(b) Units.

1. Partial Destruction. If the damaged improvement is a Unit (or Units) and such damaged improvement is found by the Board of Directors of the Association to be habitable, the damaged property shall be reconstructed or repaired by the Unit Owner, with construction to begin as soon as practicable, but in no event later than sixty (60) days after the casualty or destruction.

2. Total Destruction. If the damaged improvement is a Unit (or Units) which is found by said Board of Directors to be uninhabitable, the damaged property shall be reconstructed or repaired by the Unit Owner, unless within sixty (60) days after the fire or casualty, the mortgagee of the Unit elects to apply the insurance processed to reduce the mortgage debt. In such case the Unit Owner shall have an additional thirty (30) days to commence such reconstruction or repair. In the event no such action is taken after the expiration of any time period specified herein or in the preceding paragraph or within any extension thereof granted by the Board of Directors and subject to conditions they shall impose, the Community Association may, in the discretion of the Board of Directors, demolish the destroyed Unit and take such steps as shall be necessary to reduce or abate unsightly or dangerous conditions within the Unit or the Limited Common Area. Any such actions shall be undertaken at the Owner's expense in the same manner as repairs required of a Unit Owner in Section IV (5) herein.

All repairs required of Unit Owners herein shall be completed as soon as practicable but in no event later than one (1) year after the date of the loss.

2. Emergency Repairs. The Board of Directors may perform emergency work essential

to the preservation and safety of persons or of a damaged improvement of Unit, 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. Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original building with regard to the exterior appearance, size, dimensions and its relation to 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.
4. Responsibility. If the damage is only to a Unit, or to improvements on the Limited Common Area pertaining thereto, then the Unit Owner shall be responsible for and pay the costs of such reconstruction and repair. In all other instances, the responsibility and cost of such reconstruction and repair shall be that of the Association (except for those items which are deemed to be a Unit Owner's separate property or a part of a Unit or a Limited Common Area for which a Unit Owner has the responsibility of maintenance and repair).
5. Estimate of Costs. 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 estimated of the cost to rebuild or repair, from an independent appraiser.
6. Assessments. If the proceeds of insurance are not sufficient to defray the estimate cost of reconstruction and repair required of the Association, on the basis of the independent appraisal, or upon completion of reconstruction and repair; or 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 therefor.
7. Construction Funds. If a Unit is damaged, the Unit Owner shall provide funds for the cost of reconstruction or repair, no insurance on the Unit being carried by the Association. If the damaged property is insured by the Association, the funds for payment of costs of reconstruction and repair, which shall consist of proceeds of insurance held 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:
    - (i) If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association, is less than Fifteen Thousand and 00/100 Dollars (\$15,000), then the construction funds shall be disbursed in payment of such costs upon the order of the Treasurer of the Association; provided, however, that upon request by a mortgagee which is the beneficiary of the 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 and 00/100 Dollars (\$15,000).

(ii) If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is more than Fifteen Thousand and 00/100 Dollars (\$15,000), then the construction funds shall be disbursed by the Treasure 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 the work.

(c) If there shall have been repair or restoration pursuant to the foregoing provisions of this Section and the 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 shall then be paid over to each such Unit Owner and their respective mortgagees in proportion to the undivided interest in the Common Area appurtenant to each Unit.

8. Eminent Domain. 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 allocated certain damages as being attributable to the Common Area and Facilities, particular Units, or both, such allocations herein shall run from the time an award of eminent domain proceeds is made.

#### X. Easements

Easements are reserved to the Condominium as may be required for utility services or otherwise in order to adequately serve the Condominium property; provided, however, any such easements through a Unit shall be according to the plans and specifications for the building or as the building is constructed, unless obligations of the Unit Owner created herein, or by the deed creating the Condominium, shall be altered in any way by 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 a Unit Owner or Unit Owners if said encroachment occurred during the willful conduct of said Unit Owner or Unit Owners.

Declarant further reserves the right to grant easements to others through over or under the Condominium property for public utilities; provided that no such easement shall damage a Unit or (without repair or replacement) improvements to the Limited Common Area pertaining to a Unit.

Declarant further reserves the right to grant to, or develop with, others the subsurface waters of the Condominium property so as to provide potable water to the Condominium or, so long as the supply thereof is deemed adequate under applicable governmental

regulations, to others.

Declarant has further granted the Conservation Easement to the Town of Derry more fully described on Exhibit B.

#### XI.Changes in Price – Alteration of Unit Plans

To meet the particular requirements of prospective purchasers or to allow for the changes in price of labor and material, and for other reasons, the Declarant reserves the right, so long as it is the Owner of any unsold units, to change the price of any such Units. No change in price of a Unit, however, will vary the estimated annual common charges for the Unit or its percentage of interest in the Common Area and Facilities or its membership in the Association.

The Declarant also reserves the right to change the design and arrangement of any Unit, so long as it owns the Unit so altered. Such change shall neither increase the number of Units nor alter the boundaries of the Common Area. Any such change shall, if required, be reflected by an amendment to this Declaration which may be executed by the Declarant alone, notwithstanding the provisions of Section XII of this Declaration.

#### XII.Amendments

This Declaration of Condominium and the By-Laws of the Bliss Farm Condominium Community Association, except as otherwise provided herein, may be amended by a vote in accordance with the By-Laws and by an instrument in writing signed, acknowledged and recorded as provided by RSA 356-B:34, and such amendment shall be affective upon recording in the office of the Registry of Deeds of Rockingham County, State Of New Hampshire, subject to the following:

1. Notice. 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. Pro viso. No amendment shall discriminate against any Unit Owner, unless the Unit Owner affected shall consent; and no amendment shall change any Unit (except as provided in Section XI above) or the share of the Common Area or Facilities appurtenant to it ( except as is permitted to convert Convertible Land pursuant to RSA 356-B:23), or increase Unit Owner's share in the Common Area and Facilities, unless all the record Owners of the Units concerned, and all the record Owners of mortgages thereon, shall join in the execution of the amendment; provided, however, that anyone 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 Rockingham County Registry of Deeds, if said amendment is signed, acknowledged and recorded in compliance with this section of Declaration. No amendment of this Declaration shall make any change in the section entitled “Insurance” or in the section entitled “Reconstruction or Repair After Casualty and Voting Requirements in the Event of Damage or Destruction” or change the allocation to any Unit or the undivided interest in the Common Area (except as provided in Section XXII herein), unless all the Unit Owners and all the record Owners of mortgages on Units in the Condominium shall join in the execution of the amendment.

#### XIII.Maintenance, Alteration, Improvements and Management

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

1. By the Unit Owner. 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 and the Limited Common Area and Facilities pertaining thereto, if any;
  - (b) To pay any commonly allocated costs and expenses as provided in Section XIV of this Declaration; and
  - (c) To promptly report any defect or need for repairs, the responsibility for remedying of which is that of the Association.
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 Section V and except for Limited Common Areas pertaining to a Unit (except for leach beds and other septage facilities which shall be maintained by the Association but at the expense of the users thereof). All such repairs shall be at the Association's expense, except as hereinafter set forth;
  - (b) All incidental damage caused to a Unit by such work, with repairs to be performed promptly at the expense of the Association.
3. Maintenance and Monitoring required by certain approvals.
  - (a) The Association shall be responsible for complying with the conditions of approval of the following permits on record with the Town of Derry.
    1. Groundwater Permit No. GWP 8703-02D issued March 17, 1987, by N.H. Water Supply and Pollution Control Commission;
    2. Dredge and fill permit #WDT-P-1147 issued March 3, 1987, by N.H. Wetlands Board Commission; and
    3. Site Plan Approval of the Town of Derry
  - (b) In accordance with these permits and approvals, the Association shall be responsible for the following:
    1. To reapply to the N.H. Water Supply and Pollution Control Commission, or its successor, within five (5) years of approval of groundwater permit No. GWP 8703-02D not later than March 16, 1991;
    2. To Comply with the ongoing conditions of approval of groundwater permit No. GWP 8703-02D;
    3. To maintain the community septic systems, including grinder or pressure pumps, pumps, pumps and appurtenant structures access roads, pipes, and any other facilities (other than individual septic tanks, which are deemed part of the Unit) related to the disposal of sewerage;
    4. To maintain all pumps, wells, wiring, pipes, pressure tanks, storage tanks, or other equipment or fixtures required to provide water to the Units or to any Common Area or Facility;
    5. To maintain, replace or repair all paved roads within the Condominium Community; to maintain all drainage swells, catch basins, retention ponds or other drainage facilities shown on the Site Plan.
  - (c) The Condominium Community Association shall maintain at all times adequate current funds to conduct any needed maintenance set forth above; and further maintain reserve accounts for capital expenditures reasonably expected on account thereof. The reserve accounts are to be segregated from other accounts and are to be funded by annual assessments, based upon the current or anticipated cost of such capital repairs or replacement amortized over the expected useful life of any such capital equipment.

4. Common Area, Alteration and Improvement. After completion of the improvements included within the Common Area which are contemplated by this Declaration or performed by Declarant, there shall be no alteration nor further improvements of the Common Area without prior approval in writing by the record Unit Owners of seventy-five percent (75%) of the Units; provided, however, that any alteration or improvements of the Common Area bearing the approval in writing of fifty percent (50%) or more but less than seventy-five percent (75%) of the Unit Owners, which does not interfere with the rights of any non-approving Unit Owners, may be done if the Unit Owner who do not approve are relieved from the cost thereof. Such costs shall be assessed to the consenting Unit Owners in the shares which where shares in the Common Area bear to each other.
5. Maintenance and Management Contract. Specifically reserved to the Declarant or the Board of Directors of the Condominium Community Association, as the case may be, is the authority o\to enter into a management and maintenance contract with a qualified management or maintenance service organization providing for the maintenance an d repair services contemplated by this Section of the Declaration and further providing for the general management of the Condominium.

#### XIV. Assessments

1. Share of Common Expenses. 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 owned by him, as set forth in Section IV; provided, however that if a Unit is declared to be uninhabitable by the Board of Directors on account of fire or casualty covered by the Association insurance policy and it remains uninhabitable for a period exceeding sixty (60) days, the Common Expense attributable 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 Expense attributable to such Unit shall be pro-rated and borne by the remaining habitable Units in accordance with its proportionate share of Common Expenses.
2. Commonly Allocated Costs and Expenses The Unit Owners shall share equally, the costs of the following:
  - (a) Insurance: Fire and liability insurance shall be carried on any building which is part of the Common Area in an amount equal to the full replacement value of the building. Public liability insurance shall be carried covering the Condominium Community Association Common Area in the amount set forth in the By-Laws.
  - (b) Real Estate Taxes: Real estate taxes shall be shared, unit such time as the tax assessor for the Town of Derry 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 the Unit, which shall be payable at the time that such assessment is made or at the time of purchase, whichever occurs last.
  - (c) Other Expenses: Any other expenses incurred by the Association for



common expenses as more fully described herein or in the By-Laws. Specifically included herein is the expense associated with the cost of maintenance and repair of leach beds and common septic facilities.

3. Interest Application of Payment. Assessments of Special Assessments paid on or before ten (10) days after the date when due shall not bear interest, but all sums not paid with ten (10) days after the date when due, shall bear interest at the rate of three (3%) percent, per month, from the date when due until paid. All payments upon account shall be first applied to interest and then to the assessment.

4. Lien for Assessment. The lien for unpaid assessments, as provided in RSA 356-B:46, shall also secure reasonable attorney's fees incurred by the Association incident to the collection of such assessment in the enforcement of such lien.

5. Rental Pending Foreclosure. In any foreclosure of a lien for assessment, as provided by said RSA 356-B:46, the Unit Owner of the Unit subject to the lien shall be required to pay a reasonable rental for the Unit and the Association shall be entitled to the appointment of a receiver to collect the same in the event that such Unit Owner continues to occupy such Unit after the notice of foreclosure is issued.

6. Mortgagees. Any mortgagee which acquires its title as a result of a foreclosure or conveyance in lieu of foreclosure on a Unit, shall be liable for the payment of any assessment.

#### XV. Association

The operation of the Condominium shall be by an unincorporated Association. This Section of the Declaration shall be deemed the Articles of Agreement thereof; and a verified copy of this Section may be filed as appropriate with the New Hampshire Department of State or any other entity or body.

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 the Declaration and the By-Laws, as they may be amended from time to time.

##### 1. Membership in the Association:

(a) Qualification. The members of the Association shall consist of all the record Owners of the Units.

(b) Change of Membership. The Association shall be established by recording of the Registry of Deeds for Rockingham County, 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 first mortgage thereon 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 instrument shall thereby become a member of the Association. At such time the membership of the prior Unit Owner shall be thereby terminated.

(c) Voting Rights. A member of the Association shall be entitled to cast a vote for each Unit owned in the percentage attributed to each Unit in Section IV. 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.

(d) Restraint upon Assignment of Shares in the Community 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.

(e) Proxy. Members may vote at all meeting by written proxy delivered to the Board of Directors.

2. Board of Directors. 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. Indemnification. 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 in connection with any proceeding to which they may be a party or in which they may become involved, by reason of their being or having been a Director or officer of the Association, or any settlement thereof, whether or not they are a Director or officer at such time the expenses are incurred, except in such cases wherein the Director or officer are 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 Director approves such settlement and reimbursement as being in the best interests 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. Limitation Upon Liability of the Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium property, the Association shall not be liable for injury or 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. 5. BY-Laws. The By-Laws of the Association shall be in the form attached thereto as Appendix A.

6. 6. Property in Trust. All funds and title to all properties acquired by the Association and the proceeds thereof shall be held in trust for the membership in accordance with the provisions of this Declaration of Condominium and the By-Laws.

## XVI. Insurance

The Board of Directors shall obtain and maintain at all times, on behalf of the Unit Owners Association, replacement cost Multi-peril insurance which shall include:

1. A master casualty policy affording fire and extended coverage in an amount equal to a full replacement value of any building or structures within the Condominium, or part thereof, which are part of the Common Area; and
2. A master liability policy, in an amount 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 agent or employees of any of the foregoing with respect to the Condominium, and all Unit Owners and other

person 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 (including Unit Owner's policies) to the extent that the following endorsements 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 Unit mortgagees and cross liability endorsements for the Condominium Community Association.
- (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 the Association's policies in force from time to time shall be vested in the Board of Directors or its authorized representative.
- (4) In no event shall the insurance coverage obtained and maintained by the Board of Directors be brought into contribution with insurance purchased by individual Unit Owners or their mortgagees.
- (5) As provided above, each Unit Owner shall maintain a multi-peril and comprehensive general liability policy covering the full replacement cost of the Unit and the improvements on the Limited Common Area pertaining 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 of 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 shall maintain their own insurance policy on personal property contained in the Unit or on the Limited Common Area pertaining thereto.

Notice: Unit owners are urged to ascertain that their individual insurance coverage includes provision for the Unit and all additions and alterations, and physical aspects of the Unit and to see that all such unit owner assessment endorsement.

- (7) Upon obtaining individual insurance policies covering any portion of the property other than the Unit or personal property belonging to such Unit Owner, each Unit Owner shall be required to file a copy of such individual insurance policies or policies with the Board of Directors within thirty (30) days of such insurance.

- (8) All insuree shall be required to make every effort to secure a Master policy 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 other Unit Owners of their respective servants, agents and guests.
  - (b) That the policy cannot be cancelled, invalidated, or suspended on account of the conduct of any one or more other Unit Owners, or without at least ten (10) days written notice to the prospective mortgagees of the Units;
  - (c) That the policy 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 policy exclude individual owner's policies from consideration.
- (9) 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 policy.
- (10) Notwithstanding any provisions to the contrary herein contained, the policy shall cover all parts of any building which are part of any such building which are customarily insured as part of a building (i.e. Walls, ceilings, floor coverings and light fixtures) under fire and multi-peril policies issued in the State of New Hampshire.
- (11) All holders of first mortgages of Units shall receive at least ten (10) days prior written notice of any lapse, cancellation or material modification of the policies insuring the Condominium

## XVII. 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 Section 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 RSA 356-B: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.

## XVIII. Interpretation

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 deposition of a condominium. Failure to enforce any provisions hereof shall not constitute a waiver of the right to enforce said provision or any other provision thereof.

## XIX. 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 of any other provision hereof.

## XX. Effective Date

This Declaration shall take effect upon recording.

## XXI. Rights of Mortgagees

1. Notice. 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 Unit Owners.
2. Qualification for Secondary Market. Notwithstanding anything to the contrary elsewhere in the Condominium Declaration and By-Laws, the following provisions shall govern and be applicable insofar and for so long as the same are required in order to qualify mortgagee of Units in the Condominium, for sale to the Federal Home Loan Mortgage Corporation (FHLMC) and to the Federal National Mortgage Association (FNMA) under laws and regulations applicable thereto:

Upon written request to the Association, identifying the Unit Owner and Unit and the name and address of the holder, insurer or guarantor, and the unit number and addresses, 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:

(a) Any condemnation loss or casualty loss which effects a material portion of the Condominium or any Unit on which there is a first mortgagee held, insured or guaranteed by such eligible mortgage holder or eligible insurer or guarantor, as applicable;

(b) Any delinquency in the payment of assessments or charges owed by the Owner of the Unit subject to such first mortgage hold, insured or guaranteed by such eligible holder or eligible insurer or guarantor, which remains uncured for a period of sixty (60) days; and

(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

3. In addition, and notwithstanding anything to the contrary elsewhere in the Condominium Instruments, the Association shall, upon written request of any institutional first mortgagee 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 existing in full compliance with applicable laws of the State of New Hampshire; Town of Derry;

- (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 as 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;
- (d) That except as provided by RSA 356-B-34, in case of Condemnation or substantial loss of the Units and/or Common Area, 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 purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation award or determining the pro rata share of ownership to 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 hazard insurance proceeds for losses to the Condominium for other than repair, replacement or re-construction of the Condominium;
- (e) 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 Units;
- (f) That no provision of the Condominium documents gives a Unit Owner or other party priority over a first mortgagee in case of a distribution of insurance proceeds or condemnation awards with regard to any Unit or Common Area.
- (g) That all improvements to the Condominium are included within the Common Area and each Unit and the first mortgagee thereof has an equivalent undivided interest in such Common Area and that all such improvements have been installed, completed and are in operation;
- (h) That, if such be true, 90%, or some lesser percentage, of the Units constructed at any time have been sold to bona fide purchasers or are under binding contract to subsequent purchasers;
- (i) That, if such be true, 70%, or some lesser percentage of the Units are owned by individuals for use as primary year-round residences.
- (j) That Condominium assessments include adequate reserves for repair of the Common Area and Facilities and are payable monthly;
- (k) That any management contract or other agreement with the Declarant has a term not exceeding three (3) years and may be terminated by either party without cause or penalty upon ninety (90) days written notice to the party; and
- (l) That, if such be true, 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 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.

The Declarant is empowered to render this certificate 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.

4. Eligible mortgage holders shall also have the following rights:

(a) Any restoration or repair of the Condominium, after a partial condemnation or damage due to an insurable hazard, shall be performed substantially in accordance with the Declaration and the original plans and specifications, unless other action is approved by all eligible mortgage holders;

(b) Any election to terminate the legal status of the Condominium after substantial destruction or a substantial taking in condemnation of the Condominium property requires the approval of all eligible mortgage holders;

(c) No reallocation of interest in the Common Area resulting from a partial condemnation or partial destruction may be effected without the prior written approval of eligible holders holding mortgages on the remaining Unit whether existing in whole or in part; and

(d) When professional management has been previously required by any eligible mortgage holder or eligible insurer or guarantor, whether such entity become an eligible mortgage holder or eligible insurer or guarantor at the time or later, any decision to establish self-management by the Association shall required the prior consent of the Unit Owners of both Unit's and the approval of all eligible mortgage holders.

## XXII. Conversion of Convertible Lands

As required by RSA 356-B:16 (II) the following describes the Convertible Land in the Condominium and the Declarant's rights therein:

1. A legal description of the Convertible Land, by notes and bounds is attached hereto as Exhibits A-2 through A-4.
2. Reference is made to the Convertible Lands shown on the Site Plan. As to each phase, the maximum number of Units which can be created thereon is indicated. The maximum number of Units which can be created in Phases 1 through 3 is 105.
3. All Convertible Lands shall be restricted to those uses set forth in Article VII of the Declaration.
4. All structures erected on the Convertible Lands shall be compatible with structures on the remaining submitted land to the extent that they shall be single-family detached Units of similar quality of construction. Declarant reserves the right, however, to modify floor plans, the square footage of Units, principal materials and architectures style of any such structures built on the Convertible Lands.

5. Units created on the Convertible Lands may be substantially identical to Units on the remaining submitted land; provided, however, that Declarant reserves the right to build Units which have full basements, with garages under, or fill basements with finished rooms; to vary exterior finish by adding brick veneer to all or part thereof; to add wooden decks thereto; to vary the architectural style of the Units, if such will not diminish the value of Units already constructed; and to build Units with only (1) bedroom with a resulting diminution of total square footage of such one (1) bedroom Units.
6. The Declarant reserves the right to create Limited Common Area within the Convertible Lands which are substantially similar to those Limited Common Area described in Article V herein.
7. In connection with the conversion of the Convertible Lands the Declarant reserves the right to record amendments to this Declaration and to re-allocate the undivided interests of all Units in the Common Area, from time to time, and without the further consent of any Unit Owner or of the Association, in the manner set forth in RSA 356-B:18 and 356-B:23, respectively.

### XXIII. General

All of the rights and interests of Declarant in these premises are hereby merged herein and are subject to the terms hereof.