

**ATHERTON COMMON
CONDOMINIUM
UNIT OWNERS
ASSOCIATION**

BYLAWS

ATHERTON COMMON CONDOMINIUM UNIT OWNERS' ASSOCIATION

BYLAWS

ARTICLE I — PLAN OF UNIT OWNERSHIP

1. **Purpose.** The administration of Atherton Common Condominium shall be governed by these Bylaws which are annexed to the Declaration of the Condominium and are made a part thereof, and all present and future holders of any interest in the Condominium shall hold said interest subject to the Bylaws as well as to the Declaration and the Rules promulgated hereunder.

2. **Definitions.** Terms not defined herein or in the Declaration shall have the meanings specified in the Condominium Act (RSA 356-B:3).

* 3. **Applicability.** The provisions of these Bylaws are applicable to the Property and to the use, occupancy, sale, lease, or other transfer thereof. All present and future Owners, tenants, their guests, licensees, servants, agents, employees, and any other person who shall use the Condominium shall be subject to these Bylaws and to the Rules of the Condominium. The acceptance of deed of conveyance or the entering into of a lease or the act of occupancy of a Unit or any other portion of the Condominium shall constitute an acknowledgment that such Owner, tenant, or occupant has accepted and ratified these Bylaws, the provisions of the Declaration, these Bylaws, and any Rules or Regulations promulgated by the Board of Directors; (2) that no Bylaws may conflict with the Declaration; and (3) that no Rules or Regulations may conflict with the Bylaws; and (4) that, whether or not so expressed, all sections of these Bylaws are further subject to the provisions of the Declaration (of which they are a part) and to the Condominium Act (RSA 356-B) to the extent the same subject matter is treated in any two or all three of these documents.

* 4. **Office.** The office of the Condominium and of the Board of Directors (sometimes hereinafter referred to as the "Board") shall be located at the Condominium or at such other place as may be designated from time to time by the Board. The mailing address of the Condominium is: Atherton Common Condominium, P. O. Box 764, Amherst, New Hampshire 03031-0764.

ARTICLE II — UNIT OWNERS' ASSOCIATION

1. **Composition.** All of the Unit Owners, acting as a group in accordance with RSA 356-B, the Declaration, and these Bylaws, shall constitute the "Unit Owners' Association," which shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the assessments for Common Expenses, arranging for the management of the Condominium, and performing all of the acts that may be required to be performed by the Unit Owners' Association by RSA 356-B. Except as to those matters which RSA 356-B specifically requires to be performed by the vote of the Unit Owners, the administration of the Condominium shall be performed by the Board (as more particularly set forth in Article III).

2. **Voting.** Each Unit shall be entitled to one vote. Since a Unit Owner may be more than one person if only one of such persons is present at a meeting of the Association that person shall be entitled to cast the vote appertaining to that Unit. But if more than one of such persons is present, the vote appertaining to the Unit shall be cast only in accordance with the agreement of a majority of them, and such consent shall be conclusively presumed if any one of them purports to cast the vote appertaining to that Unit without protest being made forthwith by any of the others to the person presiding over the meeting. As applied to a person which is not a natural person, the

BK5506HG1282

word "person" shall be deemed for the purposes of this Section to include, without limitation, any one natural person having authority to execute deeds on behalf of such person which is not a natural person and which is, either alone or in conjunction with another person or persons, a Unit Owner. Except where a greater number is required by RSA 356-B, the Declaration, or these Bylaws, a majority of the votes of the Unit Owners present, in good standing and entitled to vote, is required to adopt decisions at any meeting of the Unit Owners' Association.

3. **Place of Meeting.** Meetings of the Unit Owners' Association shall be held at any suitable place as may be designated by the Board and stated in the notice of the meeting.

* 4. **Annual Meeting.** The annual meetings of the Association shall be held on a date to be fixed by the Board. At such annual meetings, the Board shall be elected by ballot of the Owners in accordance with the requirements of Article III. The Association may transact such other business as may properly come before them at such meetings.

→ 5. **Special Meetings.** It shall be the duty of the President to call a special meeting of the Unit Owners' Association if so directed by resolution of the Board or upon a petition signed and presented to the Secretary by Owners having not less than thirty percent (30%) of the votes of all Owners. The notice of any special meeting shall set forth the purpose thereof, and no business shall be transacted at a special meeting except as stated in the notice.

* 6. **Notice of Meeting.** It shall be the duty of the Secretary to deliver, by first-class United States mail a notice at least twenty-one (21) days in advance of any annual meeting and at least seven (7) days in advance of any special meeting, stating the purpose thereof as well as the time and the place where it is to be held, to each Owner of record, at the address of their respective Units and at such other address as each Owner may have designated by notice in writing to the Clerk.

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

* 8. **Proxies.** The vote appertaining to any Unit may be cast pursuant to a proxy executed by, or on behalf of, the Unit Owner or, where the Unit Owner is more than one person, by or on behalf of all such persons. The validity and revocation of proxies is governed by RSA 356-B:39, IV.

9. **Quorum.** A quorum shall be deemed to be present throughout any meeting of the Unit Owners until adjourned if Owners entitled to cast more than twenty-five percent (25%) of the total votes are present at the beginning of such meeting.

* 10. **Conduct of Meeting.** The President or, in his absence, the Vice President or, in the absence of both, the designated alternate of the President, shall preside over all meetings of the Unit Owners Association, and the Secretary shall keep the minutes of the meeting and shall record all transactions occurring and all resolutions adopted at the meeting. Robert's Rules of Order shall govern the conduct of all meetings of the Unit Owners' Association when not in conflict with these Bylaws, the Declaration, or RSA 356-B.

K5506PG1283

ARTICLE III - BOARD OF DIRECTORS

* 1. Powers and Duties. The affairs and business of the Condominium shall be managed by a Board of Directors which shall have all of the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things as are not directed by RSA 356-B or these Bylaws to be exercised and done by the Unit Owners' Association. The Board shall have the power from time to time to adopt any Rules deemed necessary for the enjoyment of the Condominium provided that such Rules shall not be in conflict with RSA 356-B, the Declaration, or these Bylaws. The Board may delegate to one of its members the authority to act on behalf of the Board on specific matters which might arise between meetings of the Board. In addition to the general duties imposed by these Bylaws, the Board shall have the power to, and be responsible for, the following:

* (a) Preparation of an annual budget in which there shall be established the assessment of each Owner for the Common Expenses; [see also Article V, Sections 1 and 5];

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

(c) Providing for the operation, care, upkeep, replacement, and maintenance of all of the Common Area and services of the Condominium.

(d) Designating, hiring, and dismissing the personnel necessary for the maintenance, operation, repair, and replacement of the Common Area, and providing services for the Property and, where appropriate, providing for the compensation of such personnel and for the purchase or use of equipment, supplies, and material to be used by such personnel in the performance of their duties, which supplies and equipment, if purchased, shall be deemed the common property of the Owners.

(e) Making and amending Rules respecting the use of the Property and enforcing the provisions of the Declaration, these Bylaws and such Rules, and bringing any proceedings which may be instituted on behalf of the Owners.

(f) Obtaining and maintaining insurance against casualties and liabilities, as provided in Article VI of these Bylaws, and paying the premiums therefor, and making (or contracting for the making) of repairs, additions, and improvements to, or alterations of, the Property and repairs to, and restoration of, the Property in accordance with other provisions of these Bylaws after damage or destruction by fire or other casualty.

* (g) Maintaining books of account showing the receipts and expenditures of the Unit Owners' Association. The said books, current copies of the Declaration, Bylaws, and other Rules and Regulations concerning the Condominium shall be available for examination by the Owners, lenders, holders, insurers, or guarantors of any first mortgage, their duly authorized agents or attorneys during general business hours on business days or under other reasonable circumstances. (See also Article XI, Section 5.)

BK5506PG1284

* (h) To have prepared a financial statement for the immediately preceding fiscal year which shall be provided to all Unit Owners and, upon written request, to any holder insurer, or guarantor of a first mortgage on a Unit, free of charge to the party so requesting.

* (i) To do such other things and acts not inconsistent with these Bylaws the Declaration, or RSA 356-B which it may be authorized to do by a resolution of the Unit Owners' Association.

* (j) To suspend and/or terminate all use of common areas, and all services paid for or provided by the Association for Owners delinquent in the payment of their common area fees, assessments and all related charges.

* 2. Managing Agent. The Board may employ, or contract with, a professional manager or management firm ("Manager") for a fee or compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 1 of this Article II and such other duties and services as the Board shall authorize. The Board may delegate to the Manager all of the powers granted to the Board by these Bylaws provided that any actions by the Manager with respect to the powers set forth in paragraph (b) of Section 1 of this Article III shall require the written consent of the Board. The term of the employment contract for a Manager may not exceed two (2) years, and any such employment contract shall provide, inter alia, that such agreement may be terminated for cause upon no more than ninety (90) days written notice.

* 3. Number of Directors. The Board of Directors shall be composed of five (5) persons. Such persons shall be unit owners or spouses thereof or, where a person which is an owner is not a natural person, any natural person having authority to execute deeds in behalf of such person.

* 4. Election and Term of Office. At each annual meeting of the Unit Owners' Association, five (5) directors shall be elected, to serve terms in office of one (1) year or until their successors have been elected.

* 5. Organization Meeting. The meeting of the members of the new Board following the annual meeting of the Unit Owners' Association shall be held within ten (10) days after the annual meeting at such place as shall be fixed by the directors at the meeting at which such directors were elected.

* 6. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the directors, but at least two (2) such meetings shall be held during each twelve (12) month period after the annual meeting of the Unit Owners' Association. Notice of regular meetings of the Board shall be given to each director personally or by mail, telephone, or telegraph at least five (5) business days prior to the day named for such meeting, except that no notice shall be required for a regular meeting held immediately after, and at the same place as, the annual meeting of the Association.

7. Special Meetings. Special meetings of the Board of Directors may be called by the President on five (5) business days' notice to each director. Such notice shall be given personally or by mail, telephone, or telegraph, and such notice shall state the time, place, and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice upon the written request of at least two (2) directors. (See also the final sentence of Section 7 of this Article III which also applies to special meetings.)

8. Waiver of Notice. Before or within ten (10) days after any meeting of the Board, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall

be a waiver of notice by him of the time and place thereof. If all directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

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

* 10. Vacancies. Vacancies in the Board of Directors (caused by any reason other than removal of a director by a vote of the Unit Owners' Association — (See Section 12 below) shall be filled by vote of a majority of the remaining directors at a regular or special meeting of the Board held for that purpose as soon as practicable after the occurrence of any such vacancy. Each person s elected shall be a director for the remainder of the term of the director so replaced.

11. Removal of Directors. A director may be removed with or without cause, and his successor elected, at any duly called regular or special meeting of the Unit Owners' Association at which a quorum is present by an affirmative vote of a majority of the votes represented and voting. Any director whose removal has been proposed by the Owners shall be given at least ten (10) days' notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting.

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

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

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

* 15. Fidelity Bonds. The Board shall require blanket fidelity bonds to be maintained by the Unit Owners' Association for all officers, directors, trustees and employees of the Association, and all other persons handling or responsible for funds of, or administered by, the Association including the officers and employees of a management agent to whom such responsibility has been delegated. The total amount of fidelity bond coverage shall be based upon the best business judgment of the Board, provided that the coverage shall not be less than the estimated maximum of all funds in the custody of the Unit Owners' Association (or the managing agent) during the term of the bond and shall equal at least three (3) months aggregate assessments on all Units, plus accumulated reserve funds. The fidelity bonds shall: (1) have the Unit Owners' Association as obligee; (2) contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions; and (3) shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days prior written notice to the Unit Owners' Association and to each servicer on behalf of the Federal National Mortgage Corporation (FNMA) servicing the Condominium and to any holder, issuer, or

BK5506PG1286

guarantor of a first mortgage on a Unit who make written requests for such notice. The premiums on such bonds shall constitute a Common Expense.

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

17. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct or bad faith. The Owners shall indemnify and hold harmless each of the Directors from and against all contractual liability to others arising out of contracts made by the Board on behalf of the Owners unless any such contract shall have been made in bad faith or contrary to the provisions of RSA 356-B, the Declaration, or these Bylaws. It is intended that the members of the Board shall have no personal liability (except as Owners) with respect to any contract made by them on behalf of the Owners. It is also intended that the liability of any Owner arising out of any contract made by the Board or out of the aforesaid indemnity in favor of the members of the Board shall be limited to such proportion of the total liability thereunder as his Unit's value bears to the total value of all Units. Every written agreement made by the Board or by the Manager on behalf of the Owners shall, if obtainable provide that the members of the Board or the Manager, as the case may be, are acting only as agents for the Owners and shall have no personal liability thereunder (except as Owners), and that each Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his Unit's value bears to the total value of all Units. The Owners shall indemnify any person who was or is a party or is threatened to be made a party to any action, suit, or proceeding whether or not based on contract, by reason of the fact that he is or was a director, or officer, for expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement incurred by him in connection with such action, suit, or proceeding, unless he acted in bad faith or was guilty of willful misconduct.

ARTICLE IV — OFFICERS

* 1. Designation. The principal officers of the Condominium shall be a President, a Vice-President, a Secretary, and a Treasurer, all of whom shall be elected by the Board. The Board may appoint assistants or such other officers as in its judgment may be necessary. With the exception of the President, no officer need be a member of the Board. The offices of Treasurer and Secretary may be held by the same person.

2. Election of Officers. The officers of the Condominium shall be elected annually by the Board at the organization meeting of each new Board and shall hold office at the pleasure of the Board. Any vacancy in an office shall be filled by the Board at a regular meeting or special meeting called for such purpose.

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

* 4. President. The President shall be the chief executive officer; he, the Vice-President, or his designated alternate, shall preside at meetings of the Unit Owners' Association and at meetings of the Board of Directors. He shall be an ex-officio member of all committees except the Election Committee, he shall have general and active management of the business of the

BK 5506 PG 1287

condominium and shall see that all orders and resolutions of the Board are carried into effect. He shall have all of the general powers and duties which are usually vested in, or in, or incident to, the office of president of a stock corporation organized under the laws of the State of New Hampshire.

* 5. Vice President. In the absence of the President, the Vice-President shall preside at meetings of the Unit Owners' Association and of the Board.

* 6. Secretary. The Secretary, or his designated alternate, shall attend all meetings of the Board of Directors and all meetings of the Unit Owners' Association. He shall record the minutes of all proceedings in the Record Book of the Condominium and shall perform like duties for committees when required. The Secretary shall keep the Record Book current and in his custody. He shall give, or cause to be given, notice of all meetings of the Unit Owners' Association, the Board and committees and shall perform such other duties as may be prescribed by the Board or President. The Secretary shall compile and keep current (1) a complete list of the Owners and their last known post office addresses; (2) a complete list of the units being leased or rented and the names of the occupants of such units; and (3) an orderly list of Condominium Rules and Regulations enacted by the Board and of revisions to the Bylaws which have been enacted since the last edition thereof was distributed to all unit owners. The foregoing lists shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same at any time which is reasonable and mutually convenient to the Secretary and any such person. He shall compile and keep current a list of unit owners who have mortgages on their units in accordance with provisions of Article XI, Section 1.

* 7. Treasurer. The Treasurer shall have the custody of all funds and securities, shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall deposit all monies and other valuable personal property in such depositories as may be designated by the Board. He shall disburse funds as ordered by the Board, where possible, taking proper vouchers for such disbursements, and shall render to the President and directors, at regular meetings of the Board, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the Condominium.

* 8. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, and other instruments of the Condominium for expenditures or obligations may be executed by a minimum of two (2) officers of the Condominium or their designates. No officer or officers of the Condominium may execute any agreement, contract, deed, lease, or other instrument unless approved by a majority vote of the Board. Checks of \$1,000.01 or more may be executed by a minimum of two (2) officers of the Condominium, or their designates provided that the applicable invoice (or substitute document) bears the approval signature of an appropriate committee head attesting to the fact that goods were received in good condition or that services have been rendered in a satisfactory manner.

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

ARTICLE V - OPERATION OF THE PROPERTY

1. Determination of Common Expenses and Assessments Against Owners

* (a) Fiscal Year/Tax Year. The fiscal and tax years of the Condominium shall consist of a twelve (12) month period commencing on January 1 of each year and terminating on December 31 of the same year. The fiscal year herein established shall be subject to change by the

BK5506PG1288

Board provided that permission is first obtained from both federal and state authorities to change the tax year to agree with the proposed change in the fiscal year.

* (b) Preparation and Approval of Budget. Each year the Board shall adopt a budget for the Condominium containing an estimate of the total amount which it considers necessary to pay the cost of maintenance, management, operation, repair, and replacement of the Common Area, and the cost of wages, materials, insurance premiums, services, supplies, and other expenses that may be declared to be Common Expenses by RSA 356-B, the Declaration, these Bylaws, or a resolution of the Unit Owners' Association, and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the property and the rendering to the Owners of all related services. Such budget shall also include an adequate reserve fund for maintenance, repairs, and replacement of those elements of the Common Area that must be replaced on a periodic basis to prevent, if possible, any need for special assessments for such purposes. The Board shall send a copy of the budget to each Owner, at least fifteen (15) days in advance of the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each Owner's contribution for the Common Expenses of the Condominium.

* (c) Assessment and Payment of Common Expenses. The total amount of the estimated funds required for the operation of the Property as set forth in the budget for the fiscal year adopted by the Board of Directors shall be assessed equally, in twelve (12) monthly installments, against each of the Units. Unpaid assessments so levied shall be a lien against each Condominium Unit when perfected in accordance with RSA 356-B:46. On or before the first day of each of the twelve (12) months in such fiscal year, each Unit Owner shall be obligated to pay to the Association one twelfth (1/12) of the assessment for such period made pursuant to the foregoing provisions.

* (d) Reserves. The Board shall build up and maintain an adequate replacement of those long-lived elements of the Common Area which must be maintained, repaired, or replaced on a periodic basis. The reserve shall be funded in twelve (12) monthly installments except that the Board may adjust deposits when necessary to meet other financial obligations in a timely manner providing the reserve is fully funded by the end of the year. This funding represents that total of the regular monthly payments collected pursuant to sub-section (c) which is designated for the reserve fund in the budget adopted pursuant to sub-section (b). The portion of the monthly payments so designated shall be placed in a separate bank account or accounts segregated from the general operating fund. The capital reserve fund shall be used only for the maintenance, repairs, and replacement of those elements of the Common Area which must be replaced on a periodic basis. The reserve fund shall not be used a contingency fund for unscheduled capital items or expenses or for any operating expense. If for any reason, including nonpayment of any Owner's assessment, the reserves are inadequate, the Board shall levy a further assessment which shall be assessed against all Units and which may be payable in a lump sum or in installments as the Board may determine. The Board shall serve notice of any such further assessment on all Owners by a statement in writing, giving the amount and reasons therefor, and such further assessment, unless otherwise specified in the notice, shall become effective with the next monthly payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All Owners shall be obligated to pay the adjusted monthly amount or, if the additional assessment is not payable in installments, the amount of such assessments.

* (e) Review of Reserve Fund Adequacy. The Board of Directors shall review the adequacy of the reserve fund annually in conjunction with preparation of the annual budget. Both the scope of the fund and the current and projected rates of input to the various sub-funds shall be included in such reviews. Appropriate adjustments to the rate of input to the fund shall be based exclusively on such reviews and shall be implemented in accordance with the provisions of sub-section (d) above. Factual information and other assumptions used to come to the conclusions arrived at in the course of each review shall be based upon long range plans, price

data; inflation and interest trend data; and assumptions provided by a Standing Reserve Fund Committee which was established pursuant to a resolution approved by the Unit Owners at the 1991 Annual Meeting. These plans, data and assumptions shall be clearly and fully documented by the Committee and shall be retained in the Secretary's file.

* (f) Common Profits. The annual income budget shall include separate estimates of gross interest income which will be earned by accounts during the budget year. Such income shall be used to help defray Common Expenses. Amounts of such interest income which is earned by the general operating fund account and which is in excess of budget at any fiscal year end shall be disposed of at that time in accordance with the provisions of Article V, Section 1(c).

* (g) Effect of Failure to Prepare or Adopt a Budget. Failure or delay on the part of the Board to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of an Owner's obligation to pay his allocable share of the Common Expenses as herein provided whenever the same shall be determined. In the absence of any annual budget, each Owner shall continue to pay the monthly charge at the then existing monthly rate established for the previous fiscal period until a new annual budget shall have been adopted.

2. Payment of Common Expenses. All Owners shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article V. No Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Area or by abandonment of his Unit. No Owner shall be liable for the payment of any part of the Common Expenses assessed against the Condominium Unit subsequent to a sale, transfer, or other conveyance by him of such Condominium Unit. The purchaser of a Condominium Unit or successor owner by virtue of such transfer or other conveyance shall be jointly and severally liable with the selling Owner for all unpaid assessments against the Unit for Common Expenses up to the time of the conveyance without prejudice to the purchaser's right to recover from the selling Owner the amounts paid by the purchaser therefor; provided, however, that any such selling Owner or purchaser shall be entitled to a recordable statement from the Board or the Manager setting for the amount of unpaid assessments against the Unit and such purchaser shall not be liable for, nor shall the Condominium Unit conveyed be subject to a lien for, any unpaid assessments in excess of the amount therein set forth. Failure to furnish or make available such a statement within ten (10) business days from receipt of such request shall extinguish the lien for unpaid assessments. Payment of a fee of Ten Dollars (\$10.00) or the maximum allowable under RSA 356-B whichever is greater, shall be required as a prerequisite for issuance of such a statement. If a mortgagee of first mortgage of record or purchaser of a Condominium Unit obtains title to the Condominium Unit as a result of foreclosure of a first mortgage, or through the enforcement of any other remedies provided for in the mortgage, or by virtue of a deed in lieu of foreclosure, such mortgagee or purchaser its successors and assigns shall not be subject to a lien for the payment of Common Expenses assessed prior to the acquisition of this to such Unit by such mortgagee or purchaser pursuant to the aforesaid remedies. Such unpaid share of Common Expenses assessed prior to the acquisition of title to such Unit by such mortgagee or purchaser pursuant to the aforesaid remedies shall be reassessed against all Units.

* 3. Penalties for Non-Payment of Assessments; Collection. As provided in Section 1 of this Article V, monthly installments payments of assessed Common Expenses shall be due on or before the first day of each month. If any such payments are not made on or before the first day of any month as they become due, a five percent (5%) late charge shall be added to the payment past due in the first thirty (30) days and each month thereafter. The Board of Directors shall take prompt action to collect any assessments and late charges for Common Expenses due from any Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof. The Board shall also deny access to recreational amenities for failure to pay assessments

while they are past due. The Board may institute appropriate legal proceedings in order to collect past due assessments and late charges and the legal costs and expenses incurred by the Board shall be paid by the delinquent Owner. Failure to comply with the requirements of Owners to pay their fair share of the common area fees, assessments, and related charges promptly when due pursuant to the Bylaws and Condominium Rules, as amended from time to time, shall be grounds for suspensions or termination of the use of the common area, and shall be grounds for the suspension and termination by the Board of Directors of any services supplied or paid for by the Association which benefits the Owners or the Owner's Unit.

4. Maintenance and Repair.

• (a) By the Board of Directors. Except as provided in sub-section (b) below, the Board shall be responsible for the maintenance, repair, and replacement (unless necessitated by the negligence, misuse, or neglect of an Owner, or of a person gaining access with said Owner's actual or implied consent, in which case such expense shall be charged to such Owner), of all of the Common Area and Limited Common Area, outside of the Units, including the water system, sewer system, exterior maintenance, roadways, driveways, and original walkways (between driveways and front decks), the cost of which shall be charged to all Owners as a Common Expense. The Board shall have the right to grant permits, licenses, and easements over the Common Area for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium.

* (b) By the Owner. Except as provided in sub-section (a) above, each Owner, at his own expense, shall be responsible for the maintenance, repair, and replacement of his Unit or any part thereof including, but not limited to, any interior walls, windows, finished interior surfaces of ceilings and floors, kitchen and bathroom fixtures and appliances, and those parts of the heating and air conditioning, plumbing, and electrical systems which are wholly contained within his Unit and serve no other. No Owner shall be responsible for the maintenance, repair, and replacement of those Limited Common Areas which are generally common to other units, i.e., driveways, front walks, front decks, or screened porches except for additions or alternations thereto unless such maintenance, repair, or replacement is necessitated by the negligence, misuse or neglect of an Owner or of a person gaining access with said Owner's actual or implied consent in which case such expense shall be charged to such Owner. In accordance with the provisions of RSA 356-B: 45, I, Limited Common Areas not common to all Units including, but not limited to, rear decks, front deck extensions, added walkways, porch-to-ground or deck-to-ground stairways, and the interior of enclosed porches shall be maintained, repaired, or replaced by the Board at the expense of the unit owners who benefit therefrom. The expense of maintaining the structural integrity of enclosed porches shall be treated as a common expense except to the extent that any portion thereof may be defined as a part of the unit by the Declaration, as amended from time to time. Each Owner shall keep the interior of his Unit and its equipment and appurtenances in good order and condition and shall do all redecorating, painting, and varnishing which may at any time be necessary to maintain the good appearance and condition of his Unit. In addition, each Owner shall be responsible for all damage to any and all other Units or to the Common Area or Limited Common Area resulting from his failure to make any of the repairs required to be made by him by this Section. Each Owner shall perform his responsibility in such manner as shall not unreasonably disturb or interfere with other Owners. Each Owner shall promptly report to the Board, or the Manager, any defects or need for repairs for which the Board is responsible.

* (c) Snow Removal. The Board of Directors shall be responsible for the removal of snow from Atherton, the unit driveways, front walks, and front decks. In order to facilitate snowplowing operations vehicles must be removed from the roadway during periods when such operations are in progress. The Board may direct that vehicles of Unit Owners and their licensees parked on the roadway, in violation of the foregoing, be towed at the Owner's expense, and the Owners and licensees shall have no claim for any damage to their vehicles as a result of such

towing. Vehicles will not necessarily be towed to facilitate snowplowing operations but the Owner of a vehicle shall become responsible for snow removal in any area blocked by his vehicle during such operations.

* 5. Additions, Alterations or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors the Common Area shall require additions, alterations or improvements costing in excess of Three Thousand Dollars (\$3,000) during any period of twelve (12) consecutive months, and the making of such additions, alterations or improvements shall have been approved by the Owners holding a majority of the votes in the Unit Owners Association, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all Owners for the cost thereof as a Common Expense. Any additions, alterations or improvements costing Three Thousand Dollars (\$3,000) or less during any period of twelve (12) consecutive months may be made by the Board of Directors without approval of the Owners and the cost thereof shall constitute part of the Common Expenses. Notwithstanding the foregoing, if, in the opinion of a majority of the members of the Board of Directors such additions, alterations or improvements are exclusively or substantially exclusively for the benefit of a limited number of Owner or Owners requesting the same, such requesting Owners shall be assessed therefor in such proportion as they jointly approve or, if they are unable to agree thereon, in such proportions as may be determined by the Board of Directors.

* 6. Additions, Alterations, or Improvements by Owners. No Owner shall make any structural addition, alteration, or improvement in or to his Unit without the prior written consent thereto of the Board of Directors. No owners shall paint, decorate, or otherwise change the external appearance of their units, including the deck or porch, doors, and windows, or of any fence, or of any exterior surface of the building without the prior written consent thereto of the Board. Requests for Board approval by Unit Owners shall be in writing and shall be delivered (1) by United States certified mail, return receipt requested, or (2) in person to the Secretary who shall furnish to the United Owner a receipt of acceptance thereof. The Board shall be obligated to answer any such written request by an Owner for approval of a proposed structural addition, alteration, or improvement or an external change within thirty (30) days after receipt of such request, and its failure to do so within the stipulated time shall constitute a consent by the Board to the proposed addition, alteration, improvement, or change.

7. Additional Bedrooms. Notwithstanding the provisions of Section 6 above, no room shown on the Plans and not designated as a bedroom shall be used as a bedroom, and no bedroom, living room or other room shall be subdivided to create a separate room. No exterior or interior changes may be made to a Unit which will convert any attic, basement, or other space not designated as a bedroom into a room in which someone can sleep. These restrictions shall run with the land and shall be enforceable by: (a) any resident or property owner in the Condominium; (b) the Amherst Board of Selectmen or their agent; and (c) any abutter to the Condominium.

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

(a) No advertisements or posters of any kind shall be posted in or on the Property except as authorized by the Board.

* (b) No animals, other than common household pets, shall be kept or maintained in the Condominium. No animals shall be kept, bred, or maintained in the Condominium for commercial purposes.

(c) Owners, tenants, and guests shall exercise extreme care to avoid unnecessary noise or the use of musical instruments, radios, television, and amplifiers that may disturb others.

(d) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is an annoyance or which interferes with the peaceful possession or proper use of the Condominium by others.

(e) Nothing shall be done to any Unit or in, on, or to the Common Area including Limited Common Area, which may impair or change the structural or stylistic integrity of the Property, buildings,

* (f) No one shall place or cause to be placed in any roadway any bicycles, furniture, packages, trash containers, or objects of any kind. These areas shall be used only for normal transit.

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

* (h) All leases or rental agreements for any Unit shall be in writing and shall be specifically subject to the Condominium Declaration, Bylaws, and Rules. No Unit may be leased for a period of less than six (6) months. No Unit may be sub-leased without the written consent of the Board.

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

* 9. Limitations on Tree Clearing. Any tree clearing in the open space area, other than the removal of dead trees, shall be approved by a three (3) person committee consisting of a forestry professional selected by the Amherst Conservation Commission, a member of the Planning Board for the Town of Amherst, and a representative of the Unit Owners' Association.

10. Right of Access. An Owner shall grant a right of access to his Unit to the Board of Directors and the Manager and to any other person authorized by the Board to make emergency repairs or for the purpose of making inspections or for the purpose of performing work on the Unit or Limited Common Area assigned thereto, which is authorized by the Board, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Owner. In case of any emergency, such right of entry shall be immediate whether the Owner is present at the time or not. An Owner shall also grant a right of access to the adjoining unit Owner to install, repair, or replace electrical, telephone, or cable television wiring in his Unit for which the adjoining Unit Owner has an easement provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Owner. In case of any emergency, such right of entry shall be immediate whether the Owner is present at the time or not.

11. Rules. Rules concerning the operation and use of the Common Area may be promulgated and amended by the Board of Directors provided that such Rules are not contrary to or inconsistent with the RSA 356-B, the Declaration, or these Bylaws. Copies of the Rules shall be furnished by the Board to each Owner prior to the time when the same shall become effective.

BK5506PG1293

ARTICLE VI — INSURANCE

1. **Insurance Required.** Pursuant to RSA 356-B: 43, the Board of Directors shall obtain (i) a master casualty policy affording fire and extended coverage in an amount at least equal to the full replacement value of the structures within the Condominium; (ii) a master liability policy covering the Association, the Board, the Manager, and agents or employees of the foregoing with respect to the Condominium; and (iii) such other policies as specified herein below which insurance shall be governed by the following provisions to the extent obtainable or possible:

(a) **Fire Insurance** with standard extended coverage endorsement, vandalism and malicious mischief endorsements insuring all the buildings in the Condominium including without limitation all portions of the interior of such buildings as are, for insurance purposes, normally deemed to constitute part of the building and customarily covered by such insurance, such as heating and air conditioning and other service machinery, interior walls, all finished wall surfaces, ceiling and floor surfaces including any wall-to-wall floor coverings, bathroom and kitchen cabinets and fixtures, including appliances which are affixed to the buildings, and heating and lighting fixtures, except for improvements made by individual Owners which exceed a total value of One Thousand Dollars (\$1,000) and are not reported to the Insurer, such insurance to be in an amount at least equal to the replacement value of the buildings and to be payable to the Board as trustee for the Owners and their mortgagees as their respective interests may appear.

(b) **Public Liability Insurance** in such amounts as the Board may from time to time determine, but in no event shall the limits of liability be less than One Million Dollars (\$1,000,000) for bodily injury and property damage per occurrence, insuring the Association and all individuals referred to in Section 1 (ii) above against any liability to anyone, and with cross liability coverage with respect to liability claims of anyone insured thereunder against any other insured thereunder. This insurance, however, shall not insure against individual liability for negligence occurring within a Unit or within the Limited Common Area to which a Unit has exclusive use. Such insurance policies must provide that they may not be canceled or substantially modified without at least thirty (30) days prior written notice to the Unit Owners' Association and all first mortgages which are listed as scheduled holders of the first mortgage in the insurance policy, and to insurers or guarantors of the first mortgages who make a written request for such notice.

(c) **Workmen's Compensation Insurance** as required by law.

(d) **Flood Insurance** in the lesser amount of (1) the maximum coverage available under the National Flood Insurance Program for all buildings and other insurable property within any portion of the Condominium located within a designated flood hazard area or (2) one hundred percent (100%) of current replacement cost of all such buildings and other insurable property. Such insurance policy shall be in a form which meets the criteria set forth in the most current guidelines on the subject issued by the Federal Insurance Administrator.

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

2. **General Insurance Provisions.**

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

BK 55 06 PG 1 294

(b) The Board shall be required to make every effort to see that all policies of physical damage insurance provided for under Paragraph 1 above: (i) shall contain waivers of subrogation by the insurer as to claims against the Association, its employees and agents, members of the Board, the Manager, Owners and members of the family of any Owner who reside with said Owner, except in cases of arson and fraud; (ii) shall contain a waiver of defense of invalidity or prejudice by failure of the insured, or Owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the insured, or Owners collectively, have no control; (iv) shall provide that such policies may not be canceled or substantially modified without at least thirty (30) days written notice to all of the insureds thereunder and all mortgagees of Units in the Condominium and insurers and guarantors of first mortgages on Units who make a written request for such notice; (v) shall provide that in no event shall the insurance under said policies be brought into contribution with insurance purchased individually by Owners or their mortgagees; (vi) shall exclude policies obtained by individual Owners for consideration under any "no other insurance" clause; and (vii) shall provide that until the expiration of thirty (30) days after the insurer gives notice in writing to the mortgagee of any Unit, the mortgagee's insurance coverage will not be affected or jeopardized by any act or conduct of the Owner of such Unit, the other Owners the Board, or any of their agents, employees or household members, nor canceled for non-payment of premiums.

3. **Individual Policies.** Any Owner and any mortgagee may obtain at his own expense additional insurance (including a "condominium unit-owner's endorsement" for improvements and betterments to a Unit made or acquired at the expense of the Owner). Such insurance should contain the same waiver of subrogation provision as that set forth in Section 2(b) of this Article VI. It is recommended that each Owner obtain, in addition to the insurance hereinabove provided to be obtained by the Board, a "Tenant's Homeowners Policy", or equivalent, to insure against any loss or damage to personal property used or incidental to the occupancy of the Unit, additional living expense, vandalism or malicious mischief, theft, personal liability, and the like.

(a) Each Owner may obtain additional insurance for his own benefit and at his own expense. No such policy shall be written so as to decrease the coverage under any of the policies obtained by the Board pursuant to Paragraph 1(a) above, and each Owner hereby assigns to the Board the proceeds of any such policy to the extent that any such policy does in fact result in a decrease in such coverage, said proceeds to be applied pursuant to the terms hereof as if produced by such coverage. Copies of all such policies (except policies covering only personal property, owned or supplied by individual Owners) shall be filed with the Association.

(b) Each Owner should obtain insurance for his own benefit and at his own expense insuring all personal property presently or hereafter located in his Unit, any floor coverings, appliances, and other personal property not covered in the master policy, and all improvements to his Unit which exceed a total value of One Thousand Dollars (\$1,000) and which are not reported to the Board.

(c) Each Owner, prior to commencement of construction of such improvements, shall notify the Board of all improvements to his Unit (except personal property other than fixtures) which exceed a total value of One Thousand Dollars (\$1,000) and upon receipt of such notice, the Board shall notify the insurer under any policy obtained pursuant to Paragraph 1(a) hereof, of any such improvements.

(d) Each Owner should obtain liability insurance with respect to his ownership and/or use of his Unit.

4. **Notice to Unit Owners.** When any policy of insurance has been obtained on behalf of the Association, written notice of the obtainment thereof and of any subsequent changes therein

JK5506P61295

or termination thereof shall be promptly furnished to each Unit Owner by the Secretary of the Association. Such notice shall be sent by first-class U.S. Mail, to all Unit Owners of record at the address of their respective Units or to such other addresses as any of them may have designated to the Secretary.

ARTICLE VII

REPAIR & RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY

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

2. Procedure for Reconstruction and Repair.

(a) Immediately after a fire or other casualty causing damage to a building, the Board shall obtain reliable and detailed estimates of the cost of repairing and restoring the damage to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Board determines to be necessary.

(b) If the proceeds of insurance are not sufficient to defray the said estimated costs of reconstruction and repair or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments in sufficient amount to provide payment of such costs shall be made against the Units of the Condominium equally.

* (c) Any such reconstruction or repair shall be substantially in accordance with the original plans and specifications under which the damaged building was originally constructed. All references to plans and specifications shall be defined as the original plans and specifications by R. F. Jackson and Associates as later modified by John Jacobson and Associates, Inc. Original construction shall be defined as the condition in existence subsequent to the reconstruction performed by First General Services under the supervision of John Jacobson and Associates, Inc.

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

3. Disbursements of Construction Funds.

(a) The net proceeds of insurance collected on account of a casualty and the funds collected by the Board from assessments against Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair by the Board.

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

(c) It shall be presumed that the first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds; and if there is a balance in the construction fund after the payment of all of the cost of the reconstruction and repair for which the fund is established, such balance shall be distributed to all of the Owners.

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

ARTICLE VIII — TOTAL OR PARTIAL CONDEMNATION

1. Representation in Proceedings. The Unit Owners' Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements, and agreements within the condemning authority for acquisition of the Common Area or any part thereof. If allowable under applicable law, the Unit Owners' Association is appointed attorney-in-fact by each Unit Owner for such purposes. The Unit Owners' Association may appoint a trustee to carry out this function.

2. Proceeds of Settlement. In the event of a taking or acquisition of part or all of the Common Area by a condemning authority, the award of proceeds of settlement shall be payable to the Unit Owners' Association, or any Trustee, for the use and benefit of the Unit Owners and their mortgagees as their interests may appear.

ARTICLE IX — SALES, LEASES AND ALIENATION OF UNITS

1. No Severance of Ownership. No Owner shall execute any deed, lease, mortgage, or instruments conveying or mortgaging the title to his Unit without including therein the undivided interest of such Unit in the Common Area, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, lease, mortgage, or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. Except to the extent otherwise expressly provided by the Declaration, these Bylaws, or RSA 356-B, the undivided interest in the Common Area allocated to any Unit shall not be altered, and any purported transfer, encumbrance, or other disposition of that interest without the Unit to which it appertains shall be void.

2. Payment of Assessments. No Owner shall be permitted to convey, mortgage, sell, lease, give, or devise his Unit unless and until he (or his personal representative) shall have paid in full to the Board all unpaid Common Expenses theretofore assessed by the Board with respect to this Unit, except as provided in Section 2 of Article V, and shall have satisfied all unpaid liens with respect to his Unit, except mortgages. The Board shall promptly furnish to any Owner (or his devisee or personal representative) requesting the same in writing pursuant to this Section, a recordable statement certifying whether or not such Owner is then obligated for any outstanding assessments previously levied against that Owner's Unit and the amount, if any, then outstanding. In the event that the Unit is subject to outstanding expenses previously levied against such Unit, the statement shall certify any waiver of, or failure or refusal to exercise, the right of the Unit Owners' Association to prevent the disposition of such Unit, in all cases where the Association allows such disposition. Failure or refusal to furnish such a statement within ten (10) business days of receipt of such request by the Board or Manager shall make the above-mentioned prohibition inapplicable to any such disposition of the Unit. Any such statement shall be binding

on the Association, the Board, and every Owner. Payment of a fee not exceeding the maximum amount allowable under RSA 356-B shall be a prerequisite to the issuance of such a statement.

3. Statements to Prospective Purchasers. In the event of any resale of a condominium unit or any interest therein by any person, the prospective Unit Owner shall have the right to obtain from the Unit Owners' Association, prior to the contract date of the disposition, the following:

(a) Appropriate statements pursuant to Article VI, Section 2 hereunder and to RSA 356-B:46, VIII;

(b) A statement of any capital expenditures and major maintenance expenditures anticipated by the Unit Owners' Association within the current or succeeding two (2) fiscal years.

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

* (d) A copy of the income and expense statement and balance sheet of the Unit Owners' Association for the last fiscal year for which such statement is available;

(e) A statement of the status of any pending suits or judgments in which the Unit Owners' Association is a party defendant;

(f) A statement setting forth what insurance coverage is provided for all Unit Owners by the Unit Owners' Association and what additional insurance coverage would normally be secured by each individual Unit Owner; and

(g) A statement that any improvements or alterations made to the Unit, or the Limited Common Areas assigned thereto, by the prior Unit Owner are not known to be in violation of the condominium instruments.

* The Board shall furnish the statements prescribed above upon the written request of any prospective unit Owner within ten (10) days of the receipt of such request by the Board or the Manager, provided that the Board or Manager concurrent with, or prior to, receipt of such request has received suitable verification from Owner of the Unit which is the subject of subsections (a) through (g) above that his Unit is available for resale to the said prospective Unit Owner.

* 4. Notification of Sale or Lease. Unit Owners must notify the Board and furnish the name(s) of the new Owner or lessor to the Board within five (5) days of the date of the sale or lease. The Board shall provide up-to-date copies of the Bylaws and Rules and Regulations to the new Owner.

ARTICLE X — AMENDMENT TO BYLAWS

* 1. Amendments. Except as otherwise provided in RSA 356-B and herein these Bylaws may be modified or amended either (i) by a vote of at least sixty-six and two-thirds percent (66-2/3%) of the votes when cast in person or by proxy at a meeting duly held in accordance with the provisions hereof, provided that Notice of the proposed amendment shall have been given to each Owner simultaneously with the notice of such meeting, or (ii) pursuant to a written instrument duly executed by the holders of at least sixty-six and two-thirds (66-2/3%) percent of the votes.

* 2. Recording. A modification or amendment of these Bylaws shall become effective only when it has been duly evidenced in accordance with provisions of RSA 356-B: 11 and, as applicable, RSA 356-B:34, IV.

3. Conflicts. No modification or amendment of these Bylaws may be adopted which shall be inconsistent with the provisions of RSA 356-B or with the provisions of the Declaration. A modification or amendment once adopted and recorded as provided herein shall then constitute part of the official Bylaws of the Condominium and all Owners shall be bound to abide by such modification or amendment.

4. Approval of Mortgagees. These Bylaws contain provisions concerning various rights, priorities, remedies, and interests of the mortgagees of Units. Such provisions in these Bylaws are to be construed as covenants for the protection of the mortgagees on which they may rely in making loans secured by mortgages on the Units. Accordingly, all mortgagees shall be given thirty (30) days notice of all proposed amendments, and no amendment or modification of these Bylaws impairing or affecting the rights, priorities, remedies, or interests of a mortgagee (including the mortgagee's use of a secondary mortgage market, i.e., the sales of mortgages to the Federal Home Loan Mortgage Corporation, etc.) or affecting provisions of the Bylaws governing voting, assessments, assessment liens or subordination of such liens, reserves for maintenance, repair, and replacement of the Common Areas, insurance or fidelity bonds, rights to use of the Common Area, responsibility for maintenance and repairs of the several portions of the project, the leasing of units, imposition of any right of first refusal or similar restriction on the right of the Unit Owner to convey his Unit, or the self-management of the Unit Owners' Association shall be adopted without the prior written consent of such mortgagee. If there is more than one mortgagee holding mortgages on the units, it shall be sufficient for this purpose to obtain the written consent of the mortgagee or mortgagees holding mortgages on seventy-five percent (75%) or more of the Units encumbered by mortgages (based upon one vote for each first mortgage owned). A mortgage holder who receives a written request to approve additions or amendments who does not deliver or post to the requesting party a negative response within thirty (30) days shall be deemed to have approved such a request.

ARTICLE XI — MORTGAGES

1. Notice to the Board. An Owner who mortgages his Condominium Unit shall notify the Board of the name and address of his mortgagee, and shall file a conformed copy of the mortgage with the Board. The Board shall maintain suitable records pertaining to such mortgages. The Board shall be entitled to rely on its records as being complete. Any holder of a mortgage should give written notice of its mortgage of a unit to the Board, in order to ensure that it receives notifications as provided by the Declaration and these Bylaws.

2. Notice of Unpaid Assessments for Common Expenses. The Board whenever so requested in writing by a mortgage holder insurer, or guarantor of a Condominium Unit, shall promptly report any then unpaid assessments for Common Expenses due from, or any other default by, the Owner of the mortgaged Condominium Unit. Payment of a reasonable fee shall be a prerequisite to the issuance of such a statement.

3. Notice of Default. The Board shall give written notice to an Owner of any default by the Owner in the performance of any obligations under RSA 356-B, the Declaration, or these Bylaws, and, if such default is not cured within thirty (30) days, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has theretofore been furnished to the Board. No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to the Declaration or these Bylaws except after ten (10) days written

notice to the holder of the first mortgage on the Unit which is the subject matter of such suit or proceeding.

4. Notice of Damage. The Board of Directors shall notify (i) the mortgagee of a Unit whenever condemnation loss or casualty loss to the Unit covered by the mortgage exceeds One Thousand Dollars (\$1,000) and the Board is made aware of such damage; and (ii) all mortgagees whenever condemnation loss or casualty loss to the Common Area exceeds Ten Thousand Dollars (\$10,000). Any insurer or guarantor of a first mortgage on a Unit shall also be given such notice if it has filed a written request to the Board seeking such notice.

5. Examination of Books. Each Owner and each mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but, with respect to Owners, not more often than once a month.

ARTICLE XII — NOTICE

* 1. Manner of Notice. All notices, demands, bills, statements or other communications provided for or required under these Bylaws shall be in writing and shall be deemed to have been duly given if sent by first class U.S. Mail postage prepaid, (i) if to an Owner, at the address of his Unit or at such other address as the Owner may have designated by notice in writing to the Secretary, or (ii) if to the Unit Owners' Association, the Board of Directors or the Manager, at the principal office of the Manager or at such other address as shall be designated by notice in writing to the Owners pursuant to this section.

2. Waiver of Notice. Whenever any notice is required to be given under the provisions of statutes, of the Declaration, or of these Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto, unless such waiver is ineffective under the provisions of RSA 356-B.

ARTICLE XIII — COMPLIANCE AND DEFAULT

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

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

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

contained herein, however, shall be construed as modifying any waiver by an insurance company of its rights of subrogation.

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

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

(e) Suspension of Membership Rights and Termination of Association Supplied Services. The membership rights and easements of any Owners, including but not limited to voting rights, the easements of any Owner regarding the Condominium which includes the use of the common areas, community facilities, and receipt of Association supplied and/or paid for services, may be suspended and terminated by action of the Board of Directors during the period when the Owner's common area fees, assessments and related charges are delinquent.

In addition to the above rights, the Board of Directors on behalf of the Association shall have the right to suspend and terminate the Owner's use of the common areas, which includes the parking thereon, use of the amenities, and the right to obtain water paid for by the Association or supplied from the Association's water system if the owner of a unit is more than sixty (60) days late on any payment due the Association. In any suspension or termination by the Board of Directors all actions may be taken by the Board of Directors, at its' sole discretion, to terminate such use of the common areas, or disconnect, remove or terminate Association supplied and/or paid for services. Said right and authority to terminate shall include the right granted herein by the Owners to the Board of Directors and to the Association, including the Association's agents, to enter into any unit owned by a delinquent owner and to abate, remove or disconnect any services supplied or paid for by the Association. Any costs associated with the removal of an Owner's property, including vehicles, from the common areas which are excluded from the use of the common area for delinquent owners, and any costs associated with the subsequent off site storage of removed property, will be incurred by the Owner and at the Owner's sole expense and liability.

Any costs of suspension, termination, disconnection, storage or removal shall be charged and assessed by the Association through the Board of Directors to the delinquent Owner at the full cost incurred by the Association, including but not limited to all reasonable re-connection costs, with payment required by the Owner prior to the connection, delivery or supply of the Association supplied or paid for services to the formerly delinquent Owner's unit.

In cases where all delinquent assessments, fees and all related charges have been paid to the Association by the delinquent Owner by cashier's check or certified funds, the Owner's services and use of the common area will be reinstated and restored within a reasonable period of time.

The Board of Directors has the full power and authority to implement reasonable policies and procedures for suspending and terminating Owners' membership rights and services for nonpayment of Common Area fees, assessments and all related charges. The Board of Directors shall also have the right in case of multiple delinquencies in the payment of assessments in which

BK5506PG1301

services and the use of the common area have been suspended or terminated more than once, to require the Owner to pay to the Association, in advance, a reserve payment of three months condominium fees before the Association reinstates the rights to use the common area for those Owners who had been subject to prior termination or suspension.

* 2. Lien for Assessments. (Refer also to RSA 356-B:46)

* (a) The total annual assessment, or any installment thereof, of each Owner for the Common Expenses, or any special assessment levied pursuant to these Bylaws, is hereby declared to be a lien levied against the Unit of such Owner as provided in RSA 356-B which lien, with respect to the annual assessment, shall be effective on January 1 of the fiscal year of the Condominium and, with respect to special assessments, on the first day of the next month which begins more than seven (7) days after delivery to the owner of notice of such special assessments.

(b) In any case where an assessment against an Owner is payable in installments, upon a default by such Owner in the payment of any single installment which continues for ten (10) days after written notice of such default has been sent to the Owner, the maturity of the remaining total of the unpaid installments of such assessments may be accelerated, at the option of the Board, and the then balance owing may be declared due and payable in full by the service of notice to such effect upon the defaulting Owner by the Board or Manager.

(c) The judgment or decree in an action to enforce such a lien pursuant to RSA 356-B shall include, without limitation, reimbursement for costs and attorneys' fees, together with interest at the maximum lawful rate for the sums secured by the lien from the time such sums became due and payable.

ARTICLE XIV

COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

1. Compliance. These Bylaws are set forth to comply with the requirements of RSA 356-B.

2. Severability. These Bylaws are set forth to comply with the requirements of the State of New Hampshire. In case any of the Bylaws are in conflict with the provisions of any of its statutes, the provisions of the statutes will apply. If any of the provisions of these Bylaws or any section, sentence, clause, phrase, or word, or the application thereof in any circumstance is held invalid, the validity of the remainder of these Bylaws shall not be affected thereby and to this end the provisions hereof are declared to be severable.

3. Waiver. No restriction, condition, obligation, or provision of the Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

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

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

AMENDMENT ONE-2004 TO THE BY-LAWS OF
ATHERTON COMMON, A CONDOMINIUM

The following paragraph of the By-Laws of the Atherton Common Condominium as recorded in the Hillsborough County Registry of Deeds at Book 5506, Page 1281-A is amended as follows:

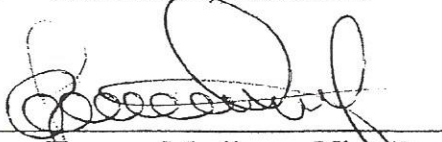
Amend bylaws, Article VII, by adding the following:

4. Master Insurance Policy Deductible Assessment.

- 4.1 In the event of an insurance loss where the Association's deductible is excepted from any loss settlement, the Board of Directors may assess the full deductible, or in its' discretion, any portion thereof, against the Owners and/or Unit which is the cause of the loss, or against the Owners and/or Units for which the insurance claim is processed, in a manner to be determined by the Board of Directors;
- 4.2 Unit owners who have been assessed all or a portion of the Association's deductible shall be obligated to pay, subject to the collection policies established by the Board of Directors, said deductible within 30 days of the billing invoice or notice, or upon the Board's discretion, any such deductible contribution from the Unit Owner may be deducted from any insurance proceeds payments made by the insurer and/or the Board to the Unit Owner. If allowed, the Unit Owner may seek reimbursement of any such payments from their individual Unit insurance policies.

EXECUTED this 11th day of December, 2004.


By: Carl Miller, President


By: Eugene Madigan, Vice Pres.

5004281

2005 JAN 17 AM 8:15

BK 7394 PGO 142

Atherton Common Condominium
Amherst, NH

CERTIFICATE OF VOTE

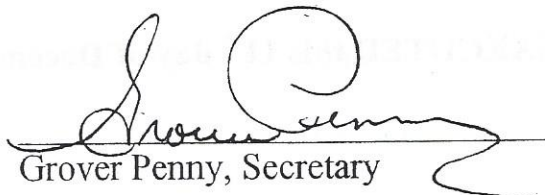
I, Grover Penny, Secretary of the Atherton Common Condominium Association in accordance with the Declaration, Bylaws and New Hampshire RSA 356-B:34 hereby certify that on December 11, 2004, unit owners as prescribed by law, a sufficient number of unit owners of Atherton Common, A Condominium Association, Amherst, County of Hillsborough and State of New Hampshire, consented in writing to amend Article VII, by adding a Section 4 to Article VII of the Bylaws of the Association.

As of December 11, 2004 the total number of units substantially complete is 45 representing 100% of the percentage interests. Pursuant to Article X, Section 1 of the Bylaws, the total percentage interest of unit owners consenting to this amendment is 80%. Said percentage is sufficient to amend these provisions of the Bylaws of the Association.

The amendment having been approved by more than 67 percent interest of all owners, the amendment is hereby adopted.

I, Grover Penny, the Secretary of the Association hereby certify that the consents are in accordance with the Declaration and Bylaws of the Association and in compliance with the applicable New Hampshire Statutes.

Dated: December 11, 2004


Grover Penny, Secretary

394 PG0143

**Amendment to Bylaws of Atherton Common Condominium Owners Association passed at
the Annual Meeting on January 10, 2009**

AMENDMENT

ARTICLE V – OPERATION OF THE PROPERTY Maintenance and Repair.

- b. By the Owner. Except as provided in sub-section (a) above, each Owner, at his own expense, shall be responsible for the maintenance, repair, and replacement of his Unit or any part thereof including, but not limited to, any interior walls and partitions, windows including glass and frame, entrance doors including glass and frame, bulkheads, skylights including glass and frame, finished interior surfaces of ceilings and floors, kitchen and bathroom fixtures and appliances, and those parts of the heating and air conditioning, plumbing and electrical systems including furnace flues, fireplace flues, interior and exterior chimney masonry which are wholly contained within or attached to his Unit and serve no other. No owner shall be responsible for the maintenance and repair of those Limited Common Areas which are generally common to other units, i.e., driveways, front walks, front decks, or screened porches except for additions or alterations thereto unless such maintenance repair or replacement is necessitated by the negligence, misuse, or neglect of an Owner or of a person gaining access with said Owner's actual or implied consent in which case such expense shall be charged to such Owner. In accordance with the provisions of RSA 356-B: 45, I, Limited Common Areas not common to all Units including, but not limited to, rear decks, front deck extensions, added walkways, porch-to-ground or deck to ground stairways, and the interior of enclosed porches shall be maintained, repaired, or replaced by the Board at the expense of the unit owners who benefit therefrom. The expense of maintaining the structural integrity of enclosed porches shall be treated as a common expense except to the extent that any portion thereof may be defined as a part of the unit by the Declaration, as amended from time to time. Each Owner shall keep the interior of his Unit and its equipment and appurtenances in good order and condition and shall do all the redecorating, painting and varnishing, which may at any time be necessary to maintain the good appearance and condition of his Unit. In addition, each Owner shall be responsible for all damage to any and all other Units or to the Common Area or Limited Common Area resulting from his failure to make any of the repairs required to be made by him by this Section. Each owner shall perform his responsibility in such manner as shall not unreasonably disturb or interfere with other Owners. Each Owner shall promptly report to the Board or the Manager, any defects or need for repairs for which the Board is responsible.

Carmela O'Caughlin

Hillsborough County Registry of Deeds
19 Temple Street
Nashua, NH 03060

Cliff Klinghorn
31 Atherton Lane
Amherst, NH 03031

RE: Atherton Common Condominium
Unit Owners Association
Atherton Lane
Amherst, NH 03031
By-Laws Revision

This is to record the fact that on January 10, 2009, the By-laws of the Atherton Common Condominium Unit Owners Association, Atherton Lane, Amherst, NH 03031 were revised by a vote of 30 of the 45 unit owners by written ballot. The revision to Article V Section 4(b) is enclosed.

It is requested that this revision be filed with the Atherton Common Condominium Unit Owners Association Revised By-Laws (Sept, 1993), Book 5506, Page 1281.

Grover Penny
Grover Penny, President

Wayne McBrian
Wayne McBrian, Secretary

It is hereby certified that the necessary majority of votes was recorded. Thirty (30) votes were needed for a 2/3 majority vote of unit owners. Thirty (30) favorable votes were recorded by ballot and are filed in the Secretary's records.

Wayne McBrian
Wayne McBrian, Secretary

THIS INSTRUMENT WAS ACKNOWLEDGED AND SWORN TO BEFORE ME ON
Feb. 24, 2011, 2011 BY Grover Penny & Wayne McBrian.

My Commission Expires:

10/17/12

Laura A. Giannelli
Notary/Justice of the Peace

LAURA A. GIANNELLI
Justice of the Peace
My Commission Expires October 17, 2012

Amendment to Bylaws of Atherton Common Condominium Owners Association
Passed at the Annual Meeting on December 10, 2011

AMENDMENT

ARTICLE V – OPERATION OF THE PROPERTY, Paragraph 12.

12. Initial Assessment. Upon the sale of any unit at Atherton Common Condominiums, the buyer of said unit will be assessed the sum of Five Hundred (\$500.00) dollars as a contribution to the capital reserve of the association. This assessment is to be collected at closing by the selling or conveying party or his agent and is to be delivered to the Unit Owners' Association or its agent within five (5) days of recording of the unit deed.

PET

ROBERT EARLEY
3 BOSWOOD DR
NASHUA NH 03062

Hillsborough County Registry of Deeds
19 Temple Street
Nashua, NH 03060

RE: Atherton Common condominium
Unit Owners Association
Atherton Lane
Amherst, NH 03031
By-Laws Revision

This is to record the fact that on December 10, 2011, the By-laws of the Atherton Common Condominium Unit Owners Association, Atherton Lane, Amherst, NH 03031 were revised by a vote of 30 of the 45 unit owners by written ballot. The addition to Article V, Operation of the Property, paragraph 12 is enclosed.

It is requested that this revision be filed with the Atherton Common Condominium Unit Owners Association Revised By-Laws (Sept. 1993), Book 5506, Page 1281.

Wayne McBrian 2/20/12
Wayne McBrian, President

Jan Bunker 2/20/12
Jan Bunker, Secretary

It is hereby certified that the necessary majority of votes was recorded. Thirty (30) votes were needed for a 2/3 majority vote of unit owners. Thirty (30) favorable votes were recorded by written ballot and are filed in the Secretary's records.

Jan Bunker 2/20/12
Jan Bunker, Secretary

THIS INSTRUMENT WAS ACKNOWLEDGED AND SWORN TO BEFORE ME
ON Feb 20, 2, 2012 BY WAYNE MCBRIAN, PRESIDENT AND JAN
BUNKER, SECRETARY OF ATHERTON COMMON CONDOMINIUM UNIT
OWNERS ASSOCIATION.

My commission Expires:

10/17/12

Laura A. Giannelli
Notary/Justice of the Peace

LAURA A. GIANNELLI
Justice of the Peace
My Commission Expires October 17, 2012