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ROCKINGHAM COUNTY
REGISTRY OF DEEDS

STERLING HILL AT EXETER CONDOMINIUM ASSOCIATION

CLERK'S CERTIFICATION

I, Donna Brandt Lawrence, Clerk of the Sterling Hill at Exeter Condominium Association Board of Directors hereby certify that a vote of the Unit Owners of Sterling Hill at Exeter Condominium Association to amend the Condominium Bylaws was conducted on Oct. 24, 2017 pursuant to the provisions of the Condominium Declaration and Bylaws, and the vote to approve the attached Amended and Restated Bylaws was:

APPROVE: 61
DO NOT APPROVE: 0

The vote to approve being more than Sixty Seven Percent (67%) of the total votes cast, the Amended and Restated Bylaws are approved.

Witness

Donna Brandt Lawrence
Name:
Clerk of Sterling Hill at Exeter Condominium Association

STATE OF NEW HAMPSHIRE
COUNTY OF ROCKINGHAM

On this 30 day of November, 2017, personally appeared before me the above named Donna Brandt Lawrence, duly authorized Clerk of Sterling Hill at Exeter Condominium Association Board of Directors, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purposes set forth therein.

Name:
Notary Public/~~Justice of the Peace~~
My commission expires on: _____

STEPHANIE H. SLABON, Notary Public
My Commission Expires December 7, 2021

NOTARY PUBLIC NEW HAMPSHIRE

AMENDED AND RESTATED

BYLAWS

OF

STERLING HILL AT EXETER, A CONDOMINIUM

Exeter, Rockingham County, New Hampshire

Adopted Oct 24th, 2017

The Bylaws of Sterling Hill at Exeter, A Condominium, originally dated June 30, 2003, recorded in the Rockingham County Registry of Deeds at Book 4158, Page 1541, as amended on December 12, 2005, recorded at Book 4594, Page 2288, as amended on March 27, 2006, recorded at Book 4635, Page 0266, as amended on March 24, 2011, recorded at Book 5203, Page 2199, as amended on November 28, 2012, recorded at Book 5382, Page 2747, is hereby amended and restated in its entirety as follows:

UNIT OWNERS' ASSOCIATION

ARTICLE I

INTRODUCTORY

1. Purpose. The administration of the Condominium shall be governed by these Bylaws, and all present and future holders of any interest in the Condominium shall be members of Sterling Hill at Exeter, a Condominium Unit Owners' Association, which is a "condominium management association" organized and operated to provide for the acquisition, construction, management, maintenance, and care of "association property" as those terms are defined in Section 528 of the Internal Revenue Code. No part of the net earnings of said Association shall inure (other than by acquiring, constructing, or providing management, maintenance, and care of association property, other than by a rebate of excess membership dues, fees, or assessments pursuant to Article V, Section 1(c) hereof) to the benefit of any Unit Owner.

2. Definitions. Capitalized terms not otherwise defined herein or in the Declaration shall have the meanings specified in Section 3 of the Condominium Act.

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

4. Office. The office of the Condominium and of the Board of Directors shall be located at the Condominium or at such other place as may be designated from time to time by the Board of Directors.

ARTICLE II

UNIT OWNERS' ASSOCIATION

1. Composition. All of the Unit Owners, acting as a group in accordance with the Condominium Act, the Declaration, and these Bylaws, shall constitute "Sterling Hill at Exeter, a Condominium Unit Owners' Association," or "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 the Condominium Act. Except as to those matters which the act, the Declaration, or these Bylaws specifically require to be performed by the vote of the Unit Owners, the administration of the Condominium shall be performed by the Board of Directors (as more particularly set forth in Article III).

2. Period of Control by Declarant. Notwithstanding any other provision of these Bylaws, until the earlier of five (5) years after recordation of the Declaration or the date on which seventy-five (75%) percent of the Units (up to and including the 128 units, which is the maximum number of units which may be declared under the Declaration) have been conveyed by Declarant (the "Transition Date"), the Declarant shall have the power, in its sole discretion, to (a) appoint or remove any or all officers and directors of the Unit Owners' Association at any time, without cause, and (b) exercise any and all powers and responsibilities otherwise assigned by the condominium instruments or the Condominium Act to the Unit Owners' Association, its officers, or its Board of Directors. The Declarant may relinquish its power hereunder at any time by recording an appropriate statement at the Registry, in which event the date of such relinquishment shall be the "Transition Date". This section may not be amended without the written consent of the Declarant.

3. Voting. Each completed Unit which has been conveyed shall be entitled to a vote in the Association equal to the proportionate share of the undivided interest in the Common Areas appertaining to such Unit as set forth in the Declaration. Since an Owner may be more than one (1) Person, if only one of such Persons is present at a meeting of the Association, that Person shall be entitled to cast the votes appertaining to that Unit. If more than one of such Persons is present, the vote appertaining to that 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 individual presiding over the meeting. As applied to a Person which is not a natural person, the word "Person" shall be deemed for the purposes of this Section to include, without limitation, any one (1) natural person having authority to execute deeds on behalf of such Person which is not a

natural person and which is, either alone or in conjunction with another Person or Persons, an Owner. Except where a greater number is required by the Condominium Act, the Declaration, or these Bylaws, a majority vote is required to adopt decisions at any meeting of the Association and to elect Directors. If the Declarant owns or holds title to one (1) or more Units, the Declarant shall have the right at any meeting of the Association to cast the votes to which such Unit is entitled.

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

5. Annual Meeting. The first annual meeting of the Unit Owners' Association shall be held on a date to be determined by the Declarant, which date shall be within one (1) year after the formation of the Association by the recordation of the Declaration and Bylaws at the Registry. Notice of such meeting shall be given in accordance with the provisions of Section 7 of this Article II. Thereafter, the annual meetings of the Association shall be held on the same date of each succeeding year, or on such other date within a thirty (30) day period prior to such date, as may be designated by the Board of Directors and reflected in the said notice. At such annual meetings following the Transition Date (as defined in Section 2 above), the Board of Directors shall be elected by ballot of the Owners in accordance with the requirements of Section 4 of Article III. The purpose of the meeting shall include any budget changes or proposal to remove an officer or member of the Board of Directors, and the Association may also transact such other business as may properly come before it at such meetings.

6. 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 majority of the Board of Directors or upon a petition signed and presented to the Clerk by Owners having not less than thirty (30%) percent of the votes of all Owners. The notice of any special meeting shall state the time and place of such meeting and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice. If the Association does not notify Unit Owners of a special meeting within Thirty (30) days after the requisite number or percentage of Unit Owners request the Clerk to do so, the requesting members may directly notify all the Unit Owners of an informational meeting, the purpose of which shall be to present the issue to fellow residents and Unit Owners.

7. Notice of Meeting. It shall be the duty of the Clerk to deliver, by first class United States mail, or by electronic mail address, a notice of each annual meeting or special meeting of the Owners, at least twenty-one (21) days in advance of an annual meeting and at least seven (7) days in advance of a special meeting, stating the purpose thereof, as well as the time and place where it is to be held, to each Owner of record, at the mailing address or electronic mail address as each Owner may have designated by notice in writing to the Clerk. If the Unit Owner does not designate such an address, the Association shall deliver notices by hand delivery, United States mail postage pre-paid, or commercially reasonable delivery service to the mailing address of each respective Unit. The delivery of a notice of meeting in the manner provided in this Section shall be considered service of notice. The minimum time to give notice may be reduced or waived for a meeting called to deal with an emergency. The Clerk shall prepare an affidavit which shall

be accompanied by a list of the addresses of all Unit Owners currently on file with the Association and shall attest that notice of the Association meeting was provided to all Unit Owners on that list in a manner conforming to RSA 356-B:37-a. A copy of the affidavit and Unit Owners list shall be available at the noticed meeting for inspection by all Owners then in attendance and shall be retained with the minutes of that meeting. The affidavit required in this section shall be available for inspection by Unit Owners for at least 3 years after the date of the subject meeting.

8. Voting Requirements. An Owner shall be deemed to be in good standing and entitled to vote at any annual meeting or at any special meeting of the Unit Owners' Association if, and only if, he shall have fully paid all assessments made or levied and due against him and his Unit by the Board of Directors as hereinafter provided, together with all interest, costs, attorney's fees, penalties, and other expenses, if any, properly chargeable to him and against his Unit, as of the third business day prior to the date fixed for such annual or special meeting. Notwithstanding the foregoing, any Owner may vote on any amendment to the condominium instruments, or on the question of terminating the condominium, regardless of whether his assessments are fully paid.

9. Proxies. The vote appertaining to any Unit may be cast pursuant to a proxy or proxies in accordance with the provisions of Section 39, IV of the Condominium Act:

(a) The votes appertaining to any Unit may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Unit Owner, or, in cases where the Unit Owner is more than one person, by or on behalf of all such persons. A person may not cast undirected proxies representing more than ten percent (10%) of the votes in the Association. The proxy or proxies shall list the name of the person who is to vote. No such proxy shall be revocable except by actual notice to the person presiding over the meeting, by the Unit Owner or by any of such persons, that it be revoked. Any proxy shall be void if it is not dated or if it purports to be revocable without the required notice. The proxy of any person shall be void if not signed by a person having authority, at the time of the execution thereof, to execute deeds on behalf of that person. Any proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of that proxy. The Board of Directors shall deliver to the Unit Owners, together with their notice of meeting and agenda, proxy forms bearing a control number which the Board of Directors shall correlate to the list of all Unit Owners then entitled to vote. At the noticed meeting, the Board of Directors shall recover all proxies and compare them to the control list maintained for that purpose. Any proxies which are on a form other than that provided by the Board of Directors or which do not correlate with the control list maintained by the Board of Directors shall be disregarded for purposes of determining whether a quorum was present at the meeting and for purposes of casting any vote at that meeting.

(b) The Board of Directors shall retain all proxies delivered to the Board of Directors and all independent written confirmation of any such proxies for inspection by the Unit Owners for a period of not less than three (3) years from the date of the Unit Owners Association meeting.

10. Quorum. A quorum consists of twenty-five (25%) percent of the total votes in the Association. Valid proxies shall count toward the quorum requirement. If a quorum is not

met for an annual meeting, the Board of Directors shall reschedule the meeting within sixty (60) days and provide proper notice and proxies.

11. Order of Business. All meetings of the Association shall be conducted in accordance with the most recent edition of Roberts' Rules of Order Newly Revised or another similar rules of procedure as determined by the Board of Directors. The order of business at all meetings of the Unit Owners' Association may be as follows: (a) roll call; (b) recitation of proof of notice of meetings; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) report of Board of Directors; (f) report of committees; (g) election of Directors if applicable; (h) unfinished business; and (i) new business; any of which may be waived.

12. Conduct of Meeting. The President or his designate shall preside over all meetings of the Unit Owners' Association and the Clerk shall keep the Minutes of the meeting and record in a Record Book, all resolutions adopted by the meeting as well as all transactions occurring thereat. Unit Owners shall be given a reasonable opportunity at any meeting to comment regarding any matter affecting the Association.

13. Meetings by Electronic Means. The Board of Directors may allow for meetings of Unit Owners to be conducted by telephonic, video, or other conferencing process, at the discretion of the Board of Directors, as provided in RSA 356-B:37-b.

14. Meeting Minutes. The Board of Directors shall make copies of the minutes of all meetings available to the Unit Owners within sixty (60) days of the meeting or fifteen (15) days of the date such minutes are approved by the Board, whichever occurs first. The Board of Directors, at its discretion, may opt to provide the minutes electronically or publish them on the Association website, in which case the Owners shall be informed of the web address.

15. Voting Without a Meeting. At the discretion of the Board of Directors, the Association may conduct a vote without a meeting. In that event, the following requirements apply:

(a) The Association shall notify the Unit Owners, in the manner prescribed by RSA 356-B:37-a and Article III, Section 7 hereof, that the vote will be taken by ballot and deliver a paper or electronic ballot to every Unit Owner entitled to vote on the matter.

(b) The ballot shall:

(1) Set forth each proposed action and provide an opportunity to vote for or against the action;

(2) Indicate the number of responses needed to meet the quorum requirements;

(3) State the percent of votes necessary to approve each matter other than election of directors;

(4) Specify the time and date by which a ballot must be delivered to the Association

to be counted, which time and date may not be fewer than ten (10) days after the date the Association delivers the ballot;

(5) Describe the time, date, and manner by which Unit Owners wishing to deliver information to all Unit Owners regarding the subject of the vote may do so.

(c) A ballot shall not be revoked after delivery to the Association by death or disability or attempted revocation by the person that cast that vote.

(d) Approval by ballot pursuant to this section is valid only if the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action.

ARTICLE III

BOARD OF DIRECTORS

1. Powers and Duties. The affairs and business of the Condominium shall be managed by a Board of Directors (sometimes herein referred to as the "Board") which shall have all of the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things as are not prescribed to be exercised and done exclusively by the membership of the Unit Owners' Association by the Condominium Act or by these Bylaws. The Board of Directors 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 the Condominium Act, the Declaration, or these Bylaws. The Board of Directors may delegate to one of its members the authority to act on behalf of the Board of Directors on all matters which might arise between meetings of the Board of Directors. In addition to the general duties imposed by these Bylaws, the Board of Directors shall have the power to and be responsible for the following:

(a) Preparing and adopting an annual budget, in which there shall be established the assessment of each Owner for the Common Expenses;

(b) Making assessments against Owners to defray the Common Expenses of the Condominium establishing the means and methods of collecting such assessments from the Owners, collecting said assessments 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;

(c) Providing for the operation, management, care, upkeep, replacement, and maintenance of all 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 the Rules respecting the use and enjoyment of the Property and enforcing by legal means the provisions of the Condominium Act, the Declaration, these Bylaws, and such Rules, and bringing any proceedings which may be instituted on behalf of the Owners;

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

(g) Opening bank accounts on behalf of the Association and designating signatories required therefore, and keeping books with detailed accounts of the receipts and expenditures affecting the Property, and the administration of the Condominium. The said books shall be available for examination by the Owners and their duly authorized agents or attorneys, at reasonable times and places. All books and records shall be kept in accordance with the generally accepted accounting principles. A copy of the annual financial statement shall be supplied to any first mortgagee of any Unit in the condominium who requests the same in writing to the Clerk.

(h) The Board of Directors shall have the irrevocable power, which it may delegate to the President or other officer, as attorney-in-fact on behalf of all of the Owners, their heirs, successors, and assigns to do the following things:

(1) To grant easements through the Common Area and to accept easements benefiting the Condominium or any portion thereof;

(2) To negotiate, settle, and litigate, including execution of any necessary documents, any proceeding by any governmental authority to condemn all or any portion of the Common Area, any dispute concerning title to an or any portion of the Common Area, and any other dispute which affects the Common Area;

(3) To execute any documents necessary to encumber all or any portion of the Common Area to secure any borrowing, providing that such borrowing is authorized pursuant to Article V, Sections l(d) or 7, or Article VII, Section 2(b) hereof.

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

(j) The Board of Directors shall not:

(1) Amend the Declaration except as otherwise provided in the Condominium Act

or upon appropriate vote of the Unit Owners Association;

(2) Amend the Bylaws, except upon appropriate vote of the Unit Owners Association;

(3) Terminate the unit owners' association;

(4) Elect members of the Board of Directors but, may fill vacancies in its membership for the unexpired portion of any term or, if earlier, until the next regularly scheduled election of Board members;

(5) Determine the qualifications, powers, and duties, or terms of office of members of the Board of Directors.

2. Managing Agent. The Board of Directors, in its discretion, may employ, or contract with, a professional manager or management firm ("Manager") for a fee or compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including, but not limited to, the duties listed in Section 1 of this Article III. The Board of Directors may delegate to the Manager all of the powers granted to the Board of Directors by these Bylaws; provided that any actions by the Manager with respect to the powers set forth in Paragraphs (a), (b), (e), (g), and (h), of Section 1 of this Article III shall require the written consent of the Board of Directors. Any employment contract entered into before the Transition Date (as defined in Article II, Section 2 above) shall provide that the Association may terminate the contract at any time following the Transition Date, without cause and without penalty, upon no more than ninety (90) days written notice.

3. Number of Directors and Initial Selection of Board. The Board of Directors shall be composed of a maximum of seven (7) persons and a minimum of five (5) persons. Until the Transition Date, all Directors shall be appointed by the Declarant and may be any natural persons. After the Transition Date, all elected Directors must be Owners or spouses of Owners, or, where a Person which is an Owner is not a natural person, a natural person having authority to execute deeds on behalf of such Person.

4. Election and Term of Office. Subject to the Declarant's rights to designate set forth herein, at the first annual meeting of the Unit Owners' Association, an election shall take place. The first question presented shall be to fix the number of Directors at five (5) or seven (7). If comprised of five (5) Directors, the term of office of two (2) Directors shall be fixed at one (1) year and the term of office of three (3) Directors shall be fixed at two (2) years. If comprised of seven (7) Directors, the term of office of three (3) Directors shall be fixed at one (1) year and the term of office of four (4) Directors shall be fixed at two (2) years. Thereafter, the size of the Board of Directors may be amended by a 2/3 vote of the Board of Directors. Subject to the provisions of Section 3 above, at the expiration of the initial term of office of each respective Director, each successor shall be elected at subsequent annual meetings of the Unit Owners' Association to serve a term of two (2) years. The Directors shall hold office until their respective successors have been elected and hold their first meeting. All elections

shall be by majority vote.

5. Organizational Meeting. The first meeting of the members of the Board of Directors following the annual meeting of the Unit Owners' Association shall be held immediately afterward, and no notice shall be necessary in order to legally constitute such meeting, provided a majority of the whole Board shall be present thereat.

6. Regular Meeting. Not less than once each quarter, and at such additional times as may be specified by the Board of Directors, the Board of Directors shall hold an open regular meeting during which Unit Owners shall be afforded a reasonable opportunity to comment on any matter affecting the Association. At its discretion, the Board of Directors may meet in a meeting not open to Unit Owners provided the meeting is recorded and the recording is made available to Unit Owners for up to thirty (30) days upon request. When required, notice of meetings of the Board of Directors shall be given personally or by mail, or electronic mail, at least 10 days days prior to the day named for such meeting. 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 10 days' notice to each Director. Such notice shall be given personally or by mail, or electronic mail, and such notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Clerk in like manner and on like notice on the written request of a majority of the Directors. The minimum time to give notice may be reduced or waived for a meeting called to deal with an emergency.

8. Executive Session. The Board of Directors and Association committees may hold an executive session only during a regular or special meeting of the Board or a committee. No final vote or action may be taken during an executive session. An executive session may be held only to:

(a) Consult with the Association's attorney;

(b) Discuss existing or potential litigation or mediation, arbitration, or administrative proceedings;

(c) Discuss labor or personnel matters;

(d) Discuss contracts, leases, and other commercial transactions to purchase or provide goods or services currently being negotiated, including the review of bids or proposals, if premature general knowledge of those matters would place the association at a disadvantage or prevent public knowledge of the matter to be discussed if the board of directors or a committee determines that public knowledge would violate the privacy of any person.

9. Notice and Waiver of Notice. Unless the meeting is included in a schedule given to the Unit Owners or the meeting is called to deal with an emergency, the Clerk shall give notice of each meeting of the Board of Directors to each board member and to the Unit Owners. The notice shall be given at least 10 days before the meeting and shall state the time, date, place, and agenda of the meeting. Before or within ten (10) days after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

10. Materials. If any materials are distributed to the Board of Directors before the meeting, the Board of Directors at the same time shall make copies of those materials reasonably available to Unit Owners, except that the Board of Directors need not make available copies of unapproved minutes or matters that are to be considered in executive session.

11. Board of Directors' Quorum. At all meetings of the Board of Directors, 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 of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting to another time. At any such adjourned meeting, when resumed, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

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

13. Removal of Directors. After the Transition Date, a Director may be removed 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 voters 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. Notwithstanding anything in this Section to the contrary, no person selected and designated by the Declarant as a member of the Board of Directors may be removed without the consent of the Declarant and in such event the Declarant shall select and designate his successor.

14. Compensation. No Director shall receive any Compensation from the Condominium for acting as such.

15. Conduct of Meeting. The President, or, in his absence, a President Pro Tem elected by the Board, shall preside over all meetings of the Board of Directors and the Clerk shall keep the Minutes of the meetings of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings, which Minutes shall be filed in the Record Book of the Association.

16. Fidelity Bonds. The Board of Directors shall require that all Directors, officers, agents (including the Manager), employees and volunteers of the Association handling or responsible for handling funds belonging to or administered by the Association furnish adequate fidelity bonds, pursuant to Article VI, Section l(d). The premiums on such bonds shall constitute a Common Expense.

17. Report of Board of Directors. The Board of Directors 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.

18. No Action without Meeting. No action may be taken by the Board of Directors without a meeting in accordance with these Bylaws and the Condominium Act. A gathering of Board members at which the Board members do not conduct Association business is not a meeting of the Board of Directors. The Board of Directors and its members may not use incidental or social gatherings of Board members or any other method to evade the open meeting requirements of this section.

19. 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 or actions which are contrary to the provisions of the Condominium Act, the Declaration, or the Bylaws. The Owners shall indemnify and hold harmless each of the Directors from and against (a) all liability to others arising out of contracts made or action taken or omitted on behalf of the Owners unless any such contract shall have been made or action taken or omitted, in bad faith, due to willful misconduct, or contrary to the provisions of the Condominium Act, the Declaration or these Bylaws, and (b) against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement incurred by such Director' in connection with any threatened, pending, or completed action, suit, or proceeding unless he acted in bad faith, was guilty of willful misconduct or acted contrary to such provisions. It is intended that the members of the Board of Directors shall have no personal liability (except as Owners) with respect to any contract made or action taken or omitted by them on behalf of the Owners, unless made, taken, or omitted in bad faith, due to willful misconduct or contrary to such provisions. It is also intended that the liability of any Owner arising out of any contract, action, or omission made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors shall be limited to the same percentage of the total liability thereunder as his Unit's undivided percentage interest in the Common Area. Every written agreement made by the Board of Directors or by the Manager on behalf of the Owners shall, if obtainable, provide that the member of the Board of Directors 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 the same percentage of the total liability thereunder as his Unit's undivided percentage interest in the Common Area.

ARTICLE IV

OFFICERS

1. Designation. The principal officers of the Condominium shall be a President, a Clerk, and a Treasurer, all of whom shall be elected by the Board (subject to the provisions of Article II, Section 2). The Board may appoint such other officers as in its judgment may be necessary. With the exception of the President, no officer need be a member of the Board. The offices of Treasurer and Clerk may be held by the same person. An Officer shall not directly receive any salary or compensation from the Association for the performance of duties as an Officer or Board Member and shall not in any other way benefit financially from service to the Association.

2. Election of Officers. Subject to the provisions of Article II, Section 2, the officers of the Unit Owners' Association shall be elected initially by the Board at a special meeting held on or near the date on which the Declaration is recorded at the Registry. Thereafter, the officers of the Condominium shall be elected annually by the Board at the organizational meeting of each new Board and shall hold office at the pleasure of the Board. Any vacancy in an office shall be filed by the Board at a regular meeting or a special meeting called for such purpose.

3. Removal of Officers. Subject to the provisions of Article II, Section 2, the officers shall hold office until their respective successors are chosen and accept their offices. Any officer elected or appointed by the Board of Directors may be removed at any time without cause by the affirmative vote of a majority of the whole Board, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose. The unit owners may not consider whether to remove a member of the board of directors or an officer elected by the unit owners at a meeting of the unit owners unless that subject was listed in the notice of the meeting.

4. President. The President shall be the Chief Executive Officer; he, or his designate, shall preside at meetings of the Unit Owners' Association and, if present, at meetings of the Board of Directors and shall be an ex officio member of all committees; he shall have general and active management of the business of the Condominium and shall see that all orders and resolutions of the Board are carried into effect. He shall have all of the general powers and duties which are usually vested in or incident to the office of President of a stock corporation organized under the laws of the State of New Hampshire.

5. Clerk. The Clerk shall attend all meetings of the Board of Directors and all meetings of the Unit Owners' Association, shall record the Minutes of all proceedings in the record book of the Condominium and shall perform like duties for committees when required. He shall keep the record book current and in his custody. He shall give, or cause to be given, notice of all meetings of the Unit Owners' Association, the Board, and the committees

and shall perform such other duties as may be prescribed by the Board or President. The Clerk shall complete and keep current at the principal office of the Condominium (a) a complete list of the Owners and their last known post office address, and (b) copies of the Condominium instruments. These documents shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days.

6. Treasurer. The Treasurer shall have the custody of all funds and securities that are not under the control of the Manager, and, with the assistance of the Manager shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall deposit all monies and other valuable effects in such depositories as may be designated by the Board. Such records shall include, without limitation, chronological listings of all assessments and Common Expenses on account of the Common Area and each Unit and the amounts paid arid the amounts due on such assessments by each Owner. He shall disburse funds as ordered by the Board, where possible tiling 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 his transactions as Treasurer and of the financial condition of the Condominium. Owners shall have the right to examine the books of the Association at reasonable times and places.

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

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

9. Liability of Officers. The provisions of Article ID, Section 17, with regard to liability and indemnification of Directors shall apply equally to officers of the Association.

ARTICLE V

OPERATION OF THE PROPERTY

1. Determination of Common Expenses and Assessments Against Owners.

(a) Fiscal Year. The fiscal year of the Condominium shall consist of the twelve (12) month period commencing on January 1 of each year and terminating on December 31 of the same year, except that the first fiscal year shall begin at the date of the organization and terminate on December 31. The fiscal year herein established shall be subject to change by the Board of Directors.

(b) Preparation and Approval of Budget. Each year the Board of Directors 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, and the cost of wages, materials, insurance premiums, services, supplies, and other expenses that may be declared to be Common Expenses by the Condominium Act, the Declaration, these Bylaws or a resolution of the Unit Owners' Association, 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 such reasonable reserves as the Board of Directors considers necessary to provide, including those specified below. The Board of Directors shall make reasonable efforts to send each Owner a copy of the budget, in an itemized form which sets forth the amount of the Common Expenses payable by each Owner, at least fifteen (15) days in advance of the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each Owner's 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 set forth in the budget for the fiscal year adopted by the Board of Directors shall be assessed against each Owner of a completed Unit which has been sold and conveyed, or rented, by the Declarant in proportion to the number of votes in the Unit Owners' Association appertaining to his Unit, and shall be a lien against each Owner's Unit in accordance with the Condominium Act. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven (11) months in such fiscal year, each Owner shall be obligated to pay to the Association one-twelfth (1/12th) of the assessment for such fiscal year made pursuant to the foregoing provisions. Within sixty (60) days after the end of each fiscal year, the Board of Directors shall supply to all Owners an itemized income and expense statement for the fiscal year. Any amount accumulated in excess of the amount required for actual expense and budgeted reserves shall, in the discretion of the Board of Directors, either be rebated to the Owners in accordance with each Owner's votes in the Unit Owners' Association by crediting same to the next successive monthly installments due from Owners under the then current fiscal year's budget, until exhausted, or shall be added to reserves. Any net shortage shall, if the Board of Directors deems it advisable, be added according to each Owner's votes in the Unit Owners' Association to the installments due in the succeeding six (6) months after the rendering of the accounting.

Declarant shall pay its full proportional fee for each Unit Declarant owns commencing with the month following the completion of the unit and the issuance of a certificate of occupancy for the unit.

(d) Reserves. The Board of Directors shall build up and maintain both an adequate operating fund and a separate reserve for replacement of the Common Area, which shall be funded by regular monthly payments, as provided for in subsection (c). At the end of the fiscal year, all funds accumulated during such year for reserve to cover replacement of Common Area shall .be placed in a separate bank account, segregated from the general operating funds, and used only for such purposes. If for any reasons, including nonpayment of any owner's assessment, the reserves are inadequate, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Owners, and which may be payable in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any such further assessments on all Owners by a statement in writing giving the amount and reasons

therefore, and such further assessment shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than ten (10) days after the 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.

If all or any portion of such assessments are not available to the Board prior to the time that the amounts thereof are needed to provide payment of the authorized costs, the Board may borrow such amounts, on behalf of the Association, and may secure such borrowing by assignment of the liens relative thereto arising pursuant to Section 2 of Article XII of these Bylaws.

(e) Initial Assessment. When the first Board of Directors takes office, it shall determine the budget, as defined in this section, for the period commencing upon the recordation of the Declaration and ending on the last day of the fiscal year in which their election occurs. Assessments shall be levied against the Owners during said period as provided in paragraph (c) of this Section. The Board of Directors shall establish an initial operating fund and capital reserves through special assessment of each Owner upon purchase of his Unit from the Declarant in an amount equal to two months' assessment as operating funds, and an additional amount of Two Hundred ($200.00) Dollars for capital reserves.

(f) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors 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, and in the absence of an annual budget or adjusted budget, each owner shall continue to pay the monthly charge at the then existing monthly rate established for the previous fiscal period until ten (10) days after a statement has been mailed or delivered, showing the monthly payment which is due under the new annual or adjusted budget.

(g) Initial Assessment paid by a Purchaser.

(1) Upon taking title to a unit, the purchaser shall pay to the Association a transfer fee of two times the amount of the regular monthly fee assessed to the unit. For example, if the regular monthly fee assessed to the unit being transferred is $300.00, the purchaser shall pay $600.00 to the Association. The transfer fee shall be collected at closing and shall be paid to the Association by the closing agent. The resale certificate required by RSA 356:B-58, by §2 of this Article V, and by Article VIII §4 shall include the requirement for this payment. Conveyance of a unit free of unpaid assessments as set forth in Article VIII §3 shall not include the transfer fee payment required by this section which shall be a charge against the unit until paid by the new owner. To the extent that other provisions of the Bylaws or Declaration may not be consistent with this section, the provisions of this section shall prevail.

(2) The transfer fee shall be deposited by the Board in either the Association's operating account or the reserve account in the Board's discretion.

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 his Unit subsequent to a sale, transfer, or other conveyance by him of such Unit. The purchaser of a Unit or other acquiring Owner by virtue of any transfer or other conveyance shall be jointly and severally liable with the transferring Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of the conveyance, without prejudice to the acquiring Owner's right to recover from the transferring Owner the amounts paid by the acquiring Owner.

The acquiring Owner shall be entitled to a recordable statement from the Board of Directors or the Manager setting forth the amount of the unpaid assessments against the transferring Owner and such acquiring Owner shall not be liable for, nor shall the 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 request within seven (7) days from receipt of such request shall extinguish the lien for unpaid assessments. Payment of a fee of the maximum allowable under the Condominium Act may be required as a prerequisite for issuance of such a statement.

If a mortgagee of a first mortgage of record or other 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 liable for the payment of Common Expenses assessed prior to the acquisition of title to such Unit by mortgagee or purchaser pursuant to the aforesaid remedies, and the Unit shall not be subject to a lien for same. 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 collectible from all Owners, including the purchaser from a first mortgagee, in proportion to their respective votes in the Unit Owners' Association.

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

4. Uncollectible Assessments. Any assessments which are not collectible due to waiver or limitation imposed by the provisions of Section 2 above, or due to the provisions of Paragraph 5(b) of the Declaration relative to first mortgages, shall be collectible from all Owners, including the purchaser or first mortgagee, in proportion to their respective votes in the Association.

5. Payment of Real Estate Taxes. The real estate taxes due to the Town of Exeter

for each individual Unit along with that Unit's Percentage of Interest in the Common Area shall be the responsibility of each individual Unit Owner and payable when due. Taxes for each Unit are not divisible between the Unit and the Common Area.

6. Maintenance and Repair.

(a) By the Board of Directors. Except as otherwise provided in paragraph (b) below, the Board of Directors 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 specially assessed to such Owner), of all the Common Area, whether located inside or outside of the Units, and whether presently existing or hereafter constructed, the cost of which shall be charged as a Common Expense to Owners of Units.

(b) By the Owner. Except for any portion of his Unit required above to be maintained, repaired, or replaced by the Board of Directors, and except as provided in Article VII hereof relating to repair and reconstruction after fire or other casualty, each Owner shall be responsible for the maintenance, repair, and replacement, at his own expense, of his Unit, and any part thereof, including, but not limited to, any interior walls, finished interior surfaces or ceilings and floors, window glass, glass vents of his Unit, screens on windows or doors, entrance doors and window frames (to the unfinished exterior surface thereof) and any glass doors connecting his Unit with Limited Common Area reserved for his Unit, kitchen and bathroom :fixtures and appliances, and those parts of the heating and air conditioning, plumbing , and electrical system which are wholly contained within his Unit and serve no other. Each Owner shall be responsible for performing the normal maintenance for any Limited Common Area which is appurtenant to his Unit, including keeping it in a clean and sanitary condition and free and clear of snow, ice, and any accumulation of water, and shall make, at his own expense, all repairs thereto, beyond normal maintenance, caused or necessitated by his negligence, misuse, or neglect. 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 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 a manner as shall not unreasonably disturb or interfere with the other Owners. Each Owner shall promptly report to the Board of Directors, or the Manager, any defects or need for repairs for which the Board of Directors is responsible. If any Owner fails to discharge any duty imposed by this subsection, or pay for any damage caused by such failure, the Board may, after sixty (60) days written notice or reasonable notice in any emergency, itself discharge the duty or pay for the damage and specially assess the expense against the Owner.

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

7. Addition, 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 Five Thousand ($5,000.00) Dollars during any period of twelve (12) consecutive months, and the making of such addition, alterations, or improvements shall have been approved by a Majority of the Owners, 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 Five Thousand ($5,000.00) Dollars or less during any period of twelve (12) consecutive months may be made by the Board of Directors without the approval of the Owners and the cost thereof shall constitute part of the Common Expenses. Notwithstanding the foregoing, if in the opinion of not less than two-thirds (2/3) 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 Owners requesting the same, such requesting Owners shall be assessed therefore in such proportion as they jointly approve or, if they are unable to agree thereon, in such proportions as may be determined by the Board of Directors. No addition, alteration, or improvement shall be made without appropriate permits and approvals by the Town of Exeter or any of its governmental subdivisions.

If in any of the above cases all or any portion of such assessments are not available to the Board prior to the time that the amounts thereof are needed to provide payment of the authorized costs, the Board may borrow such amounts, on behalf of the Association, and may secure such borrowing by assignment of the liens relative thereto arising pursuant to Section 2 of Article XII of the Bylaws.

8. 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 Owner shall paint, decorate, or otherwise change the external appearance of his Unit, including the doors and windows, or of any structure, apparatus, or improvement without the prior written consent of the Board of Directors or as allowed by Rule adopted by the Board. The Board of Directors shall be obligated to answer any written request by any Owner for approval of such proposed structural addition, alteration, or improvement within thirty (30) days after such request, and its failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed addition, alteration, or improvement or change. The Board may on a case-by-case basis or by Rule set required specifications for any addition, alteration, improvement, or change allowed. If any application to any governmental authority for a permit to make any such structural addition, alteration, or improvement in or to any Unit requires execution by the Association and provided consent has been given by the Board of Directors, then the application shall be executed on behalf of the Association by the Board of Directors only, without, however, incurring any liability on the part of the Board of Directors or any of them to anyone on account of such addition, alteration, or improvement. Subject to the approval of the mortgagee of such affected Units, the Board of Directors and any Unit Owner affected, and subject to obtaining any governmental approvals required by law, any Unit may be subdivided or may be altered so as to relocate the boundaries between such Unit and any adjoining Units. The Clerk shall record any necessary amendment to the Declaration to effect such action as provided in Section 31 and 32 of the Condominium Act. Provided, however, until Units owned by the Declarant shall

have been completed and initial deeds of conveyance of such Units shall have been recorded, the Declarant shall have the right to make such alterations or subdivisions without the consent of the Board of Directors and the Board of Directors shall execute any such application required. No addition, alteration, or improvement shall be made without appropriate permits and approvals by the Town of Exeter or any of its governmental subdivisions.

9. 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 arid authority to exercise reasonable controls over the use of Units. Violation of the following enumerated prohibitions shall not be permitted, and the Board of Directors is hereby authorized to take all steps necessary to prevent or discontinue any violations thereof, all at the expense of the violator:

(a) No advertisements, signs, or posters of any kind shall be posted in or on the Property except as authorized by the Board. This restriction shall not apply to advertisements, signs, or posters utilized by the Declarant, or its agents, in selling or renting the Units.

(b) No clothing, laundry, rugs, or other objects shall be hung, shaken, or thrown from any window or exterior portion of a Unit or otherwise left or placed in such a way to be exposed to public view. All refuse and trash shall be placed in locations specifically designated by the Board, and no garbage or trash shall be permitted to remain in public view.

(c) No animal, other than common household pets with the consent of the Board, shall be kept or maintained on the Property, nor shall common household pets be kept, bred, or maintained for commercial purposes on the property. Pets shall not be permitted outside of Units unless they are accompanied by an adult person and carried or leashed. The Board of Directors may make further provisions in the Rules for the control and regulation of household pets in the Condominium. The Owner of a Unit where a pet is kept or maintained shall be responsible and may be assessed by the Board of Directors for all damages to the Property resulting from the maintenance of said pet, and any costs incurred by the Association in enforcing the Rules prescribed or to be prescribed by the Board of Directors for the control and regulation of pets in the Condominium and each such Owner shall be deemed to indemnify and hold the Board harmless against such loss or liability resulting from said pet.

(d) No nuisance shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Condominium by others. Without limiting the foregoing, no Owner, tenant, occupant, or their guests shall play music or otherwise create noise anywhere within the Condominium, which disturbs any other Owner, tenant, or occupant.

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

(f) No Unit or Common Area of the Condominium may be used for any unlawful, immoral, or improper purpose.

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

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

(i) 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 of Directors. No waste shall be committed in the Common Area.

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

(k) Each Unit shall be entitled to maintain not more than two (2) vehicles within the Condominium. No service, repairs, or other maintenance shall be performed upon any such automobile or truck within any Common Area or Limited Common Area. Only regular vehicles, properly registered for highway use and driven by a licensed operator, shall be allowed to travel in the Condominium. No "all terrain" vehicles such as dirt bikes or snowmobiles, shall be operated within the Condominium or be considered regular vehicles. Light trucks with a cargo capacity of one ton or less shall be considered regular vehicles. There shall be no storage or parking of boats, trailers, motor homes, campers, or all-terrain vehicles.

(l) Owners shall be entitled to rent or lease their Unit under the terms of Article VIII, Section 2. The Board may adopt additional Rules, pursuant to Section 11 below, to govern the leasing of Units, including Rules requiring deposits to pay the cost of any damage to the Condominium.

(m) No playground equipment, swing sets, sandboxes, basketball backboards, slides, or climbing towers shall be placed, installed or erected within any Common Area or elsewhere within the Condominium.

10. Rights of Access. An Owner shall grant a right of access to his Unit to the Board of Directors or the Manager, or to any other person authorized by the Board for the purpose of making inspections or for the purpose of correcting any condition originating in his

Unit and threatening another Unit or Common Area, or for the purpose of performing installation, alterations, or repairs to the mechanical or electrical services or other Common Area in his Unit, provided that request for 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. The Board of Directors may adopt and amend Rules concerning the operation and use of the Units, Limited Common Area, and Common Area, and concerning all other matters within its authority, provided that such Rules are not contrary to or inconsistent with the Condominium Act, the Declaration or these Bylaws. Copies of the Rules shall be furnished by the Board of Directors to each Owner prior to the time when the same shall become effective. A vote of the majority of the Owners present in person or by proxy at a meeting of the Association may overrule and declare void any rule adopted by the Board; provided that notice of the proposal to overrule shall be included in the notice of such meeting.

ARTICLE VI

INSURANCE

1. Insurance Required. The Board of Directors shall obtain (i) a master casualty policy affording fire and extended coverage in an amount equal to the full replacement value of the structures within the Condominium in the name of the Unit Owners' Association, for the use and the benefit of the individual Owners and their mortgagees; (ii) a master liability policy covering the Association, the Board, the Manager, and agents or employees of the foregoing with respect to the Condominium, and all Owners and other persons entitled to occupy any portion of the Condominium, including what is commonly known as "officers and directors liability" insurance coverage; (iii) fidelity bonds covering the Board, the Unit Owners' Association and any management agent; and (iv) 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 such 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 or sold as part of a Unit, heating and lighting fixtures, any other fixtures, equipment, or personal property inside a Unit sold as part of the Unit, and fixtures, building service equipment, and common personal property and supplies belonging to the Unit Owners' Association, but not improvements made by individual Owners which are not reported to the insurer, such insurance to be in an amount at least equal to the replacement value of the buildings including the Units and to be payable to the Board as Trustees for the Owners and their mortgagees as their respective interests may appear. The deductible amount under such insurance shall be no greater than the lesser of Ten Thousand ($10,000.00) Dollars or one

(1%) percent of the policy face amount.

(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 ($1,000,000.00) Dollars for bodily injury and property damage per occurrence, insuring the Association and all individuals referred to in Section I (ii) above, against any liability to anyone, and with cross liability coverage with respect to liability claims of any one insured thereunder against any other insured thereunder. This insurance, however, shall not insure against individual liability of an Owner or other person entitled to occupy a Unit for negligence of such Owner or other person occurring within a Unit or within the Limited Common Area to which a Unit has exclusive use.

(c) A master or blanket policy of property insurance covering all the general common elements and limited common elements, including :fixtures and building service equipment to the extent that they are part of the common element of the Condominium, as well as common personal property and supplies, and other common personal property belonging to the Owners' Association. Such coverage shall extend to any fixtures, equipment, or other property within the Units which are financed by a mortgage to be purchased by Federal National Mortgage Association (FNMA). The policy shall be in an amount equal to one hundred (100%) percent current replacement cost. The name of the insured under such policies shall be "Sterling Hill at Exeter, a Condominium Unit Owners' Association". The loss shall be payable to such Association as Trustee for each Unit Owner and each such Owner's mortgagee, if any. Each Unit Owner and such Owner's mortgagee, if any, shall be beneficiaries of the policy in the percentage of common ownership set forth in the Declaration.

(d) Blanket fidelity bonds for the Board, the Association, and any management agent, covering all persons who either handle or are responsible for funds, whether or not they received compensation for their services, in the amount of the greater of (i) the maximum funds that will be in the custody of the Association or management agent at any time, or (ii) the sum of three (3) months' assessments on all Units plus the Association's reserve fund.

(e) Workers' compensation insurance as required by law.

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

2. General Insurance Provisions.

(a) The Board shall deal with the insurer or insurance agents in connection with the adjusting of all claims covered by 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 improvements within the Condominium, and shall make any necessary changes in the policy provided for under Paragraph I(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.

(b) The Board shall be required to make every effort to see that all policies of physical damage insurance provided for under Article VI, Section 1 above: (i) shall contain waivers of subrogation by the insurer as to claims against the Association, its employees and agents, members of the Board, the Manager, Owners, and their guests, licensees, tenants, employees, and members of their family who reside with them, except in cases of arson and fraud; (ii) shall contain a waiver of defense of invalidity or prejudice on account of the conduct of any of the Owners over which the Association has "no control"; (iii) shall contain a waiver of defense of invalidity or prejudice by failure of the insured, or Owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the insured, or Owners, collectively, have no control; (iv) shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days written notice to all the insureds thereunder and all first mortgagees of Units in the Condominium; (v) shall provide that the insurance under said policies is primary insurance, and 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; (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, Board of Directors, or any of their agents, employees, or household members, nor cancelled for nonpayment of premiums; (viii) shall contain Agreed Amount and Inflation Guard Endorsement, any available Construction Code Endorsement, and Steam Boiler and Machinery Coverage Endorsement; (ix) shall provide that only Insurance Trust Agreement will be recognized; (x) shall include in the "loss payable" clause the Association as Trustee for each Unit Owner and the holders of each Unit's mortgages and (xi) shall contain the standard mortgage clause naming each first mortgagee (or servicer) and "its successors and assigns", and FNMA or FHLMC, if applicable.

(c) The Board shall be required to make every effort to see that all policies of liability insurance provided for under Article VI, Section 1 above: (i) shall cover all common areas, public ways, and any other areas under the supervision of the Association, and any commercial spaces owned by the Association, even if leased to others; (ii) shall provide coverage for bodily injury and property damage resulting from the operation, maintenance, or use of the common Area; (iii) shall provide coverage for any legal liability resulting from lawsuits relating to employment contracts in which the Association is a party; (iv) shall, if they do not include "severability of interest" clauses, provide that no Unit Owner's claim will be denied because of negligent acts of the Association or other Unit Owners; and (v) shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days' written notice to all of the insureds thereunder and all first mortgagees of Units named in the policies.

(d) The Association's fidelity bond required above should name the Association as obligee. The management agent's required fidelity bond should name the Association as an additional obligee. Both bonds must provide that they may not be cancelled or substantially modified without at least thirty (30) days' written notice of all of the insureds thereunder and

all first mortgagees of Units named in the policies.

3. Individual Policies.

(a) Any Owner and any mortgagee may obtain at its 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 and not covered under the master casualty policy referred to in Article VI, Section l(a) above. 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 of Directors, a 'Tenant Homeowner's Policy", or equivalent, to insure against the loss or damage to personal property used or incidental to the occupancy of the Unit, additional living expenses, vandalism, or malicious mischief, theft, personal liability, and the like.

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, as Trustee for the Owners arid their mortgagees, 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.

Any such insurance should cover any loss, injury, or damage to persons or to 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 ($1,000.00) Dollars and which are not reported to the Board.

(b) 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 ($1,000.00) Dollars and upon receipt of such notice, the Board shall notify the insurer under any policy.

4. Notice to Unit Owners. Excepting such policies as are obtained on behalf of the Association prior to the conveyance of the first Unit in the Condominium, when any policy of insurance has been obtained on behalf of the Association, written notice of the obtainment thereof and of any subsequent changes therein or in such initial policies, or termination thereof shall be promptly furnished to each Unit Owner by the Clerk of the Association. Such Notice shall be sent to all Unit Owners of record at the address of their respective Units and to such other addresses as any of them may have designated to the Clerk; such notice may be hand delivered by the Clerk or Manager.

ARTICLE VII

REPAIR AND RECONSTRUCTION A F T E R FIRE OR OTHER CASUALTY

1. When Repair and Reconstruction are Required. Subject to the provisions of Paragraph 3(h) 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 of Directors 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 of Directors 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 of Directors determines to be necessary. The Board shall contract such repair and reconstruction and in doing so shall exercise its sole discretion in selecting from among said estimates.

(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 amounts to provide payment of such costs shall be made against the Owners in proportion to their respective votes in the Unit Owners' Association. If all or any portion of such assessments are not available to the Board prior to the time that the amounts thereof are needed to provide payment of such costs, the Board may borrow such amounts, on behalf of the Association, and may secure such borrowing by assignment of the liens relative thereto arising pursuant to Section 2 of Article XII of these Bylaws.

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

(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. Disbursement of Construction Funds.

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

(b) The construction fund shall be paid by the Board of Directors 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 of Directors.

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

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

ARTICLE VIII

SALES, LEASES, AND MORTGAGES OF UNITS

1. No Severance of Ownership. No Owner shall execute any deed, lease, mortgage, or instrument 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 the Condominium Act, the undivided interest in the Common Area allocated to any Unit shall not be altered, and any purported transfer, encumbrances, or other disposition of that interest without the Unit to which it appertains shall be void.

2. Leases. Leases must be in writing, shall be for a minimum term of six months, and shall be subject to the requirements of the Condominium Declaration and Bylaws. A copy of the Declaration and Bylaws shall be available for review by tenants. Tenants shall be provided with copies of any rules or regulations promulgated by the Board of Directors, and shall acknowledge their receipt and acceptance of the terms and conditions therein.

3. 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 of Directors all unpaid Common Expenses theretofore assessed by the Board of Directors with respect to his Unit, and shall have satisfied all unpaid liens with respect to his Unit, except mortgages. Where this provision is satisfied at the time of execution of a mortgage, there shall be no requirement that it again be satisfied at the time of

a subsequent foreclosure of such mortgage or deed in lieu of such foreclosure. In the event that the Unit is subject to outstanding assessment previously levied against such Unit, and the acquiring Owner or the transferring Owner requests a recordable statement pursuant to Section 2 of Article V, the statement shall expressly state any waiver of, or failure or refusal to exercise, the right of the Association to prevent the disposition of any Unit, in any case where such waiver, failure, or refusal may exist. Failure or refusal to furnish such a statement as provided in Section 2 shall not only constitute a waiver of such assessment, but also make the above-mentioned prohibition inapplicable to any such disposition of the Unit.

4. Resales. In the event of a resale of a Unit or any interest in a Unit by any persons other than the Declarant, the prospective Buyer shall have the right to obtain from the Association prior to the contract date of the disposition, the following:

(a) A recordable statement setting forth the amount of unpaid assessments currently levied against the Unit. Pursuant to RSA 356-B:46, VIII, the Association may charge Ten ($10.00) Dollars for the issuance of the statement, or the maximum as shall be allowed by statute, whichever is greater.

(b) A statement of any capital expenditures and major maintenance expenditures anticipated by the 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 of Directors.

(d) A copy of the income statement and balance sheet of the 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 Association is a party defendant.

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

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

(h) For statements (b) through (c), the Association may charge a total of Twenty Five ($25.00) Dollars for the issuance of the statements, or the maximum as shall be allowed by statute, whichever is greater.

ARTICLE IX

AMENDMENTOFBYLAWS

1. Amendments. Except as otherwise provided in the Condominium Act, the Declaration and herein, these Bylaws may be modified or amended by the procedure, and subject to the limitations set forth in Paragraph 4 of the Declaration. Notwithstanding the foregoing, so long as the Declarant is the Owner of one (1) or more Units, no amendment to the Bylaws or Rules may be adopted which could interfere with the construction, display, sale, lease, or other disposition of such Unit or Units.

2. Recording. A modification or amendment of these Bylaws shall become effective only when it has been duly evidenced in accordance with the provisions of Section 34, N of the Condominium Act.

3. Conflicts. No modification or amendment of these Bylaws may be adopted which shall be inconsistent with the provisions of the Condominium Act or with the provisions of the Declaration. A modification or amendment once adopted and recorded as provided for 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 mortgagees on the Units. Accordingly, all Eligible Mortgage Holders (as defined in Paragraph 5(a) of the Declaration) shall be given thirty (30) days' notice of all proposed amendments, and no amendment or modification of these Bylaws materially impairing or affecting the rights, priorities, remedies, or interest of such Eligible Mortgage Holders (including the use of a secondary mortgage market, i.e., the salability of mortgages to Mortgage Guaranty Insurance Corporation, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, etc.) shall be adopted without the prior written consent of at least fifty-one percent (51%) of such mortgagees (based upon votes appurtenant to Units subject to their mortgages).

ARTICLE X

MORTGAGES

1. Notice of Board. An Owner who mortgages his Condominium Unit shall notify the Board of the name and address of all mortgagees. The Board shall maintain suitable records pertaining to such mortgages.

2. Notice of Unpaid Assessments for Common Expense. The Board, whenever so requested in writing by a mortgagee 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.

3. Notice of Default. 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, provided that the Board has been given notice of such mortgage in the manner set forth above and in the Declaration.

ARTICLE XI

NOTICE

1. Manner of Notice. Except as otherwise provided in the Declaration and these Bylaws, all notice, demands, bills, statements, or other communications provided for or required under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by U.S. Mail, return receipt requested, first class postage prepaid, (i) if to an Owner, at the address of his Unit, and at such other address as the Owner may have designated by notice in writing to the Clerk, 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 Owner pursuant to this Section.

2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes, the Declaration or 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 thereof, unless sudl waiver is ineffective under the provisions of the Condominium Act.

ARTICLE XII

DEFAULT

1. Default. Each Owner shall be governed by, and shall comply with, all of the terms of the Condominium Act, the Declaration, these Bylaws and the Rules, and any amendments of the same. The Board shall give written notice to an Owner of any default by the Owner in the performance of any obligation under the Act, Declaration, Bylaws, or Rules. A default by an 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 Condominium Act, Declaration, these By laws or the Rules shall be grounds for relief, which may include, without limiting the same, an action to recover the sums due, for money damages, injunctive relief, foreclosure of the lien for payment 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 of Directors, the Manager, or if appropriate, by an 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 Association. 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 of Directors, or of an Owner to enforce any right, provision, covenant, or condition which may be granted by the Condominium Act, the Declaration, these Bylaws, or the Rules shall not constitute a waiver of the right of the Association, the Board of Directors, or any Owner to enforce such right, provision, covenant, or condition in the future. All rights, remedies, and privileges granted to the Association., Board of Directors, or any Owner pursuant to any term, provision, covenant, or condition of the Condominium Act, Declaration, these Bylaws, 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 Condominium Act, Declaration, these Bylaws, or the Rules, or at law or in equity.

(e) Interest. In the event of a default by an Owner which continues for a period in excess of thirty (30) days, such Owner shall he obligated to pay interest on the amounts due at eighteen (18%) percent per annum, from the due date thereof. In addition, the Board of Directors shall have the authority to impose a late payment charge on such defaulting Owner in an amount not to exceed Twenty ($20.00) Dollars or six (6%) percent of any amount so overdue, whichever is greater.

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

2. Lien for Assessments.

(a) The total annual assessment of each Owner for the Common Expenses of 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 the Condominium Act (including, without limitation, the priority provisions set forth in Section 46 thereof) which lien shall be effective when perfected in accordance with said Act.

(b) In any case, where an assessment against an Owner is payable in installments, upon a default by such Owner in the payment of any single installment, which continues for ten (10) days after written notice of such default has been sent 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 of Directors, 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 of Directors or Manager. The Association, in order to perfect such lien, shall file before the expiration of six (6) months from the time that the delinquent assessment (or installment, where such assessment is payable in installments) became due and payable, a memorandum in the Rockingham County Registry of Deeds in the form and manner prescribed in the said Act.

(c) The lien assessment shall include interest, costs, and attorneys' fees as provided in Section 1 of this Article XII and may be foreclosed in the manner provided by the laws of the State of New Hampshire for the foreclosure of power of sale mortgages (including, without limitation, RSA 479) or by suit brought in the name of the Board of Directors, acting on behalf of the Unit Owners' Association. During the pendency of such proceedings or suit, the Owner shall be required to pay a reasonable rental for any period prior to sale pursuant to any judgment or order of any court having jurisdiction over such sale.

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

(e) Rent Collection Upon Delinquency in Payment of Common Expenses

(1) If a unit owner fails to pay the common expenses assessed to the unit by the Unit Owners Association within 60 days of the date it was due, the Unit Owners Association may, as a separate and additional remedy, subject to the existing rights of a holder of a first mortgage of record as provided in this section, collect from any tenant renting the unit any rent then or thereafter due to the owner of such unit. The Unit Owners Association shall apply such rent collected against the amount owed to it by the unit owner. Prior to taking any action under this paragraph, the Unit Owners Association shall give to the delinquent owner written notice of its intent to collect the rent owed. Such notice shall be sent both by first class and certified mail, shall set forth the exact amount the Unit Owners Association claims is due and owing by the unit owner, and shall indicate the intent of the association to collect such amount from rent, along with any other amounts which become due within the current fiscal year and which remain unpaid. A copy of such notice shall be provided to any first mortgage of record on such unit who

has previously requested in wiring that the Unit Owners Association notify it of any delinquency in the payment of amounts due to it by the owner of such unit.

(2) The unit owner shall have 30 days from the date of the mailing of such notice to pay the amounts due, including collection costs, or to provide proof of the prior payment of the assessments due. No unit owner shall be entitled to withhold payment of assessments due, off-set against the same, or make any deduction therefrom without first obtaining a determination by a court of competent jurisdiction that the assessment was unlawful.

(3) If the unit owner fails to timely file a response in compliance with paragraphs 1 and 2, the Unit Owners Association may notify and direct each tenant renting such unit from such owner to pay all or a portion of the rent otherwise due to such owner to the association, such rent or a portion of such rent to be in the amount the association claimed is due on its notice to the unit owner or the full rent, whichever is less. The association shall have a continuing right to collect any rent otherwise payable by the tenant to such unit owner until such amount, plus any changes thereafter becoming due, are satisfied in full. Nothing in this section shall preclude the unit owner from seeking equitable relief from a court of competent jurisdiction or seeking a judicial determination of the amount owed. Nothing in this section shall prevent the Unit Owners Association from bringing an action under this chapter or to otherwise establish the amount owed to it by the unit owner or otherwise to seek and obtain an order requiring the tenant in such unit, or tenants in other units owned by the unit owner in the condominium, to pay to the association rent otherwise due to the unit owner or otherwise limit the unit owners association's right of common law.

(4) In no event shall a unit owner take any retaliatory action against any tenant who pays rent, or any portion of rent, to the Unit Owners Association as provided in this section. Any tenant so paying rent shall not be deemed in default on the rent to the extent of the payment to the association. Any waiver of the provisions of this section in any lease or rental agreement shall be void and unenforceable as against public policy.

3. Procedure for Enforcement of Declaration, Bylaws and Rules and Regulations

The Board of Directors has the authority to enforce the Declaration, Bylaws and these Rules and Regulations, including the authority to address any violations thereof. Such authority shall include but not be limited to the authority to assess and levy fines in such amounts as the Board determines appropriate including fines for each day a violation shall continue. Such authority shall also include the right to seek injunctive relief and all other remedies as set forth in Article XII (1) (a) (b) and (c) of the Bylaws and shall also include the right to recover attorneys' fees and costs from an Owner violating the Declaration, Bylaws or the Rules and Regulations. Any fines, attorney's fees, damages, court costs or other amounts shall be treated and collected in the same manner as assessments for Common Expenses against the owner violating the Declaration, Bylaws or Rules and Regulations.

ARTICLE XIII

COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

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

2. Severability. 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 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 provision of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same (except where a right is dependent upon notice to be given within a specified period), irrespective of the number of violations or breaches which may occur.

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

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

Executed this 30 day of November, 2017, in accordance with the Bylaws of Sterling Hill at Exeter, A Condominium.

Witness

Name:
President of Sterling Hill at Exeter Condominium Association

Witness

Name:
Treasurer of Sterling Hill at Exeter Condominium Association

STATE OF NEW HAMPSHIRE
COUNTY OF ROCKINGHAM

On this 30 day of November, 2017, personally appeared before me the above named Robert Goodhue, duly authorized President of Sterling Hill at Exeter Condominium Association Board of Directors, known to me or satisfactorily to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purposes set forth therein.

Name:
Notary Public/~~Justice of the Peace~~
My commission expires on: _____

STEPHANIE H. SLABON, Notary Public
My Commission Expires December 7, 2021

STATE OF NEW HAMPSHIRE
COUNTY OF ROCKINGHAM

On this 30 day of November, 2017, personally appeared before me the above named David Malone, duly authorized Treasurer of Sterling Hill at Exeter Condominium Association Board of Directors, known to me or satisfactorily to be the person whose name is subscribed to the within instrument and acknowledged that he/~~she~~ executed the same for the purposes set forth therein.

Name:
Notary Public/~~Justice of the Peace~~
My commission expires on: _____

STEPHANIE H. SLABON, Notary Public
My Commission Expires December 7, 2021