

DECLARATION OF COVENANTS, RESTRICTION, EASEMENTS
AND BY-LAWS OF RIVERGREEN, A CONDOMINIUM, LINCOLN,
GRAFTON COUNTY, NEW HAMPSHIRE

THIS DECLARATION is made and executed this 17th day of August, 1987 by CMB CONSTRUCTION COMPANY, INC., a New Hampshire corporation with a business address of Route 49, Campton. (County of Grafton). New Hampshire 03223, hereinafter referred to as "Declarant", for itself, its successors, grantees and assigns who come to stand in the same relation to the Condominium as CMB Construction Company, Inc.

WHEREIN the Declarant makes the following declarations:

ARTICLE I

PURPOSE

The purpose of this Declaration is to submit the lands herein described and the improvements thereon to the Condominium form of ownership and use in the manner provided by New Hampshire Revised Statutes annotated, Chapter 356-B, herein called "The Condominium Act".

Section 1. Name and address. The name by which this Condominium is to be identified is RIVERGREEN, A CONDOMINIUM, and its address is The Mill at Loon Mountain, Lincoln, Grafton County, New Hampshire.

Section 2. The Land. The land owned by the Declarant which is hereby submitted to the Condominium form of ownership is located off Route 112, in the Town of Lincoln, County of Grafton and State of New Hampshire and is more particularly described in Appendix A of this Declaration.

ARTICLE II

DEFINITIONS

The terms as used herein shall have the meaning stated in the Condominium Act, and as follows, unless the context otherwise requires.

Section 1. Association of Unit Owners, Unit Owners' Association, or Association shall mean the Rivergreen, A Condominium Association, a voluntary corporation, and its successors.

Section 2. Board of Directors means an executive and administrative entity designated in the Condominium instruments as the governing body of the Unit Owners' Association.

Section 3. Common Area or Common Areas means all portions of the Condominium other than the Units and the storage spaces assigned to each Unit.

Section 4. Limited Common Area means a portion of the Common Area reserved for the exclusive use of those entitled to the use of one or more, but less than all the units.

Section 5. Common Expenses mean all the expenditures lawfully made or incurred by or on behalf of the Unit owners' Association, together with all funds assessed for the creation and/or maintenance of reserves pursuant to the provisions of the Condominium Instruments: "Future Common Expenses" shall mean Common Expenses for which assessments are not yet due and payable.

Section 6. Common Profits means all the income collected or accrued by or on behalf of the Unit Owners' Association, other than income derived from assessments pursuant to RSA 356-B:45.

Section 7. Condominium means real property, and any interests therein, lawfully submitted to RSA 356-B by the recordation of Condominium Instruments pursuant to RSA 356-B.

Section 8. Condominium Instruments is a collective term referring to the Declaration, By-Laws and Site Plans and Floor Plans, recorded pursuant to the provisions of RSA 356-B. Any exhibit, appendix, schedule or certification accompanying a Condominium Instrument and recorded simultaneously therewith shall be deemed an integral part of that Condominium Instrument. Any amendment or certification of any Condominium Instrument shall, from the time of the recordation of such amendment or certification, be deemed an integral part of the affected Condominium Instrument, so long as such amendment or certification was made in accordance with the provisions of RSA-356-B.

Section 9. Condominium Unit means a Unit together with the undivided interest in the Common Area appertaining to that Unit.

Section 10. Declarant means all persons who execute this Declaration or on whose behalf this Declaration is executed. From the time of the recordation of any amendments to this Declaration, all persons who execute said amendment or on whose behalf said amendment is executed shall also come within this definition. Any successors of the persons referred to in this section who come to stand in the same relation to the Condominium as their predecessors did shall also come within this definition. Notwithstanding the foregoing, a mortgagee of any portion of this property prior to foreclosure shall not be deemed to come within the definition of Declarant.

Section 11. Dispose of Disposition refers to any sale, contract, assignment or other voluntary transfer of a legal or equitable interest in a Condominium Unit, except as security for a debt.

Section 12. Identifying Number means one or more letters or numbers that identify only one Unit in the Condominium.

Section 13. Officer means any member of the Board of Directors or official of the Unit Owners' Association.

Section 14. Person means a natural person, corporation, partnership, association, trust or other entity capable of holding title to real property, or any combination thereof.

Section 15. Purchaser means any person or persons who acquires by means of voluntary transfer a legal or equitable interest in a Condominium Unit, except as security for a debt.

Section 16. Size means the number of square feet of ground and/or floor space, within each Unit as computed by reference to the floor plans and rounded off to a whole number.

Section 17. Unit shall mean a portion of the Condominium designed and intended for individual ownership and use.

Section 18. Unit Owner or Owners means one or more persons who own a Condominium Unit.

Section 19. Utility Service shall include services as that term is used in The Condominium Act and construed with reference to this Condominium, and as used in the Declaration and By-Laws and shall include, but not be limited to, electric power, telephone service and water supply.

ARTICLE III

DEVELOPMENT PLAN

The Condominium is described and established as follows:

Section 1. Survey and Plot Plan. A survey of the land showing the approximate location of the sixty-four Condominium Units, and the further improvements to be placed thereon is as shown in Appendix B and recorded or to be recorded simultaneously herewith.

Section 2. Easements. Easements are reserved to the Declarant may be required for Utility Services in order to adequately serve the property; however,

such Easements through a Unit shall be according to the plans and specifications for the building containing the Unit, or as the building is constructed, unless approved by the Unit Owner. None of the rights or obligations of the Owners created herein, or by the deed conveying the Condominium Unit shall be altered in any way by encroachments due to settlement or a shifting of structures or any other cause. There shall be valid Easements for the maintenance of said encroachments so long as they shall exist, provided however, that in no event shall a valid Easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred during the willful conduct of said Owner or Owners.

Section 3. Other improvements. The Condominium includes automobile parking areas and rights of way thereto which are part of the Common Areas. Such improvements will be substantially in accordance with the site plan, which is referred to herein as Appendix B.

The lobby, terrace, pavilion, laundry room and ski storage rooms are Common Areas and will be substantially in accordance with floor plans, which are referred to herein as Appendix B.

Section 4. Units – General Provisions. The following provisions apply to each unit.

- (A) Boundaries. Each Unit, which term as used in this subsection concerning Boundaries shall include that part of a building containing the Unit which lies within the Boundaries of the Unit, which Boundaries are as follows:
 - (1) Horizontal Boundaries. The Upper and Lower Boundaries of each Unit shall be:
 - (a) Upper Boundary: The unfinished or undecorated interior surfaces of the upper most ceiling.
 - (b) Lower Boundary: The unfinished or undecorated interior surfaces of the lower most floor or slab.
 - (2) Vertical Boundaries. The Vertical Boundaries shall be:
 - (a) Exterior Building Walls: The unfinished or undecorated interior surfaces of the perimeter walls and door frames.
 - (b) Interior Building Walls: The unfinished or undecorated interior surfaces of the perimeter doors
 - (c) Windows and Doors: The finished or decorated exterior surfaces of windows or window frames.

- (3) Common Area. Notwithstanding the description of the Units as set forth above, Common Area shall specifically include roofs, foundations, carrying beams and floor joists and the bearing walls, perimeter walls, columns and supports, to the interior surfaces thereof, and any such facilities located within a Unit, which serves part of Rivergreen. A Condominium other than the Unit within which they are located.

Section 6. Changes in Price. To meet the particular requirements of prospective purchasers or to allow for changes in price of labor and materials, and for other reasons, the Declarant reserves the right, so long as it is the owner of any unsold Units, to change the price of any such Units. No change in price of a Unit, however, will vary the estimated annual common charges for that Unit or its percentage of interest in the Common Area or its membership in the Association.

ARTICLE IV

DESCRIPTION OF BUILDINGS AND UNITS

Section 1. The buildings are of concrete block construction on a concrete foundation with partial basement. The windows are of wood casement with aluminum cladding or exteriors. Exterior doors are of insulated steel type and the sliding doors are wood with aluminum cladding or exteriors.

Section 2. General Description of Land and Buildings.

- (A) Land. The Land is located at The Mill at Loon Mountain, Lincoln, Grafton County, New Hampshire. The total area is 2.84 acres, more or less, including the parking easement areas with the same being more particularly described in Appendix A. All lands as described in Appendix A are submitted to the Declaration.
- (B) Building – there will be four styles of units in Rivergreen, A Condominium: each Unit will be identified on the Floor Plans recorded herewith as Exhibit B as a Type A,B,C or D Unit.
 - (i) Type A Unit – consists of an entryway, kitchen, dining room, living room which can be converted to bedroom by way of a fold-out bed and bathroom. The master bedroom consists of a bedroom, closet and full bath. The deck which is designated Limited Common Area is accessed from the living room.
 - (ii) Type B Unit – consists of an entryway, kitchen, dining area, living room which can be converted o bedroom by way of a fold-out bed. There are two master bedroom suites both consisting of a bedroom, closet and full bath. The deck which is

designated Limited Common Area is accessed from the living room.

- (iii) Type C Unit – is a two-level unit. The lower level consists of an entryway, kitchen, dining area, living room which can be converted to bedroom by way of a fold-out sofa and access to the deck which is designated as Limited Common Area. The lower level also consists of the master bedroom containing the bedroom, closet and full bath. The upper level contains the master bedroom suite consisting of the master bedroom and bathroom suite.
- (iv) Type D Unit – there is one Type D Unit (Unit 109) which consists of an entryway, kitchen, dining area, living room with access to deck which is designated Limited Common Area, a bedroom with closet and bath. The second bedroom and bath will initially be used for office space for the sales and rental office as used by the Declarant, its successors and assigns and any duly authorized agents, representatives or employees as reserve in Article X hereof. The bedroom and bath are Limited Common Area, as are the office area and desk area as depicted upon the floor plans which area is appurtenant to Unit 109 which may be used by the Declarant, its successors and assigns for business purposes in connection with the sales and rental office.

The Declarant reserves the right, for itself, its successors and assigns, the right to enclose the desk area by construction of a wall from the unfinished or undecorated interior surface of the lower most floor or slab to the unfinished or undecorated interior surface of the ceiling, the outer most limit of such wall shall follow the line established by the outer most surface of the counter constructed in the desk area and which is also described as follows:

Commencing at the point where the outside corner of the desk surface meets the lobby side wall of the office designated as Limited Common Area as depicted upon floor plans which are attached to this declaration as Appendix B and then following a line determined by an extension of said office wall line a distance of 2'2" to a point; then on a curve to the left

with a radius of 5' a distance of 7' 10 3/16" to a point; thence continuing on a line which is perpendicular to the first line described 3'8" to a point where said line intersects the exterior wall line of the ski storage room as depicted upon the said Appendix B.

Upon the enclosure of the Limited Common Area, the enclosed area may continue to be used for business purposes as reserved in this Declaration or for residential purposes in connection with Unit 109.

Declarant further reserves, for the benefit of itself, its successors and assigns the right to release its right to use the office area as Limited Common Area to the Association and to render the office and desk area, or any portion thereof, as common area for the benefit of the Association. Upon such release, the Association shall accept the same.

Section 3. Description of Common Area. The Common Area shall include all parts of the Condominium that are not included within the Boundaries of the Units as provided in this Declaration.

ARTICLE V

ALTERATION OF UNIT PLANS

The Declarant reserves the right to change the design and arrangement within any Unit so long as it owns the Unit so altered. Such changes shall neither increase the number of Units, nor alter the Boundaries of the Common Areas. Any such change shall be reflected by "as built" plans recorded at the Grafton County Registry of Deeds.

ARTICLE VI

STATEMENT OF PURPOSES, USE AND RESTRICTIONS

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

Section 1. An Owner shall not occupy or use his Unit or permit the same, or any part thereof, to be occupied or used for any purpose other than residential purposes for the Owner and Owner's family or the Owner's lessees or guests, except as per Article X as set forth below.

Section 2. There shall be no obstructions of the Common Areas.

Section 3. Nothing shall be done or kept in any Unit or in the Common Area which will increase the rate of insurance on the Common Area without the prior written consent of the Board of Directors. No Owner shall permit anything to be done or kept in his Unit or the Common Area which will result in the cancellation of insurance of any Unit, or any part of the Common Area, or would be in violation of any law. No waste will be permitted in the Common Area, however, there will be designated trash storage containers in which waste will be deposited.

Section 4. No sign of any kind shall be displayed to the public view on or from any Unit or the Common Areas without the prior written consent of the Board of Directors, except signs designating the location and operation of model Units and/or sales or rental offices.

Section 5. No animals, livestock or poultry of any kind shall be raised, bred or kept in any Unit, or in the Common Areas other than the keeping of normal household pets, with the written permission of the Board of Directors.

Section 6. No noxious or offensive activities shall be carried on in any Unit which may become an annoyance or nuisance to the other Unit Owners.

Section 7. Nothing shall be altered or constructed or removed from the Common Area except upon the written consent of the Board of Directors, except signs permitted under Section 5 above.

Section 8. There shall be no violation of the rules of the use of the Units or the Common Areas as adopted by the Board of Directors and furnished in writing to the Owners, and the Board of Directors is authorized to adopt such rules.

Section 9. The Declarant and persons that it may select shall have the right of ingress and egress over, upon and across the Common Area and the right to store materials thereon and to make such other use thereof as may be reasonably necessary and incidental to construction, and complete development and sale of the project, but the Declarant and persons to whom it has granted this permission shall not unduly interfere with the unit Owners or persons living in the Units and their rights to use the Common Area.

The Declarant further reserves transferable easements over and on the Common Areas for its employees, other agents and its independent contractors for the purpose of doing all things reasonably necessary and proper to complete and maintain the Condominium.

Section 10. An Owner shall not paint or otherwise decorate or change the appearance of any portion of the exterior of any of the buildings.

Section 11. All window coverings which can be seen from outside of the Units shall be either white or off-white.

Section 12. Entire Units of parts thereof may be rented provided the occupancy is only by the Owner and/or lessees and their respective families, servants and guests. The number of occupants per Unit shall not exceed that number set forth in the regulations of the Town of Lincoln.

ARTICLE VII

MAINTENANCE, ALTERATION AND IMPROVEMENT

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

Section 1. By the Association. The Association shall maintain, repair and replace.

- (A) All portions of the Common Area not included within the Unit as defined in ARTICLE III Section 5. All such repairs shall be at the Association's expense except as hereinafter set forth.
- (B) All conduits, ducts, plumbing, wiring and other facilities for the furnishing of Utility Services which are contained in the portions of a building maintained by the Association, and all such facilities contained within a Unit which serves part or parts of the Condominium other than the Unit within which contained.
- (C) All Incidental damage caused to a Unit by such work shall be promptly repaired at the expense of the Association.

Section 2. By the Unit Owner. The responsibility of the Unit Owner shall be as follows:

- (A) To maintain, repair and replace at his expense all portions of his Unit, except the portions to be maintained, repaired and replaced by the Association and to pay the cost if and as assessed by the Association to repair windows, exterior doors and any other property damaged or destroyed through the acts of the Unit Owner. Such shall be done without disturbing the rights of the other unit Owners.
- (B) To promptly report to the Association any defect or need for repairs the responsibility for the remedying of which is that of the Association.
- (C) To provide access at all reasonable times to the Association or its duly authorized agent for the purposes of maintaining and/or repairing the Common Areas.
- (D) To maintain sufficient heat at all times and in all portions of his Unit so as to prevent freezing of pipes.

Section 3. Unit Alteration and Improvement. Except as elsewhere reserved to the Declarant, neither a Unit Owner nor the Association shall make any alterations in the portions of a building which are to be maintained by the Association, or remove any portion thereof, or make any additions thereto, or do anything which may jeopardize the safety or soundness of the building, or impair any easements, without first obtaining the approval in writing of the Owners of all the Units and the approval of the Board of Directors of the Association. A copy of plans for all such work prepared by an architect or engineer licensed to practice in the State of New Hampshire shall be filed with the Association prior to the start of work.

Section 4. Common Areas. By the Association. The maintenance and operation of the Common Areas shall be the responsibility and expense of the Association.

Section 5. Common Areas. Alteration and Improvement. After completion of the improvements included in the Common Areas which are contemplated by this Declaration, there shall be no alteration nor further improvement of the Common Areas, other than normal maintenance thereof, without prior approval by vote of 75% of the total voting power of the Unit Owners in the Condominium Association. In the event 75% of the total voting power of the Unit Owners agree to make improvements in the Common Areas, then the cost thereof shall be assessed to all Unit Owners as a Common Expense.

ARTICLE VIII

UNDIVIDED INTEREST IN COMMON AREAS

Size of Each Unit and Percentage of Undivided Interest in The Common Areas Appertaining to Each Unit and Its Owner for all Purposes, Including Voting, as Required by New Hampshire RSA 356-B:17.

The size of each Unit and the percentage of the undivided interest in the Common Areas appertaining to each unit and its Owner for all purposes, including voting is herewith setout in the schedule below.

SCHEDULE

| Unit Number | Square Footage of Unit | Percentage of Undivided Interest |
|-------------|------------------------|----------------------------------|
| 101 | 800 | 1.250 |
| 102 | 1109 | 1.732 |
| 103 | 800 | 1.250 |
| 104 | 800 | 1.250 |
| 105 | 800 | 1.250 |

| | | |
|-----|------|-------|
| 106 | 800 | 1.250 |
| 107 | 1109 | 1.732 |
| 108 | 1109 | 1.732 |
| 109 | 895 | 1.398 |
| 110 | 1109 | 1.732 |
| 111 | 800 | 1.250 |
| 112 | 800 | 1.250 |
| 113 | 800 | 1.250 |
| 114 | 800 | 1.250 |
| 115 | 1109 | 1.732 |
| 116 | 1109 | 1.732 |
| 201 | 1109 | 1.732 |
| 202 | 1109 | 1.732 |
| 203 | 800 | 1.250 |
| 204 | 800 | 1.250 |
| 205 | 800 | 1.250 |
| 206 | 800 | 1.250 |
| 207 | 1109 | 1.732 |
| 208 | 1109 | 1.732 |
| 209 | 1109 | 1.732 |
| 210 | 1109 | 1.732 |
| 211 | 800 | 1.250 |
| 212 | 800 | 1.250 |
| 213 | 800 | 1.250 |
| 214 | 800 | 1.250 |
| 215 | 1109 | 1.732 |
| 216 | 1109 | 1.732 |
| 301 | 1109 | 1.732 |
| 302 | 1109 | 1.732 |
| 303 | 800 | 1.250 |
| 304 | 800 | 1.250 |
| 305 | 800 | 1.250 |
| 306 | 800 | 1.250 |
| 307 | 1109 | 1.732 |
| 308 | 1109 | 1.732 |
| 309 | 1109 | 1.732 |
| 310 | 1109 | 1.732 |
| 311 | 800 | 1.250 |
| 312 | 800 | 1.250 |
| 313 | 800 | 1.250 |
| 314 | 800 | 1.250 |
| 315 | 1109 | 1.732 |
| 316 | 1109 | 1.732 |
| 401 | 1170 | 1.828 |
| 402 | 1170 | 1.828 |

| | | |
|-------|--------|-------|
| 403 | 1170 | 1.828 |
| 404 | 1170 | 1.828 |
| 405 | 1170 | 1.828 |
| 406 | 1170 | 1.828 |
| 407 | 1170 | 1.828 |
| 408 | 1170 | 1.828 |
| 409 | 1170 | 1.828 |
| 410 | 1170 | 1.828 |
| 411 | 1170 | 1.828 |
| 412 | 1170 | 1.828 |
| 413 | 1170 | 1.828 |
| 414 | 1170 | 1.828 |
| 415 | 1170 | 1.828 |
| 416 | 1170 | 1.828 |
| <hr/> | | <hr/> |
| TOTAL | 64,013 | 100% |

ARTICLE IX

ASSESSMENTS

The making and collection of Assessments against the Unit Owners for Common Expenses shall be pursuant to the By-Laws and subject to the following provisions:

Section 1. Common Expenses. Each Unit Owner shall be liable for a proportionate share of the Common Expenses and shall share in the Common Surplus, such shares being the same as the percentage of undivided interest in the Common Area which is appurtenant to the Unit owned by him, as set forth in ARTICLE VIII or as revised from time to time in accordance with ARTICLE VIII.

Section 2. Interest, Application of Payments. Assessments and installments paid on or before ten (10) days after the date when due shall not bear interest, but all sums not paid on or before ten (10) days after the date when due, shall bear interest at the rate of one and one-half (1.5%) per cent per monthly (18% per annum) from the date when due until paid. All payments on Account shall be first applied to interest and then to the assessment.

Section 3. Lien for Assessment. The lien for unpaid assessments as provided in New Hampshire RSA 356-B:46 shall also secure reasonable attorney's fees incurred by the Association incident to the collection of such assessments and the enforcement of such lien.

ARTICLE X

EASEMENT TO FACILITATE SALES OR RENTALS

The Declarant herein reserves on behalf of itself, its successors and assigns, and their duly authorized agents, representatives and employees the right to maintain one Unit for offices to promote and facilitate the sale and/or rental of real estate. The Unit may be one owned by and selected by the Declarant, its successors and assigns or its duly authorized representatives, employees, agents or successors having the right also to change he reserved Unit to suit its convenience to facilitate sales and/or rentals.

ARTICLE XI

ASSOCIATION

The operation of the Condominium Association shall be by a voluntary corporation which shall be organized and shall fulfill its functions pursuant to the following provisions.

Section 1. The Name, The name of the Associations shall be RIVERGREEN CONDOMINIUM ASSOCIATION.

Section 2. The Association. The Association shall have all the powers and duties as set forth in the Condominium Act except as limited by the Declaration and By-Laws and as they may be amended from time to time. Provided, however, the power of the Association acting through its Board of Directors, to purchase a Unit of the Condominium shall be limited to he purchase at involuntary sales and foreclosures of Units for assessments for Common Expenses at which sale the Association shall bid no more than the amount secured by prior recorded liens and encumbrances, plus the amount secured by its lien. This provision is not, however, intended to limit the lawful order of a court of competent jurisdiction providing for the purchase of a dissident Owner's Unit as provided for herein. Furthermore, this provision shall not be changed without the unanimous approval of the members and the joinder of all record owners of mortgages upon the Condominium.

Setion 3. Membership in the Association.

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

(B) Change of Membership. Change of membership in the Association shall be established by recording in the Registry of Deeds for Grafton County, State of New Hampshire, a deed establishing record title to a Unit in the Condominium. The Buyer shall deliver to the Board of Directors of

the Association the recording of the Deed in the Grafton County Registry of Deeds. The Board of Directors shall keep such photostatic copy on file as evidence of the Grantee's membership in the Association for all purposes, rights and obligations as set forth in this Declaration and By-Laws. The Owner designated by such instrument shall thereby become a member of the Association. At Such time the membership of the prior Owner shall be thereby terminated.

(C) Voting Rights. Unit Owners or Owners shall be entitled to cast a number of votes on behalf of his unit or Units as set forth in Article VIII.

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

Section 4. Board of Directors. The affairs of the Association shall be conducted by a Board of three (3) directors who shall be designated in the manner provided in the By-Laws.

Section 5. Indemnification. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved, by reason of his being or having been a director or officer of the Association or any settlement thereof, whether or not he is a director or officer at such time the expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misconduct or gross negligence in the performance of his duties; provided that in the event of a settlement the indemnification herein shall only apply when the Board of Directors approves such settlement and reimbursement as being in the best interest of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

Section 6. Limitation upon Liability of the Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium property, the Association shall not be liable for injury or damage other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association.

Section 7. By-Laws. The By-Laws of the Association shall be in he form attached hereto as Appendix C.

Section 8. Property and Trust. All funds and title to all properties acquired by the Association and the proceeds thereof shall be held in trust for the membership in

accordance with the provisions of this Declaration of Condominium and the By-Laws

ARTICLE XII

DETERMINATION OF ACTION FOLLOWING CASUALTY DAMAGE

In the event of damage to any portion of the Condominium by fire or other casualty, the proceeds of the master casualty policy shall be used to repair, replace or restore the structure or Common Area damaged, unless the Unit Owners vote to terminate the Condominium pursuant to Section 34 of the Condominium Act. The Board of Directors is hereby irrevocably appointed the agent for each Owner of a Unit and for each mortgagee of a Unit and for each Owner of any other interest in the Condominium to adjust all claims arising under such policy, or otherwise resulting from such damage, and to execute and deliver releases upon the payment of claims.

ARTICLE XIII

INSURANCE

The Board of Directors of the Unit Owners' Association shall obtain:

Section 1. A master casualty policy affording fire and extended coverage in an amount equal to the full replacement value of the structures and real property within the Condominium;

Section 2. A master liability policy covering the Association, the Board and agents and employees of the foregoing with respect to the Condominium, and all Owners and other persons entitled to occupy any portion of the Condominium (his shall not be deemed to require that the Board obtain what is commonly known as "officers' liability" insurance coverage; and

Section 3. Such other policies as specified hereinbelow, which insurance shall be governed by the following provisions to the extent obtainable or possible.

- (A) Fire Insurance with standard extended coverage endorsements, 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 kitchen cabinets and fixtures, including appliances which

are affixed to the buildings, and heating and lighting fixtures, except for improvements made by an individual Owner which are not reported to the insurer, such insurance to be in an amount at least equal to the replacement value of the buildings and to be payable to the Board as trustee for the Owners and their mortgagees as their respective interests may appear.

- (B) Public liability insurance in such amounts as the Board may from time to time determine, but in no event shall the limits of liability be less than One Million Dollars (\$1,000,000.00) for bodily injury and property damage per occurrence, insuring the Association and all individuals referred to in Section 1 above, against any liability to anyone, and with cross liability coverage with respect to liability claims of anyone insured thereunder against any other insured thereunder. This insurance, however, shall not insure against individual liability for negligence occurring within a Unit.
- (C) Workman's Compensation insurance as required by law.
- (D) Such other insurance as the Board may determine.
- (E) General Insurance Provisions.
 - (i) The Board shall deal with the insurer or insurance agent in connection with the adjusting of all claims covered by insurance policies provided for 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 Conominium and shall make any necessary changes in the policy provided for under Paragraph (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 Section.
 - (ii) The Board shall be required to make every effort to see that all policies of physical damage insurance provided for above:
 - (a) shall contain waivers of subrogation by the insurer as to claims against the Association, its employees and agents, members of the Board, Owners and members of the family of any Owner who reside with said Owner, except in cases of arson and fraud;
 - (b) 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"
 - (c) shall contain a waiver of defense of invalidity or prejudice by failure of the insured, or Owners collectively have "no control";
 - (d) shall provide that such policies may not be cancelled, jeopardized or substantially modified without at least

thirty (30) days written notice to all of the insureds thereunder and all mortgagees of Units in the Condominium;

- (e) shall provide that in no event shall the insurance under said policies be brought into contribution with insurance purchased individually by Owners or their mortgagees; and
- (f) shall exclude policies obtained by individual Owners from consideration under any “no other insurance” clause.

(F) Individual Policies.

- (i) Any owner and any mortgagee may obtain at his own expense additional insurance (including without limitation 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 Section 3(A) above). Such master casualty policy should contain the same waiver of subrogation as that set forth in Section (E) (ii) of this Article. No such policy shall be written so as to decrease the coverage under any of the policies obtained by the Board pursuant to Section (A) above, and each Owner hereby assigns to the Board, as trustee for the Owners and their mortgagees, the proceeds of any such policy to the extent that any such policy does in fact resulting 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.
- (ii) It is recommended that each Owner obtain at his own expense, in addition to the insurance hereinbefore provided to be obtained by the Board of Directors, a “Tenant’s Homeowners Policy” or equivalent, to insure against loss or damage to personal property used or incidental to the occupancy of his Unit or Limited Common Area, additional living expense, vandalism or malicious mischief, theft, personal liability, and the like. Any such insurance should cover any loss, injury or damage to persons or to floor coverings, appliances and other personal property, to the extent not covered in the master policy, and all improvements to his Unit which are not reported to the Board.

- (iii) In addition to the other requirements of law or imposed by the Declaration or the By-Laws, each Owner, prior to commencement of construction of such improvements, shall for insurance purposes notify the Board of all proposed improvements to his Unit (except personal property other than fixtures) and upon receipt of such notice, the Board shall notify the insurer under any policy obtained pursuant to Section (A) hereof, of any such improvements.
- (G) 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 the obtainment thereof and of any subsequent change 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 Unit and to such other address as any of them may have designated to the Clerk; or such notice may be hand-delivered by the Clerk.

ARTICLE XIV

REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY

Section 1. When repair and reconstruction are required subject to the provisions of ARTICLE XII 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 portions of the buildings. Notwithstanding the foregoing, each Owner shall have the right to supervise the redecoration work on his Unit.

Section 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 determines to be necessary. The Board shall contract for such repair and restoration and in doing so shall exercise its sole discretion in selection from among said estimates.
- (B) If the proceeds of insurance, paid to the Board as trustee for the Owners and their mortgagees pursuant to ARTICLE XIII hereof, are not sufficient to defray the said estimated cost of reconstruction and repair, or upon completion the reconstruction and repair, the funds for payment of the costs thereof are insufficient, assessments in sufficient

additional amounts to provide payment of such costs shall be made against the Owners in proportion to their respective votes in the 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.

- (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.

Section 3. Disbursements of Construction Funds.

- (A) The net proceeds of insurance collected on account of a casualty and any additional amounts collected by the Board from Assessments against owners on account of such casualty (or borrowed by the Board as provided above) shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair by the Board.
- (B) The construction fund shall be paid by the Board in appropriate progress payments, to such contractors, suppliers and personnel engaged in performing the work or supply materials or services for the repair and reconstruction as are designated by the Board.
- (C) It shall be presumed that the first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds; and if there is a balance in the construction fund after the payment of all the cost of reconstruction and repair for which the fund is established, such balance shall first be applied to any borrowing and the remainder, if any, shall be distributed to the Owners.
- (D) When the damage is to both Common Area and Units, the insurance proceeds shall, to the extent practical, be applied first to the cost of repairing the Common Area and the balance to the cost of repairing the Units.

ARTICLE XV

EMINENT DOMAIN

Section 1. If any portion of the Common Area is taken by Eminent Domain, the award therefore shall be allocated to the Unit Owners in proportion to their respective undivided interests in the Common Area.

Section 2. If one or more Units are taken by Eminent Domain, the undivided interest in the Common Area appertaining to any such Unit shall thenceforth appertain to the remaining Units, being allocated to them in proportion to their respective undivided interests in the Common Area. The Court shall enter a decree reflecting the reallocation of the undivided interests produced thereby, and the award shall include, without limitation, just compensation to the Unit Owner of any Unit taken for his undivided interest in the Common Area as well as for his Unit.

Section 3. If portions of any Unit are taken by Eminent Domain the Court shall determine the fair market value of the portion of such Unit not taken and the undivided interest in the Common Area appertaining to any such Units shall be reduced, in the case of each such Unit, in proportion to the diminution in the fair market value of each such Unit resulting from the taking. The portions of undivided interests in the Common Area divested from the Unit Owners of any such Units shall be reallocated among those Units and the other Units in the Condominium in proportion to their respective undivided interest in the Common Area, with any Units partially taken participating in such reallocation on the basis of their undivided interest as reduced in accordance with the preceding sentence. The court shall enter a decree reflecting the reallocation of undivided interests produced thereby, and the award shall include, without limitation, just compensation to the Unit Owner of any Unit partially taken for that portion of his undivided interest in the Common Area already vested from him by operation of the first sentence of the paragraph and not re-vested in him by operation of the following sentence, as well as for that portion of his Unit taken by Eminent Domain.

Section 4. If, however, the taking of a portion of any Unit makes it impractical to use the remaining portion of that Unit for any lawful purpose permitted by the Condominium Instruments, then the entire undivided interest in the Common Area appertaining to that Unit shall thenceforth appertain to the respective undivided interests in the Common Area, and the remaining portion of that Unit shall thenceforth be Common Area. The Court shall enter a decree reflecting the allocation of the undivided interests produced thereby, and the award shall include, without limitation, just compensation to the Unit Owner for his entire undivided interest in the Common Area and for his entire Unit.

Section 5. Votes in the Unit Owners' Association, rights to Future Common Profits, and liability for Future Common Expenses not specially assessed, appertaining to any Unit or Units taken or partially taken by Eminent Domain, shall thenceforth appertain to the remaining Units, being allocated to them in

proportion to their relative voting strength in the Unit Owners' Association, with any Units partially taken participating in such reallocation as though their voting strength in the Association has been reduced in proportion to the reduction in their undivided interest in the Common Area, and the decree of the Court shall provide accordingly.

Section 6. The decree of the Court shall require recordation thereof in the Grafton County Registry of Deeds.

ARTICLE XVI

TERMINATION OF CONDOMINIUM OR AMENDMENT OF INSTRUMENTS BEFORE CONVEYANCE OF UNIT

If there is no Unit Owner other than the Declarant, the Declarant may unilaterally terminate or amend the Condominium Instruments, and any such termination or amendment shall become effective upon the recordation thereof if the same has been executed by the Declarant. But this section shall not be construed to nullify, limit or otherwise affect the validity or enforceability of any agreement renouncing or to renounce, in whole or in part, the right thereby conferred.

ARTICLE XVII

TERMINATION OF CONDOMINIUM OR AMENDMENT OF INSTRUMENTS AFTER CONVEYANCE OF UNIT

Section 1. If there is any Unit Owner other than the Declarant, then the Condominium shall be terminated only by the agreement of Unit Owners of Units to which 4/5 of the votes in the Association appertain.

Section 2. If there is any Unit Owner other than the Declarant, then the Condominium Instruments shall be amended only by agreement of the Unit Owners of Units to which 2/3 of the votes in the Association appertain.

Section 3. Agreement of the required majority of the Unit Owners to termination of the Condominium or to any amendment of the Condominium Instruments shall be evidenced by their execution of the termination agreement or amendment, or by execution of the president and treasurer of the Association accompanied by certification of vote by the clerk or secretary, and the same shall become effective only when such agreement is so evidenced of record. For the purpose of this section and RSA 356-B:33,34, and instrument terminating the Condominium shall be deemed a Condominium Instrument subject to the provisions of RSA 356-9:11, and for the purposes of this section, any ratification of such amendment shall also be deemed such an instrument.

Section 4. Except to the extent expressly permitted or expressly required by other provisions of RSA 356-B or this Declaration, no amendment to the Condominium Instruments shall change the boundaries of any Unit, the undivided interest in the Common Area appertaining thereto, the liability for Common expenses or rights to Common Profits appertaining thereto, or to the number of votes in the Association appertaining thereto.

Section 5. Upon recordation of an instrument terminating a Condominium all of the property constituting the same shall be owned by the Unit Owners as tenants in common in proportion to their respective undivided interests in the Common Areas immediately prior to such recordation. But as long as such tenancy in common lasts, each Unit Owner or the heirs, successors or assigns thereof shall have an exclusive right of occupancy of that portion of said property which formerly constituted his Unit.

Section 6. Upon recordation of an instrument terminating a Condominium any rights the Unit Owners may have to the assets of the Association shall be in proportion to their respective undivided interests in the Common Areas immediately prior to such recordation, except that Common Profits shall be distributed in accordance with RSA 356-B:44.

Section 7. No provisions of the Declaration or of RSA 356-B shall be construed in derogation of any requirement of the condominium Instruments that all or a specified number of the beneficiaries of mortgages or deeds of trust encumbering the condominium Units approve specified actions contemplated by the Association.

ARTICLE XVIII

AMENDMENTS

This Declaration of Condominium and the By-Laws of the Rivergreen Condominium Association may be amended by an instrument in writing signed, acknowledged and recorded as provided by RSA 356B, Section 34, and such amendment shall be effective upon the recording in the office of the Registry of Deeds of Grafton County, State of New Hampshire, subject to the following:

Section 1. Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is considered.

Section 2. Pro Viso. Provided, however, that no amendment shall discriminate against any Unit Owner or against any Unit or class or group of Units unless the Owners affected shall consent; and except as otherwise stated in the Declaration or permitted by statute no amendment shall change any Unit or the share of the Common Areas appurtenant to it, or increase an Owner's share of the Common

Areas, unless all record Owners of the units concerned, and all the record owners of mortgages thereon, shall join in the execution of the amendment, however, anyone dealing with the Association or attempting to establish title to a particular Unit, in the absence of actual knowledge of discrimination on the part of the association may conclusively rely upon the validity and legality of an any amendment to this Declaration recorded in the Grafton County Registry of Deeds if said Amendment is signed, acknowledged and recorded in compliance with the provisions of this Declaration. Neither shall the amendment of this Declaration make any change in the section entitled "Insurance" or in the section entitled "Determination of Action Following Casualty Damage" unless all the Owners and all the record owners of mortgages on Units in the condominium shall join in the execution of the amendment.

ARTICLE XIX

PARTITION

There shall be no Judicial partition of the Condominium or any part thereof, nor shall the Declarant or any person acquiring any interest in the Condominium or any part thereof seek any judicial partition until the happening of the conditions set forth in this Declaration in the case of damage or destruction or unless the property has been removed from the provisions of The Condominium Act as provided in RSA 356-B:33 or 34, provided however, that if any Unit shall be owned by two or more co-tenants as tenants in common or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition as between such co-tenants.

ARTICLE XX

INTERPRETATION

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

ARTICLE XXI

SEVERABILITY

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

8/17/87