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DECLARATION OF CONDOMINIUM
BEACH WALK CONDOMINIUMS

BY

William P. Clark, Jr.

Personal Representative of the
Estate of William P. Clark

Maine Condominium Act

Filed:

York County Registry of Deeds

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DECLARATION OF CONDOMINIUM
BEACH WALK CONDOMINIUMS

DECLARATION PURSUANT TO TITLE 33,
CHAPTER 31, SECTION 1601-101 ET. SEQ.
KNOWN AS THE MAINE
CONDOMINIUM ACT

This Declaration dated April 15, 1985, is filed pursuant to Section 1602-101 of the Maine Condominium Act as appears in the Maine Revised Statutes, as amended, Title 33, Chapter 31, Section 1601-101, et. seq. to which reference is specifically made and which Act is incorporated herein by reference and to which all owners of units described herein, and their heirs, successors and assigns, shall be bound.

1. Description of Land. William P. Clark, Jr., in his capacity as personal representative of the Estate of William P. Clark, of Old Orchard Beach, County of York and State of Maine, hereby submit the land hereinafter described in Appendix I attached hereto and incorporated herein with the buildings and improvements thereon ("the Property") to the provisions of said Maine Condominium Act.

A properly prepared and certified survey of the land and floor plans of the buildings are recorded simultaneously with this Declaration in Unit Ownership File No. 147, in the York County Registry of Deeds.

2. Description of Buildings. Reference is made to the floor plans referred to in paragraph one (1) hereof for the description of the building with the number of stories and the number and identification of the units. Each unit will have a separate heating system. Electricity and water will be metered by two meters and will be a common expense. The Boiler and Utility Room will provide hot water to all the units and heat to Unit 7. The declarant reserves the right to create seven (7) units, which are hereby created.

ALTERNATE DEFINITION OF COMMON ELEMENTS AND UNITS
to make structural elements of cottage responsibility
of unit owner

3. Identification and Description of Units. Reference is made to the recorded survey and the floor plans referred to in paragraph one (1) hereof for the identification number of each unit showing its location, approximate area and boundaries. Except as stated below, the vertical boundaries of each unit are the exterior surfaces of the buildings and fixtures. All porches, carports, steps, stairways, railings, foundations, and exterior walls are included within the boundaries of a unit. There are not horizontal boundaries of any unit. The boundary between units 5 and 6 and the boundaries between the Boiler and Utility Room and Units 5 and 6 are the centerlines of the walls separating each unit from the other and of each unit from the Boiler and Utility Room. Such walls shall be party walls. A permanent easement for maintenance of the party walls is

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created in favor of the owners who make use of such walls, including the Association. The cost of reasonable repair and maintenance of a party wall will be shared by the owners who make use of such wall in proportion to such use. If a party wall is destroyed or damaged by fire or other casualty, any owner who has used the wall, or the Association in the case of the Boiler and Utility Room, may restore it, and if the other owners thereafter make use of the wall, that shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions. Any right or liability for contribution with respect to a party wall shall be appurtenant to the respective unit and shall run with the land.

4. Description of Common Elements. Each of the units will be conveyed together with its respective undivided interest in the common elements as hereinafter set forth and will have the benefit of the right to use the common elements in common with others entitled thereto as provided by the By-Laws of BEACH WALK CONDOMINIUMS ASSOCIATION (hereinafter referred to as the "Association") and the rules and regulations adopted thereunder.

The common elements consist of:

- (a) The land description in paragraph one (1) hereof not located within any unit;

- (b) The appurtenant installations for service such as power, light, telephone, and water, all equipment attendant thereto, to the extent same are located outside the boundaries of the units as defined above;
- (c) The sewer and drainage pipes located outside the boundaries of the units;
- (d) All other parts of the condominium property and all apparatus and installations existing on the property for common use when necessary or convenient to the existence, maintenance, safety or enjoyment of the condominium, including, but not limited to, the Boiler and Utility Room, yards, gardens, walkways, driveways and any and all roadways as shown on said plans.

6. Percentage of Common Element Interests, Voting Rights and Common Expense Liabilities. The fraction of undivided interest in the common elements, voting rights and common expense liabilities appertaining to each unit are set forth in Appendix II attached hereto and incorporated herein by reference, and is based upon the relative values of the units. No fraction of undivided interest ascribed to any unit shall be altered except upon the unanimous vote of all unit owners and their first mortgagees.

7. Rights of Declarant. The Declarant reserves the right until the marketing and sale of all units is completed to:

A. Change the size, number and location of units, and other improvements, and the size, layout, and location of any unit for which a purchase and sale agreement has not been executed by the Declarant or with respect to which the purchaser is in default. The change or changes shall be effective upon the recording of (i) an amendment to this Declaration and (ii) the filing of modified floor plans indicating the changes made or an affidavit pursuant to §1602-109(f) of the Act.

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B. Locate on the Property, even though not depicted on the survey and floor plans, and grant and reserve easements and rights of way for the installation, maintenance, repair, replacement and inspection of, utility lines, wires, pipes, conduits, and facilities, including, but not limited to, water, electric, telephone and fuel oil and sewer.

C. Connect with and make use of utility lines, wires, pipes and conduits located on the Property for construction and sales purposes, provided that the Declarant shall be responsible for the cost of service so used.

D. Use the common elements for ingress and egress and for the storage of construction materials and equipment used in the completion of the units and common elements.

E. Operate a sales office and have prospective purchasers and others visit that office and use certain portions of the common elements including the roadways and parking spaces. The sales office may be located in any unit owned by Declarant or on common elements and may be of such size and in such location as the Declarant shall deem convenient and shall not unreasonably interfere with use of the common elements by other unit owners. Any sales office not designated a unit shall be the property of Declarant, which Declarant reserves the right to remove within forty-five (45) days after Declarant ceases to be a unit owner.

F. Install and maintain signs and lighting for sales.

G. With respect to any units remaining unsold by Declarant, Declarant may let or lease such units and use such units as models for display for purposes of sale or rental of the units.

H. Appoint and remove the officers of the Association and members of the executive board, in accordance with the provisions of the By-Laws. The Declarant shall relinquish all special rights expressed or implied through which he may directly or indirectly control, direct, or modify any action of the Association, its Board of Directors or the majority of unit owners, and control of the Owner's Association shall pass to the owners of units within the Property not later than the earlier of the following: sixty (60) days after the date by which seventy-five percent (75%) of the units have been conveyed to unit purchasers or three (3) years from the date of conveyance of the first unit to a unit purchaser or five (5) years from the date hereof. The requirements of this paragraph shall not affect the Declarant's rights, as a unit owner, to exercise the votes allocated to units owned by the Declarant. This Section 7 shall not be amended without the consent of the Declarant.

8. Encroachments. If any portion of the common elements, or any other unit, encroaches at any time upon any unit or upon

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any portion of the common elements, as a result of settling or shifting of the buildings, alteration or repair to the common elements made by or with the consent of the Board of Directors, repair or restoration of a unit or building after damage by fire or other casualty, or as a result of condemnation or other eminent domain proceedings, an easement shall exist for the encroachment and for its maintenance so long as the building stands.

9. Eminent Domain.

A. If a unit is acquired by eminent domain, or if a part of a unit is acquired by eminent domain leaving the unit owner with a remnant which may not practically or lawfully be used for any purpose permitted by this Declaration, any award therefor shall be paid to the unit owner as compensation for his unit and its percentage interest, whether or not any percentage of undivided interest is acquired. Upon acquisition, unless the decree otherwise provides, that unit's entire percentage of undivided interest, votes in the Association, and common expense liability shall be re-allocated to the remaining units in proportion to the respective interests, votes and liabilities of those units before the taking, and the Association shall promptly prepare, execute and record an amendment to this Declaration reflecting the allocations. Any remnant of a unit remaining after part of a unit is taken under this subsection shall be thereafter a common area.

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B. Except as provided in subsection (A) hereinabove, if part of a unit is acquired by eminent domain, any award therefor shall be paid to the unit owner as compensation for the reduction in value of the unit. That unit's allocation of common element interest and common expense liability shall remain unchanged.

C. If a part of the common areas or facilities is acquired by eminent domain, the Association shall represent the unit owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority, and the award shall be paid to the Association for the use and benefit of the unit owners and their mortgagees as their interests may appear. The Association shall divide any portion of the award not used for any restoration or repair of the remaining common elements among the unit owners in proportion to their respective percentages of undivided interest before the taking, but the portion of the award attributable to the acquisition of a limited common element must be equally divided among the owners of the units to which that limited common element was allocated at the time of acquisition.

D. The court decree shall be recorded in the York County Registry of Deeds.

E. Nothing in this Declaration or the By-Laws, rules or regulations of the Association shall be deemed to give the unit owner or any other party priority over any rights of a first

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mortgagee of a unit pursuant to its mortgage documents in the case of a distribution to such unit owner of condemnation awards for the taking of units and/or common elements.

10. Purposes. Each unit is intended to serve as a self-contained living unit and shall be subject to the rules and regulations and By-Laws of the Association.

No part of the Property shall be used for other than a single-family dwelling, and the related common purposes for which the Property was designed. Each unit shall be used as a residence for the unit owners or any such other persons to whom the unit owners have leased the unit in accordance with this Declaration and the By-Laws of the Association. Rules and regulations consistent with this Declaration may be promulgated by the Board of Directors in order to ensure the peace and security of each resident, and each member shall be notified in writing of the rules and regulations thus promulgated.

The common elements shall be used only for access, ingress and egress to and from the respective units by the members, their lessees, guests, household help and other authorized visitors and for such other purposes as are incidental to the residential use of the respective units. The use, maintenance and operation of the common elements shall not be obstructed, damaged or unreasonably interfered with by any member.

The Association and its authorized employees and representatives shall have access to and from the unit and

limited common element as may be necessary for the repair, maintenance, replacement, alteration, care or protection of the common elements or any portion thereof. In the case of emergency repairs, such right of access shall be immediate and may be exercised without notice to the unit owner. Otherwise, the unit owner shall be entitled to reasonable notice of the time and purpose of any entry pursuant to this paragraph.

11. Rules, Regulations and Expenses. Each unit owner shall comply strictly with the By-Laws and with the administrative rules and regulations adopted by the Board and with the covenants, conditions and restrictions set forth in this Declaration or in the deed to his unit. Failure to so comply shall be grounds for an action to recover damages or for injunctive relief or both maintainable by the Manager or Board of Directors on behalf of the Association of unit owners, or, in a proper case, by an aggrieved unit owner. An aggrieved unit owner shall have a right of action against the Association for failure to comply with or to enforce the Declaration, the By-Laws, any rules and regulations duly adopted or any requirements imposed by the Act. No unit owner shall do any work which may jeopardize the soundness or safety of the property, reduce the value thereof or impair any easement, rights, appurtenances or other hereditament consisting of common elements without the unanimous consent of all other unit owners.

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Each unit owner shall pay to the Unit Owners' Association, or its authorized representative, monthly, his proportionate share of the budgeted expenses of maintenance, repair, replacement, administration and operation of the common elements; management of the Association; and maintenance of adequate working capital and reserves, which expenses are hereinafter referred to collectively as "common expenses". Such proportionate share shall be in the same ratio as said unit owner's percentage of ownership in the common elements. Payment thereof shall be in equal monthly amounts and subject to annual review and adjustment.

In the event of the failure of a unit owner to pay such proportionate share when due, the amount thereof together with interest at the rate established by the Association, costs and reasonable attorney's fees shall constitute a lien on the interest of such unit owner, as provided by the Act; provided, however, that such lien shall be subordinate to the lien of all prior recorded first mortgages on the interest of such unit owner, and the foreclosure of such mortgages, sale or transfer pursuant to foreclosure or transfer to mortgagee in lieu of foreclosure shall extinguish a subordinate lien for common charges. The entire unpaid share of the common expenses or assessments by the Association of Unit Owners chargeable to such unit, which became due prior to the foreclosure, shall become common expenses collectible from all unit owners.

including such acquirer, his heirs, successors and assigns. Such foreclosure shall not release the delinquent unit owner from personal liability to the Association for unpaid common expenses.

Any unit owner in default in the payment of any amount due the Association or in violation of any provisions of the Condominium Act, this Declaration, the By-Laws or the rules and regulations of the Association, which violation continues for ten (10) days after notice thereof by the Association to the unit owner, may be prohibited by the Board of Directors from the use and enjoyment of any and all of the common elements not essential to access to the unit, in addition to all other remedies available to the Board of Directors.

12. Miscellaneous Provisions. Each member shall maintain his unit in good condition and in good order and repair at his own expense and shall not do or allow anything to be done in his unit which may increase the rate or cause the cancellation of insurance on other units or on the common elements.

Trash and garbage and other waste shall be kept only in sanitary containers and shall be disposed of in a clean and sanitary manner in accordance with rules and regulations to be promulgated by the Board of Directors.

Each member shall, at his expense, maintain insurance on his unit and contents to the extent not covered by the master blanket policy maintained by the Association.

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Each unit owner and/or owners shall be a regular member of the Association, a non-profit corporation organized under the laws of the State of Maine. Membership shall be appurtenant to the units, and the transfer of title to a unit shall automatically transfer the regular membership appurtenant to that unit to the transferee or transferees. A transfer in mortgage, however, shall not transfer membership until foreclosure or sale in lieu of foreclosure.

Household pets shall be allowed in such numbers as the Board of Directors determines will not create a nuisance to unit owners. The Board of Directors may adopt regulations with respect to the number, size and type of allowable household pets. Such regulations shall become effective when written notice thereof is delivered or mailed to the members and shall operate prospectively as to all pets subsequently brought into the Property. No animals shall be permitted in any common element unless accompanied by and under the direct supervision of a unit owner or member of unit owner's household.

No commercial activity of any nature shall be permitted on the Property.

Each unit owner shall furnish and be responsible for, at his own expense, all the maintenance, repairs and replacements within his own unit; provided, however, such maintenance, repair and replacements as may be required for the functioning of or for the bringing of utilities, such as water, gas,

electricity and sewer to the unit, shall be furnished by the Association as part of the common expenses. Maintenance repairs and replacements of the refrigerators, stoves and other kitchen appliances and indoor and outdoor lighting fixtures and other electrical or mechanical appliances (including all heating, ventilation and air-conditioning systems which may be located outside of, but adjacent to the unit) of any unit owner shall be at the expense of such unit owner. Maintenance, repairs and replacements of the common elements and limited common elements shall be furnished by the Association as part of the common expenses.

The provisions of this Declaration and the By-Laws and the rights and obligations established thereby shall be deemed to be covenants, running with the land, so long as the Property remains subject to the provisions of the Act and shall inure to the benefit of and be binding upon each and all of the unit owners and their respective heirs, representatives, successors, assigns, purchasers, lessees, grantees and mortgagees. By the recording or the acceptance of a deed conveying a unit of any interest therein, or any ownership interest in the property whatsoever, the person to whom such unit or interest is conveyed shall be deemed to accept and agree to be bound by and subject to all of the provisions of the Act, this Declaration, and the By-Laws.

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In any voluntary conveyance of a unit deed, it shall be the duty of the seller to furnish the buyer with a copy of this Declaration, the Association By-Laws and rules and regulations as they may from time to time be amended. The Declarant or the Association shall make available to unit owners, prospective purchasers, lenders and the holders, insurers and guarantors of the first mortgage on any unit, current copies of the Declaration, By-Laws and other rules and regulations governing the condominium, and other books, records and financial statements of the Association. This requirement may be satisfied by making the documents available for inspection upon request during normal business hours or under other reasonable circumstances. If copies are requested, the Declarant or Association may, but shall not be obligated to, make them available at a reasonable charge.

13. Insurance and Related Matters. The Board of Directors shall obtain insurance on the Property against loss or damage by fire and such other hazards as are covered under Standard Extended Coverage Provisions and all other perils customarily covered for similar types of projects, including those covered by the standard "all risk" endorsement for 100% of the current replacement cost of the common elements and the units, excepting land, foundations, excavations or other items that are usually excluded from insurance coverage. Such policies shall contain all endorsements required by the guidelines

promulgated by the Federal National Mortgage Association (FNMA) and the Federal Home Loan Mortgage Corporation (FHLMC), as the same may be amended from time to time. Such insurance coverage shall be written in the name of, losses under such policies shall be adjusted by, proceeds of such insurance shall be payable to, the Board of Directors as trustees for each of the unit owners in their respective percentages of the ownership interest in the common areas as established in this Declaration. The proceeds of such insurance shall be applied by the Board for the reconstruction of the building, or shall be otherwise disposed of in accordance with the provisions of this Declaration and the Act; and the policies shall contain the standard mortgage clause, providing however the rights of the mortgagee of any unit under any standard mortgage clause endorsement to such policies shall be subject to the provisions in the Act with respect to the application of insurance proceeds to the reconstruction of the building. The policies shall require the insurer to notify in writing the Board of Directors and each first mortgage holder named in the mortgage clause at least twenty (20) days before it cancels or substantially changes the Property's coverage. The Board of Directors shall obtain a "master" or "blanket" policy of flood insurance as a common expense of the Association, covering any portion of the building and any other property located within a special flood hazard area, as defined by the Federal Emergency

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Management Agency. The Board shall obtain comprehensive public liability insurance in such amounts as it shall deem desirable, insuring each unit owner and the Association, Board of Directors and Managing Agent, if any, from liability in connection with the common elements. Such policy shall provide coverage of at least \$1,000,000.00 for bodily injury and property damage for any single occurrence resulting from the operation, maintenance or use of the common elements, and coverage for any legal liability resulting from law suits related to employment contracts in which the owners' association is a party. Such policy shall provide for at least twenty (20) days written notice to the Board of Directors and to each holder of a first mortgage on any unit before the insurer can cancel or substantially modify it. Also, the Board shall have authority to purchase worker's compensation insurance and insurance to indemnify the Directors and Officers for losses in managing the Association's affairs. The premiums for all the aforementioned insurance coverage shall be common expenses. Each unit owner, at his own cost, shall be responsible for his own insurance on the contents of his own unit and his additions and improvements thereto and decorations and furnishings, personal property therein and stored elsewhere on the property, and his personal liability to the extent not covered by the liability insurance provided by the Association.

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If due to the negligent act or omission of a unit owner or of a member of his family or of a guest or other authorized occupant or visitor of such unit owner, damage shall be caused to the common elements or to a unit or units owned by others, and maintenance, repairs or replacements shall be required which are not covered by insurance and which would otherwise be a common expense, then such unit owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Association. Each Unit Owner shall be responsible for the maintenance, repair and replacement of all windows and doors of his unit.

The Board of Directors shall obtain fidelity bond coverage for anyone who either handles or is responsible for funds held or administered by the Association. Such fidelity bonds shall name the Association as an obligee and shall be written in an amount equal to at least one hundred fifty (150) percent of the estimated annual operating expense for the condominium, including reserves.

It is the intent of this Declaration that the Association shall maintain all insurance and bond coverage required by FNMA and FHLMC for the sale of first mortgages of units on the secondary mortgage market, and this section shall be interpreted and applied so as to accomplish that purpose.

14. Mortgage Provisions.

A. The unit owner who mortgages his unit shall notify the Board of Directors of the name and address of his mortgagee and

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shall, upon request, file a conformed copy of the mortgage with the Board of Directors.

B. The Board of Directors, whenever so requested in writing by a mortgagee of a unit, shall promptly report to it any then unpaid common charges due from, or any other default by, the owner of the mortgaged unit.

C. The Board of Directors, when giving notice to a unit owner of a default in paying common charges or other violation of the provisions of this Declaration, the By-Laws or Rules and Regulations, shall send a copy of such notice within thirty (30) days after the occurrence of such default to each holder of a mortgage covering such unit whose name and address has previously been furnished to the Board of Directors.

D. Each mortgagee of a unit shall be permitted to examine the books, accounts and records of the condominium at reasonable times on business days and to require annual reports and other financial data of the Corporation. If no audited financial statement is available, any holder of a mortgage on any unit shall be allowed to have an audited statement prepared at its own expense.

E. Notwithstanding anything to the contrary elsewhere contained in this Declaration or the By-Laws, the following provisions shall govern:

(1) Any first mortgagee of a unit in the condominium will, upon request, be entitled to inspect the books and

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records of the condominium or Association during normal business hours.

(2) No provision of this Declaration or of the By-Laws shall be deemed or construed to give a unit owner, or any other party, priority over any rights of first mortgagees of units pursuant to their mortgages in the case of a distribution to condominium unit owners of insurance proceeds or condemnation awards for losses to or a taking of condominium units and/or common elements.

(3) A first mortgagee of a unit shall be entitled to prompt written notification from the Board of Directors of (i) any default by the mortgagor of such unit in the performance of such mortgagor's obligations under this Declaration and/or the By-Laws which is not cured within thirty (30) days, (ii) any event of substantial destruction to, or condemnation or governmental taking of, such unit or any portion of the common elements appurtenant thereto, (iii) any lapse or modification of insurance or fidelity bond coverage, (iv) any proposed amendment under Paragraph 17 of this Declaration and (v) any proposed action of which an eligible mortgage holder is entitled to notice under §1602-119(b) of the Act.

(4) Any first mortgagee of a unit who obtains title to the unit pursuant to the remedies provided in the mortgage, or through foreclosure of the mortgage, or

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through deed (or assignment) in lieu of foreclosure, shall take the property free of any claims for unpaid assessments or charges against such unit which accrue prior to the acquisition of title to such unit by the mortgagee, but such expenses or assessments shall become common expenses collectible from all of the unit owners including one who obtains title accordingly.

(5) An adequate reserve fund for maintenance, repairs and replacement of those common elements which must be replaced on a periodic basis shall be established and shall be funded by regular monthly payments rather than by special assessments, and a working capital fund shall be maintained by the Association equal to at least two months' assessments to each unit as calculated according to Article VI, of the By-Laws for the operation and maintenance of the common elements. Such working capital fund shall be paid over to the Association by the Declarant within sixty (60) days after conveyance of the first unit.

(6) Any agreement for professional management of the condominium shall provide that such management contract may be terminated by either party without cause and without payment of a termination fee on not more than ninety (90) days' written notice and the term of any such contract shall not exceed three years. The Association may terminate said agreement for cause upon thirty (30) days' written notice without payment of a termination fee.

(7) No unit owner may lease less than his entire unit. Any lease agreement shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration, By-Laws and all Rules and Regulations that may be adopted by the Board of Directors, and that failure by the lessee to comply with the terms of such documents shall be a default under such lease. All leases shall be in writing and shall contain a minimum initial term of seven (7) days. A copy of the lease of any Unit shall be delivered to the Board of Directors within seven (7) days of its execution, provided however, that such copy need not disclose the total rent nor monthly rent amount of such lease.

15. By-laws. Prior to the date of this Declaration and the recording thereof, BEACH WALK CONDOMINIUMS ASSOCIATION, a non-profit and non-stock corporation was duly organized under the laws of the State of Maine. The Association shall be the governing body for all of the unit owners with respect to the administration, maintenance, repair and replacement of the Property as provided by the Act, this Declaration and the By-Laws.

16. General Provisions. Matters of dispute or disagreement between unit owners or with respect to

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interpretation of application of the provisions of this Declaration or the By-laws shall be determined by the Board of Directors consistent with the Act, which determination shall be final and binding on all unit owners.

In any dispute between one or more unit owners and the Declarant regarding the common elements, the Board of Directors shall act for the unit owners, and any agreement with respect thereto by the Board shall be conclusive and binding on the unit owners.

All claims, disputes and other matters in controversy between the Declarant, on the one hand, and the Association or any unit owners, on the other hand, arising out of or relating to this Declaration, the By-Laws or the deed to any unit, or the breach thereof, or the Property and any warranties with respect thereto, except for claims which have been waived by the acceptance of a deed, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. This agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law. The award rendered by the arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

Notice of the demand for arbitration shall be filed in writing with the other parties and with the American

Arbitration Association. The demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in controversy has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based upon such claim, dispute or other matter in controversy would be barred by the applicable statute of limitations or other principles of law and equity.

Each unit owner shall have the right to mortgage or encumber his own respective unit together with his respective ownership interest in the common elements and limited common elements. No unit owner shall have the right or authority to mortgage or otherwise encumber in any manner whatsoever the Property or any part thereof except his own unit and his own respective ownership interest in the common elements as aforesaid.

It is understood that real estate taxes are to be separately taxed to each unit owner for his unit and his corresponding percentage of ownership in the common elements, as provided in the Act. In the event that for any year such taxes are not separately taxed to each unit owner, but are taxed on the Property as a whole, then each unit owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the common elements.

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Each unit owner shall pay for his own telephone, water, electricity and other utilities which are separately metered or billed to each user by the respective utility company. Utilities which are not separately metered or billed shall be treated as part of the common expenses.

17. Method of Amending Declaration. Except to the extent expressly permitted or required by the Act, this Declaration may be amended by a vote or by written approval of the unit owners of units to which sixty-seven percent (67%) of the votes in the Association are allocated and written approval from eligible mortgage holders, as defined in the Act, representing fifty-one percent (51%) of the votes allocated to units that are subject to mortgages held by eligible holders.

Notwithstanding the foregoing, except to the extent expressly permitted or required by the Act, the unanimous consent of all unit owners and the written approval of eligible mortgage holders representing sixty-seven percent (67%) of the votes allocated to units that are subject to mortgages held by eligible holders shall be required for any amendment that would:

A. Seek to terminate the legal status of the Property for reasons other than substantial destruction or condemnation of the property;

B. Change the pro rata interest, obligations or voting rights of any unit;

C. By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the common elements. The granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements by the Association shall not be deemed a transfer within the meaning of this clause;

D. Use hazard insurance proceeds from losses to any condominium property (whether to units or to common elements) for other than repair, replacement or reconstruction of such improvements, except as provided by this Declaration or the Act in case of substantial destruction of the condominium.

18. Name and Address. The name of the Condominium is BEACH WALK CONDOMINIUMS as shown on the survey, located at East Grand Avenue, Old Orchard Beach, Maine.

19. Notice. The Secretary shall cause notice of all meetings of members and of all proposed actions requiring vote or approval of a specified percentage of unit owners and/or mortgagees to be sent in writing by U. S. Mail, postage prepaid, to all unit owners and all eligible mortgage holders at the address filed with the Secretary by said owners and mortgage holders not less than ten (10) days and not more than thirty (30) days prior to the proposed meeting or action. Such notice may, however, set a later deadline for any proposed action, if such longer period of time is deemed necessary to

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obtain the required number of written approvals. Notice of meetings shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the declaration and bylaws, any budget changes and any proposal to remove a director or officer.

IN WITNESS WHEREOF, William P. Clark, Jr., Personal Representative of the Estate of William P. Clark, has caused this instrument to be signed and sealed in its name this day of April 15, 1985.

WITNESS:



ESTATE OF WILLIAM P. CLARK
BY: 
William P. Clark, Jr.
Its Personal Representative

NEW YORK
STATE OF ~~MAINE~~
~~YORK~~, ss. COUNTY QUEENS

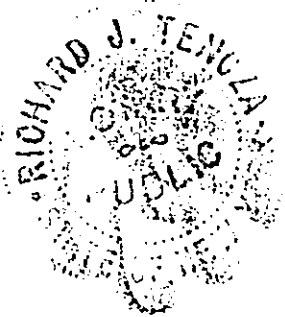
April 15, 1985

Personally appeared the above named William P. Clark, Jr., Personal Representative of the Estate of William P. Clark and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of the Estate of William P. Clark.

Before me.



Notary Public
RICHARD J. TENCZA
Notary Public, State of New York
No. 41-479936
Qualified in Queens County
Certificate Filed in New York County
Commission Expires March 31, 1986



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APPENDIX I

The land and buildings located at the intersection of the easterly sideline of Ladd Avenue and the southerly sideline of East Grant Avenue in Old Orchard Beach, County of York and State of Maine as more particularly shown on a Plan of "Beach Walk" Condominiums made by Leroy A. Witham dated November 1984 and revised April 29, 1985, which survey is recorded herewith.

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APPENDIX II

ALLOCATION OF COMMON ELEMENT INTERESTS, VOTES AND COMMON EXPENSE LIABILITIES

<u>UNITS</u>	<u>COMMON ELEMENT INTEREST & COMMON EXPENSES LIABILITY</u>	<u>VOTES</u>
1	12.6	1
2	12.6	1
3	12.4	1
4	12.1	1
5	9.5	1
6	9.5	1
7	31.3	2

RECEIVED YORK, SS:
1985 JUL 18 PM 1:14
RECORDED REGISTRY OF DEEDS