REVISED: JULY 14, 2001

BY-LAWS OF
SUNSPRAY CONDOMINIUM ASSOCIATION

ARTICLE I

NAME, LOCATION, AND FISCAL YEAR

Section 1. Name. the name of the corporation is SUNSPRAY CONDOMINIUM ASSOCIATION (the "Corporation").

Section 2. Location. the principal office of the corporation shall be located at Old Orchard Beach, Maine.

Section 3. Fiscal Year. The fiscal year of the corporation shall, unless otherwise decided by the board of Directors, end June 30.

ARTICLE II

Purposes

Section 1. Purposes. The purposes of said corporation are to act on behalf of its members collectively as their governing body with respect to the administration, maintenance, repair and replacement of certain property which will be submitted to the provisions of Maine Condominium Act, Title 33, Chapter 31, Section 1601-101 et seq. and to be known as SUNSPRAY CONDOMINIUM ASSOCIATION and as such to own and acquire any real estate or interest or rights therein or appurtenances thereto and any and all personal property in connection therewith as may be incidental or necessary to such purpose. It is the desire of the undersigned to be incorporated as a

non-profit corporation pursuant to M. R. S. A., Title 13B, Chapter 101 et seq.

ARTICLE III

Members

Section 1. MEMBERSHIP. The owner of record from time to time of each unit of the Condominium shall constitute one member of the Association, and each such member shall have the percentage of common interest, common expenses, liabilities and voting rights in the corporation that are set forth in Appendix II of the Declaration.

Section 2. Termination of Membership. The membership of each unit owner shall terminate when he ceases to be a unit owner, and upon the sale, transfer or other disposition of his ownership interest in the property, his membership in the corporation shall automatically be transferred to the new unit owner succeeding to such ownership interest.

Section 3. Meetings and Notice. Meetings of members shall be held at the property. An annual meeting of the members shall be held the second Saturday in July each year, commencing in 1998 at 10:00 am in the South Garage. Special meetings of the members may be called by the President, the Board of Directors or upon a petition signed by fifty (50) percent of the members. Written notice of any meeting shall be given to each member by the Secretary not less than ten (10) days nor more than thirty (30) days before the meeting by mailing it postage prepaid at the member's address as it appears in the records of the corporation. The notice shall specify the time, place and purpose of the meeting.

Section 4. Joint Ownership of Unit. If there be more than one owner of a unit, such owners may in writing authorize one of them to vote their membership.

Section 5. Quorum. A quorum for any meeting shall be constituted by fifty (50) percent of the members attending in person or represented by proxy.

Section 6. Turnover Date. The Declarant reserves the right, until the Turnover Date, to appoint and remove officers and directors of the corporation. The Turnover Date shall be the date on which the declarant relinquishes all rights to control the Association as set forth in paragraph 7, section H of the Declaration. The Declarant may voluntarily surrender the right to appoint officers and directors, in which event the Turnover Date shall be the date on which such voluntary surrender of rights occurs. The Declarant shall give written notice to all members and all eligible holders of mortgages not less than ten (10) days nor more than thirty (30) days prior to the Turnover Date and shall call for a special Meeting of members on the Turnover Date to elect a Board of Directors.

ARTICLE IV

The Board of Directors

Section 1. Composition. The Board of Directors shall consist of seven members as amended by the Association.

Section 2. Election and Term. The directors, except as provided in Article III. Section 6 and Sections 7 and 8 of this Article, shall be elected at the annual meeting from among the members. At this first Annual Meeting of members, the term of office of one (1) director shall be fixed at three (3) years; the term of office of one (1) director shall be fixed at two (2) years; and the term of the remaining director shall be fixed at one (1) year. At the expiration of the initial term of office of each respective director, his successor shall be elected to serve a term of three (3) years. The directors shall hold office until their successors have been elected and qualified. If the number of directors shall be increased, the term of such additional directors shall be fixed so that the terms of at least one-third (1/3) of the persons on the Board shall expire annually. The Board of Directors may be elected two consecutive terms. Board members may seek to run again after one year's absence from the Board.

Section 2. Nominating Committee. The Board of Directors will establish a Nominating Committee of two owners in 1998 whose responsibilities are three-fold. The Nominating Committee will notify all members of openings on the Board; the Nominating Committee will collect and count the votes at the general election, and the Nominating Committee will collect and count the absentee ballots which will only be opened at the Annual Meeting. In subsequent years, the nominating committee will be established at the Annual Meeting by the members of the Association.

Section 2. Voting Procedure. Voting procedure in all elections will be secret or written ballot. Absentee ballots will only be accepted if the owners specify the candidates.

Section 3. Powers. The business of the corporation shall be managed by the Board of Directors which shall have and may exercise all the powers of the corporation, except those reserved to the members by the Act or by these By-laws. The Board shall have the power to engage a managing agent for the property and to fix the term, compensation and authority of the manager or managing agent. The authority of the manager or managing agent will be explained to the owners at the annual meeting. Notwithstanding the foregoing, after the completion of the construction of the units, the Board shall have the authority to approve capital expenditures, once in a fiscal year, not to exceed $15,000. If additional monies are required for unexpected, major maintenance projects, the Board of Directors will have the authority to meet additional expenditures subject to the approval of sixty-seven (67) percent of the Owners voting in person, by proxy or by absentee ballot. The Board is not authorized to enter the Association into any contract for a term of more than three (3) years except with the approval of sixty-seven (67) percent of the Owners voting in person, by proxy or by absentee ballot. The Board of Directors or the Board's management agent is required to seek a minimum of three (3) bids from competent, independent contractors to address any major maintenance project. The Board is mandated to apprise Owners of their evaluation of bids and the Board's decision to engage in expenditures on capital improvements.

Section 4. Meetings of Directors. Meetings of the Board of Directors may be held at any time and place upon call by the President or by a majority of the Directors,

reasonable notice thereof being given to each Director. Notice that a meeting has been called may be given by the President, Secretary, or Assistant Secretary, or by one of the Directors. Notice of any meeting of the Board of Directors may be waived in writing signed by the person or person entitled to such notice whether before or after the time of such meeting, and shall be equivalent to the giving of such notice. Attendance of a Director at such meeting shall constitute a waiver of notice thereof, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because such meeting is not lawfully convened. Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be specified in the notice, or waiver of notice, of such meeting. All members of the Association will be notified of meetings and the agenda. The notification of meetings held from April through October will be posted in the lobby foyer area of Sunspray Condominium. Notice of meetings and agenda held between November and March will be sent out to the Owners. Any interested/concerned owner may attend a Board meeting to address a specific issue. Minutes of the Board of Directors meetings will be sent to all owners within two weeks.

Section 5. Quorum and Voting. A majority of the directors then in office shall constitute a quorum. A majority of less than a quorum may from time to time, postpone to a new time or place any meeting, and the adjourned meeting may be held without further notice. If a quorum exists, a majority of the directors present may take any action, except the removal of a director for cause which shall require a majority vote of all directors then in office.

Section 6. Action by Consent. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if a written consent thereto is signed by all the directors. The Secretary shall file such written consent with the records of the meeting of the Board of Directors. Such consent shall be treated as a vote of the Board of Directors for all purposes.

Section 7. Vacancies. A vacancy on the Board of Directors shall be filled by the Board of Directors by the election of a successor to hold office for the unexpired term of the Director whose place is vacant and until his successor is chosen and qualified.

Section 8. Removal. A director may be removed from office by a vote of seventy-five (75) percent of the members present and entitled to vote in the election of directors. A director may be removed for cause by a majority vote of all directors then in office.

Section 9. Compensation Directors shall not receive compensation for their services except as provided by resolution of a majority of the members of the corporation.

ARTICLE V
Officers

Section 1. Designation and Qualification. The officers of the corporation shall consist of a President, a Treasurer, a Secretary and such other officers as the Board of Directors may elect. The President and Treasurer shall be members. The Secretary will be an owner.

Section 2. Election and Term. All officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the members and shall hold office until the first meeting of the Board of Directors following the next annual meeting of members and until their successors are chosen and qualified.

Section 3. President. The President shall be a director and shall be chief executive officer of the corporation. The President shall have general supervision and control of the of the business of the corporation subject to the direction of the Board of Directors and other powers and duties as the members of the Association may decide by sixty-seven (67) percent vote of the owners. The President shall preside at all meetings of the members and at all meetings of the Board of Directors. The President shall prepare, execute, certify and record amendments to the Declaration on behalf of the Association.

Section 4. Treasurer. the Treasurer shall have, subject to the direction of the Board of Directors, general charge of the financial affairs of the corporation and shall keep full and accurate records thereof, which shall always be open to the inspection of the President or any director. He shall render to the President and Directors, at the regular meetings of the Board of Directors, or whenever they may require it, a statement of the accounts of his transactions as Treasurer and of the financial condition of the corporation. The Treasurer or a board member will explain and present the budget at the annual meeting.

Section 5. Secretary. The Secretary shall record the proceedings of all meetings of the members and of the Board of Directors in books kept for that purpose. Record books of members' meeting shall be open at all reasonable times to the inspection of any member. The Secretary shall also keep the membership transfer books of the corporation. He shall notify the members and the directors of all meetings in accordance with the By-Laws. If the Secretary is absent from any meeting of the members or the Board of Directors, a Temporary Secretary shall be chosen to exercise the duties of the Secretary at such meeting. The minutes of all meetings will be sent to the owners within two weeks.

Section 6. Vacancies. A vacancy in any office may be filled by the Board of Directors by the election of a successor to hold office for the unexpired term of the officer whose place is vacant and until his successor is chosen and qualified.

Section 7. Removal. All officers may be removed from their respective offices by the Board of Directors.

Section 8. Resignation. Any officer may at any time resign his office by a resignation in writing delivered to the corporation at its principal office or to the President or Secretary. Such resignation shall be effective upon receipt and acceptance thereof shall not be necessary to make it effective unless it so states.

Section 9. Compensation. The officers shall receive no compensation for their services unless expressly provided for in a resolution adopted by the majority of the members of the corporation.

ARTICLE VI

Assessments

Section 1. Budget. The Board of Directors shall cause to be prepared an estimated annual budget for each fiscal year of the corporation. Such budget shall take into account the estimated common expenses and cash requirements for the year, including salaries, wages, payroll taxes, supplies, materials, parts, services, maintenance, repairs, replacements, landscaping, insurance, fuel, snow removal, and other common expenses (as distinguished from individual mortgage payments, real estate taxes, and individual

telephone, electricity and other individual utility expenses billed or charged to the separate members on an individual or separate basis rather than a common basis). The Board shall establish and maintain an adequate reserve fund for the period maintenance, repair and replacement or improvements to the common areas and limited common areas. The fund shall be included in the budget and maintained out of regular assessments for common expenses. To the extent that the assessments and other cash income collected from the members during the preceding year shall be more or less than the expenditures for such preceding year, the surplus or deficit, as the case may be, shall also be taken into account.

Section 2. Payment. The estimated annual budget for each fiscal year shall be approved by the Board of Directors, and copies thereof shall be furnished to each member within thirty (30) days of adoption, and in any event not later than ninety (90) days after the beginning of such year. The Board shall set a date for a meeting of the members to consider ratification of the budget not less than fourteen (14) nor more than thirty (30) days after mailing of the budget. Unless at that meeting a majority of all unit owners reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected the periodic budget last ratified by the members shall be continued until such a time as the members ratify a subsequent budget proposed by the Board of Directors. On or before the first day of the first month and of each succeeding month of the year covered by the annual budget, each member shall pay, as his respective monthly assessment for the common expenses, one-twelfth (1/12) of his proportionate share of the common expenses for such year as shown by the annual budget. Such proportionate share for each member shall be in accordance with his respective ownership

interest in the common areas and facilities. No member shall be relieved of his obligation to pay his assessments for common expenses by abandoning or not using his unit or the common areas and facilities.

Section 3. Statements. Within ninety (90) days after the end of each fiscal year covered by an annual budget, or as soon thereafter as shall be practicable, the Treasurer shall cause to be furnished to each member a statement for such year so ended, showing the receipts and expenditures and such other information as he may deem desirable.

Section 4. Separate Accounts. The Treasurer shall cause to be kept a separate account for each member showing the respective assessments charged to and paid by such member, and the status of his account from time to time.

Scion 5. Additional Assessments. In the event that during the course of any year, it shall appear to the Treasurer that the monthly assessments, determined in accordance with the estimated annual budget for such year, are insufficient or inadequate to cover the estimated common expenses for the remainder of such year, then the Board of Directors shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of such year, and shall cause the same to be presented to the members for ratification in the same manner as the budget. Upon ratification of the supplemental budget, a supplemental assessment shall be made to each member for his proportionate share of such supplemental budget

Section 6. Common Expense. It shall be the duty of every member to pay his proportionate share of the common expenses, in the same ratio as his percentage of ownership in the common areas and facilities. If any member shall fail or refuse to make

any such payment of the common expenses when due, the amount thereof shall constitute a lien on such unit. The corporation shall have the authority and responsibility to exercise and enforce any and all rights and remedies as provided for in Maine Revised Statutes, Title 33, Chapter 31, the Declaration and these By-laws, or otherwise available at law or in equity for the collection of all unpaid assessments.

Section 7. Budget Expenses. The President and /or Treasurer, subject to Board direction, shall have the authority to enter into contracts on behalf of the corporation for work and expenses provided in the budget and to make payment therefor from the funds of the corporation.

Section 8. Expenses Assessed Subsequent to Conveyance of Unit. A member may not exempt himself from liability for his shares of common expenses subsequently to be assessed by a conveyance of his unit to the corporation.

Section 9. Availability. The Association is required to make available to unit owners, lenders and the holders, insurers and guarantors of the first mortgage on any unit current copies of the Declaration, By-Laws and other rules governing the condominium and other books, records and financial statements of the Association. In addition thereto, the Association shall also make available to prospective purchasers current copies of the Declaration, By-Laws, other rules governing the condominium, and the most recent annual audited financial statement, if such is prepared.

ARTICLE VII
Use and Occupancy Restrictions

Section 1. Use of Property, Rules and Regulations. No part of the property shall be

used for other than housing and the related common purposes for which the property was designed. Each unit shall be used as a residence for a single family or any other persons to whom the members have leased the unit for such other uses permitted by these By-Laws and the Declaration. Rules and regulations restricting such use and occupancy shall be promulgated by the Board of Directors and each member shall be notified in writing of the rules and regulations thus promulgated.

Section 2. Common Areas. The common areas and facilities 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 areas and facilities shall not be obstructed, damaged or unreasonably interfered with by any member. The corporation and its authorized employees and representatives shall have access to and from the unit as may be necessary for the repair, maintenance, replacement, alteration, care or protection of the common areas and facilities or any portion thereof.

Section 3. Maintenance of Unit, Insurance. 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 of other units or in the common areas and facilities

Section 4. Waste. Trash, 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.

Section 5. Insurance. Each member shall, at his expense, maintain insurance on his unit in accordance with rules and regulations promulgated by the Board of Directors.

Section 6. Leasing of Units. A member may lease his unit pursuant to the provision of these By-Laws, the Declaration and such other rules and regulations as may from time to time be promulgated by the Board of Directors. Section 14 (e) (7) of the Declaration sets forth specific requirements relating to the leasing of units, which are binding upon all members.

Section 7. Parking. Use of the parking spaces is reserved to the persons entitled to occupy the unit to which the respective parking spaces are allocated, and their guests. Each member and lessee shall report to the Secretary and the Secretary shall keep a record of the make, model and license plate numbers of the vehicles belonging to the members and lessees.

ARTICLE VIII

Amendments

These By-laws may be amended or modified from time to time by action or approval of sixty-seven (67) percent of the members, except that no amendment may violate the provisions of Maine Revised Statutes, Title 33, Chapter 31.