Section 9.7 Occupancy Restrictions.

(A) The Units within the Condominium are intended for the housing of persons 55 years of age or older, although younger persons are not restricted from occupying a unit along with a person 55 years of age or older so long as such occupancy is in compliance with this Section 9.7. The provisions of this Section 9.7 are intended to be consistent with, and are set forth in order to comply with the Fair Housing Amendments Act, 42 U.S. C. §3601 et seq. (1988), as amended (the "Act"), and the exemption therefrom provided by 42 U.S.C. §3607(b)(2)(C) regarding discrimination based on familial status. The Declarant or the Association, acting through its Board, shall have the power to amend this Section 9.7,
without the consent of the Unit owners or any person except Declarant, for the purpose of making this Section 9.7 consistent with the Act, as it may be amended, the regulations adopted pursuant thereto, and any judicial decisions arising thereunder or otherwise relating thereto, in order to maintain the intent and enforceability of this Section 9.7.

(B) Each occupied Unit within the Condominium shall at all times have as a permanent occupant therein at least one person who is 55 years of age or older (the "Qualifying Occupant"); provided, in the event of the death of a person who was the sole Qualifying Occupant of a Unit, the spouse of such Qualifying Occupant may continue to occupy the Unit as long as the provisions of the Act and the regulations adopted thereunder are not violated by such occupancy. For purposes of this Section 9.7, an occupant shall not be considered a "permanent occupant" unless such occupant considers the Unit to be his or her legal residence and actually resides in the Unit for at least six months during every calendar year or such shorter period as the unit is actually occupied by any person. The restrictions of this section 9.7(B) shall not be modified or removed without the approval of the Town of Scarborough Planning Board.

(C) No Unit shall be occupied by any person under the age of 18 years. For purposes of this Section 9.7, a Unit shall be deemed to be "occupied" by any person who stays overnight in the Unit for more than 21 days in any 60 day period or for more than 30 days in any 12-month period.

(D) Nothing in this Section 9.7 is intended to restrict the ownership of or transfer of title to any Unit; provided, however, that no Unit owner may occupy the Unit unless the requirements of this Section are met nor shall any Unit owner permit occupancy of the Unit in violation of this Section 9.7. Unit owners shall be responsible (i) for including the statement that the Units within the Condominium are intended for the housing of persons 55 years of age or older, as set forth in this Section 9.7, in conspicuous type in any lease or contract of sale relating to such owner's Unit, which agreements or contracts shall be in writing and signed by the tenant or purchaser, and (ii) for clearly disclosing such intent to any prospective tenant, purchaser or other potential occupant of the Unit. Every lease of a Unit shall provide that failure to comply with the requirements and restrictions of this Section 9.7 shall constitute a default under the lease.

(E) In the event of any change in occupancy of any Unit, as a result of a transfer of title, a lease or sublease, a birth or death, change in marital status, vacancy, change in location of permanent residence, or

otherwise, the Unit owner shall immediately notify the Board in writing and provide to the Board the names and ages of all current occupants of the Unit and such other information as the Board may reasonably require to verify the age of each occupant. In the event that a Unit owner fails to the Board and provide all required information within 10 days after a change in occupancy occurs, the Association shall be authorized to levy monetary fines against the unit Owner and the Unit for each day after the change in occupancy occurs until the Association receives the required notice and information, regardless of whether the occupants continue to meet the requirements of this Section 9.7, in addition to all other remedies available to the Association under this Declaration and Maine law.

(F) The Association shall be responsible for maintaining age records on all occupants of Units. The Board shall adopt policies, procedures and rules to monitor and maintain compliance with this Section 9.7, including policies regarding visitors, updating of age records, the granting of exemptions pursuant to Section 9.7(F), and enforcement. The Association shall periodically distribute such policies, procedures and rules to the Unit owners and make copies available to Unit owners, their tenants and Eligible Mortgagees upon reasonable request.

(G) The Association shall have the power and authority to enforce this Section 9.7 in any legal manner available, as the Board deems appropriate, including, without limitation, conducting a census of the occupants of Units, requiring copies of birth certificates or other proof of age for each occupant of the Unit to be provided to the Board on a periodic basis, and taking action to evict the occupants of any Unit which does not comply with the requirements and restrictions of this Section 9.7. EACH UNIT OWNER, OTHER THAN THE DECLARANT, HEREBY APPOINTS THE ASSOCIATION AS ITS ATTORNEY-IN-FACT FOR THE PURPOSE OF TAKING LEGAL ACTION TO DISPOSSESS, EVICT OR OTHERWISE REMOVE THE OCCUPANTS OF HIS OR HER UNIT AS NECESSARY TO ENFORCE COMPLIANCE WITH THIS ARTICLE. The foregoing power of attorney conferred upon the Association by this Declaration, being coupled with an interest, shall be irrevocable so long as any such person (other than the Declarant) owns a Unit. Each Unit owner shall fully and truthfully respond to any and all requests by the Association for information regarding the occupancy of his or her Unit that, in the judgment of the Board, are reasonably necessary to monitor compliance with this Section 9.7.

(H) Each Owner shall be responsible for ensuring compliance of its Units with the requirements and restrictions of this Section 9.7 and the rules of the Association adopted hereunder by itself and by its tenants and other occupants of its Unit. EACH OWNER, BY ACCEPTANCE OF TITLE TO A UNIT, AGREES TO INDEMNJFY, DEFEND AND HOLD THE ASSOCIATION HARMLESS FROM ANY AND ALL CLAIMS, LOSSES, DAMAGES AND CAUSES OF ACTION WHICH MAY ARISE FROM FAILURE OF SUCH OWNER'S UNIT TO SO COMPLY.