DECLARATION OF
BALLANTYNE PLACE CONDOMINIUM

ARTICLE I
SUBMISSION

BALLANTYNE DEVELOPMENT, LLC, a Maine limited liability company with a place of business in Scarborough, Maine (the "Declarant"), hereby submits the land, improvements, rights and appurtenant easements known as "Ballantyne Place Condominium" with all buildings and improvements thereon located within the Town of Scarborough, Cumberland County, Maine, and more particularly described in **Schedule A** attached hereto (the "Property") to the Maine Condominium Act, Chapter 31 of Title 33 of the Maine Revised Statutes Annotated, as amended, and hereby creates "Ballantyne Place Condominium" (the "Condominium"). The Property is shown on the condominium plat to be recorded herewith in the Cumberland County Registry of Deeds identified as follows: "Condominium Plat of Ballantyne Place – Phase One" prepared by Sebago Technics and dated August 7, 2003 (the "Plat"). The unit owners' association shall be a Maine nonprofit corporation known as "Ballantyne Place Condominium Association" (the "Association").

The Condominium created pursuant to this Declaration consists of the Property and initially fifteen (15) units known as Unit 1 through Unit 15, subject to the Development Rights reserved by Declarant pursuant to this Declaration that allow Declarant, among other rights, to create as part of this Condominium up to a total of two hundred (200) units, and subject to the Special Declarant rights set forth in this Declaration. Reference is made to the Subdivision Plan of Ballantyne Place Condominium approved by the Town of Scarborough Planning Board on January 27, 2003, duly recorded in said Registry of Deeds in Plan Book 203, Page 74.

The terms used in this Declaration, the Bylaws of the Association or the Plat generally shall have the meanings specified in the Maine Condominium Act, except as otherwise defined herein or therein.

ARTICLE II
UNIT BOUNDARIES

Section 2.1 Location and Dimension of Units.

Each of the initial 15 units consists of a parcel of land that is a portion of the Property together with the air space above the surface of the earth, the vertical boundaries of such unit, the identification

number of the unit, and approximate area of the unit being shown on the Plat.

Section 2.2 Unit Boundaries.

The boundaries of each unit are as shown on the Plat and are as follows:

A. Horizontal Boundaries: The lower horizontal boundary of each unit is the final graded physical surface of the earth, whether natural or disturbed, approximately as shown on the Plat, extending to an intersection with the vertical (perimeter) boundaries. The units have no upper horizontal boundaries.

B. Vertical (perimeter) Boundaries: The vertical boundaries of the units generally are the vertical planes in the locations depicted as the perimeter of the units on the Plat (shown as dashed lines) and being perpendicular to the general surface of the earth within the unit and extending skyward from the lower horizontal boundary. The vertical boundaries for units that containing buildings with party walls shall run through the middle of the framing of such party walls.

All residential dwellings, garages, and other structures, fixtures and improvements at any time located within a unit's boundaries, whenever constructed, are a part of that unit, except as expressly provided in this Article II and elsewhere in this Declaration.

A unit does not include: the earth and land underlying a unit's lower horizontal boundary and any improvements therein from time to time (e.g., basement of a structure), all pipes, ducts, cables, electrical and transmission wires and conduits, distribution pipes and water and sewer utility lines which serve more than one unit or the common elements (excepting equipment owned by public and municipal utilities) up to the valve, switch or shutoff between common and exclusively used portions thereof, with the valve, shut off or switch being a part of the unit; the driveway leading to the unit garage from the common drives and access ways shown on the Plat.

As the initial units in the Condominium are neither described by the physical features of buildings nor contained within buildings, such units do not require the certificate of completion pursuant to section 1602-101 of the Condominium Act. Because the initial units in the Condominium do not have horizontal boundaries corresponding to physical, man-made structures, no plans are presently included with this Declaration, and all information required by section 1602-109(d) of the Condominium Act appears on the Plat.

Section 2.3 Relocation of Unit Boundaries and Subdivision of Units.

Except with respect to the exercise of Development Rights, relocation of boundaries of units is permitted by amendment to the Declaration in compliance with the provisions of the Condominium Act and upon receipt of all necessary governmental approvals, permits and licenses. The subdivision of units is not permitted.

Section 2.4 Allocated Interests.

The percentage of ownership of common elements and liability for common expenses shall be allocated equally and prorata to each unit according to the number of units in the Condominium. Each unit shall have one (1) equal vote as a member of the Association. The allocations of common element interest, voting rights and common expense liability appurtenant to each of the initial 15 units are set forth in **Schedule C**.

ARTICLE III

COMMON ELEMENTS

Section 3.1 Common and Limited Common Elements.

A. Common elements consist of the entire Property, except the individual units as described in Article II above, and generally include:

(1) The land, with the benefit of and subject to all easements, covenants, agreements, rights and restrictions of record as of the date hereof, including without limitation those matters described in **Schedule A**;

(2) All pipes, ducts, cables, electrical and transmission wires and conduits, distribution pipes and water and sewer utility lines which serve more than one unit or the common elements (excepting equipment owned by public and municipal utilities); and

(3) All other parts of the Property necessary or convenient to its existence, maintenance and safety or normally in common use, except as otherwise expressly provided in this Declaration.

B. Limited common elements, the exclusive use of which is reserved to the use of a particular unit, to the exclusion of other units, consist of the following, in addition to those features described in Section 1602-102(2) and (4) of the Condominium Act: for each unit, the driveway leading to the unit from the common drives and access ways as shown on the Plat and the earth under each unit's lower horizontal boundary and all improvements located therein from time to time. The driveway accessing units 2 and 3 shall be a limited common element allocated to those units and shared by those units; the driveway accessing units 14 and 15 shall be a limited common element allocated to those units and shared by those units.

ARTICLE IV

DEVELOPMENT RIGHTS, SPECIAL DECLARANT RIGHTS AND DECLARANT CONTROL PERIOD

Section 4.1 Development Rights.

The Declarant reserves to itself, and for the benefit of itself and its successors and assigns, the Development Rights to create additional units, common elements or limited common elements within the Condominium, to convert units into common elements, to convert common elements into units, to add real estate to the Condominium or to withdraw real estate from the Condominium and to modify, extend or relocate roads, paths, utility lines and common driveways in the Condominium (provided that no such modification or relocation shall be undertaken in such a manner so as to permanently deprive any unit of access or utilities). The real estate subject to the Development Rights is the Property and Additional Land as more particularly described on **Schedule B** attached hereto. The Declarant further reserves to itself and for the benefit of its successors and assigns, the right and easement for the location and encroachment on the Property, as described in **Schedule A**, of buildings or other structures or improvements located in part on the Additional Land, including any units or common elements located therein, and of roadways serving the Additional Land, so long as the location of any such building or roadway does not unreasonably interfere with the access or utilities to any unit previously constructed on the Property. The Declarant further reserves an easement across the Property for access by workers and equipment, and for re-grading the surface of the earth, for the construction of improvements on the Additional Land; provided, however, that Declarant shall reasonably restore those portion of the Property disturbed by such construction activities. The Development Rights herein reserved may be exercised with respect to different parcels of real estate at different times and the Additional Land may be added to the Condominium in whole or in parts from time to time, as Declarant, in its sole discretion may determine. No assurances are hereby made with respect to the order in which the parcels of real estate subject to the Development Rights hereof will be subjected to the exercise of such Development Rights. If any such Development Right is exercised in any portion of the real estate subject to such Development Right, such Development Right need not be exercised in all or any other portion of the Additional Land or Property. The Additional Land is not hereby currently submitted to the Condominium Act by the Declaration, and the Declarant makes no assurances that the Additional Land will be developed or added to the Condominium or that it will be added or developed in any sequence or in any specific parcels. If units are added to or withdrawn from the Condominium, or converted into or from common elements, by the Declarant in the exercise of its Development Rights as reserved in the Declaration, the votes in the Association shall be reallocated among all of the units such that each unit shall have one (1) vote, and the

percent of interest in common elements shall be allocated equally and prorata among all of the units created and then existing. The Declarant makes no assurances that buildings or other improvements constructed by Declarant in the exercise of its Development Rights will be generally compatible with the architectural style and quality of construction of other buildings and improvements in the Condominium. Development Rights and Special Declarant Rights must be exercised within fifteen (15) years from the date of recordation of this Declaration provided that the period of Declarant control of the Association as permitted by Section 1603-103(d) of the Maine Condominium Act, and as reserved in section 4.2 below, shall terminate in accordance with the provisions thereof. For purposes of this Article IV, Development Rights and Special Declarant Rights shall be deemed to be exercised at such time as this Declaration is amended to reflect the creation of additional units or such other Development Right or Special Declarant Right, if the exercise of such right requires an amendment to this Declaration, regardless of the time that such unit is constructed or such other work contemplated by the Development Right or Special Declarant Right is completed.

Section 4.2 Special Declarant Rights.

The Declarant reserves, in favor of itself and any successor Declarant, the following rights with respect to the Property (and the Additional Land to the extent added to the Condominium pursuant to section 4.1 above) (the "Special Declarant Rights") until the construction, marketing and sale of all units that Declarant is allowed to create pursuant this Declaration and the common elements related thereto are completed:

A. To locate and relocate in the common elements, limited common elements and units, even though not depicted on the Plat, 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 servicing the Condominium including but not limited to water, electric, telephone, cable television, natural gas, and sewer and transformers, meters and other equipment related thereto, provided that no such easement shall be effective until of record, that no such easements may be granted through units sold by Declarant to third parties without such unit owner's consent and that the common elements promptly shall be reasonably restored upon disturbance;

B. To connect with and make use of utility lines, wires, pipes, conduits and facilities located on the Property for construction and sales purposes, provided that the Declarant shall be responsible for the cost of services so used;

C. To use the common elements and limited common elements for ingress and egress, for the alteration, repair and construction of units, common elements and limited common elements (including without limitation the movement and temporary storage of construction materials and equipment), pedestrian and vehicular ingress and egress, vehicular parking, the cutting and removal of

trees and vegetation, the excavation, grading and alteration of the surface of the earth, the creation of ponds, drainage ditches and swales and the installation of signs and lighting for sales and promotional purposes;

D. To use the common elements and limited common elements for the ingress and egress of itself, its employees, agents, contractors and subcontractors and for prospective purchasers of units; to use any units owned or leased by the Declarant as models, management offices, sales offices for its project or customer service offices and to relocate the same from time to time within the Property (upon relocation, the furnishings thereof may be removed); to maintain on the Property such advertising signs as may comply with applicable governmental regulations, which may be placed in any location on the Property and may be relocated or removed, all at the sole discretion of the Declarant; to erect temporary offices on the common elements for models, sales, management, customer service and similar purposes, which may be relocated or removed, all at the sole discretion of Declarant;

E. To appoint and remove members of the Executive Board of the Association (the "Board") and officers of the Association until sixty (60) days after the sale of seventy-five percent (75%) of the units that Declarant is allowed to create pursuant to this Declaration but in any event:

(1) Within seven (7) years of the first conveyance of any unit, or

(2) Until voluntarily waived in whole or part by Declarant by written notice duly recorded, whichever occurs first (together, the "Declarant Control Period").

F. The right to subject the Condominium to a Master Association and partially delegate to such Master Association the powers of the Board under Section 1603-102(a)(2) of the Act with respect to responsibility for maintaining, repairing and replacing any unaccepted common roads, the storm water management system and other common areas and improvements benefiting the Property and any portion or all of the Additional Land and the power to assess the Units for their allocated share of the costs incurred by the Master Association to maintain those common areas and improvements.

G. Those Special Declarant Rights established under the Condominium Act.

Section 4.3 Limitations on Development Rights and Special Declarant Rights.

The exercise of Development Rights and Special Declarant Rights shall be subject to the following restrictions:

(1) No changes shall be made in violation of the Town of Scarborough Planning Board subdivision approval, as evidenced by the Subdivision Plan approved on January 27, 2003, and any condition imposed in connection therewith, except in accordance with applicable law.

(2) No changes shall be made in the approvals received from the Maine Department of Environmental Protection, except in accordance with applicable law.

Section 4.4 Completion of Buildings.

The Declarant reserves, in favor of itself and any successor Declarant, the right until fifteen (15) years from the date of recording this Declaration: To complete construction of single or multi-family residential structures, garages, common element improvements, structures and facilities, and all fixtures and improvements in connection therewith, in and on each unit, or with respect to the creation of units, or in and on the common elements, all pursuant to Section 1602-110 of the Condominium Act. The Declarant shall have no obligation to construct dwellings or structures within any Unit, except pursuant to any contract with the owner of such a Unit.

Section 4.5 Unsold Units.

Except as provided in this Declaration and/or the Condominium Act, the Declarant shall have the same rights and be subject to the same obligations with respect to completed but unsold units as the owners of individual units after initial conveyance thereof by the Declarant.

Section 4.6 Amendments to Article IV.

This ARTICLE IV shall not be amended or waived without the express written consent of the Declarant duly recorded in the Cumberland County Registry of Deeds. The benefits of ARTICLE IV and all other special rights of Declarant set forth in this Declaration, the Bylaws or otherwise, as amended from time to time, may be transferred by recorded instrument specifically referring to the transferred rights and executed by Declarant and its successor or assignee.

ARTICLE V
AMENDMENT TO CONDOMINIUM INSTRUMENTS; REQUIRED CONSENT

Section 5.1 Amendment of Declaration.

This Declaration, including the Plat, may be amended or modified in accordance with the following procedure, except as otherwise provided in this Declaration or in the Condominium Act:

A. The notice of any regular or special meeting of the Association at which a proposed amendment to this Declaration is to be considered shall contain the text of the proposed amendment. Notice shall also be sent to Eligible Mortgage Holders if required pursuant to ARTICLE X.

B. At the meeting, the resolution shall be adopted if it receives the affirmative vote or written consent of sixty-seven percent (67%) or more of the total votes in the Association in all cases and such Eligible Mortgage Holders as required pursuant to ARTICLE X. Unit owners and Eligible Mortgage Holders, if required by ARTICLE X, may express their approval in writing or by proxy.

C. An amendment shall be effective when recorded. The Association shall endeavor to

forward a copy of the amendment to each unit owner and Eligible Mortgage Holders in the manner elsewhere provided for the giving of notices, but receipt of such notices shall not constitute a condition precedent to the effectiveness of such amendment.

Section 5.2 Consent of Declarant.

No amendment shall be made to this Declaration, the Bylaws of the Association or the rules and regulations of the Association during the Declarant Control Period, or with respect to the Development Rights or Special Declarant Rights, without the prior express written consent of the Declarant.

Section 5.3 Amendment to Comply with Secondary Market Mortgagee Requirements.

It is Declarant's intent that this Declaration complies with the underwriting requirements of Federal Home Loan Mortgage Corporation (Freddie Mac), the Federal National Mortgage Association (Fannie Mae), the Veterans' Administration, the Federal Housing Administration or other recognized institutional mortgage programs. In the event that this Declaration does not comply with such underwriting requirements, Declarant, in Declarant's sole discretion, shall have the right to amend this Declaration to make this Declaration conform to such underwriting requirements.

ARTICLE VI.
INSURANCE, DAMAGE OR DESTRUCTION

Section 6.1 Repair of Common Elements.

Any portion of the common elements or limited common elements damaged or destroyed shall be repaired or replaced promptly by the Association unless:

A. The Condominium is terminated under ARTICLE VII;

B. Repair or replacement would be illegal under any state or local health or safety statute or ordinance; or

C. One hundred percent (100%) in interest of the unit owners vote not to rebuild, including every owner of a unit or limited common area that would not be rebuilt and including the consent of the Eligible Mortgage Holders as provided in ARTICLE X.

Insurance deductibles and the cost of repair or replacement either (i) in excess of insurance proceeds and reserves or (ii) not covered by any insurance, shall be a common expense.

Section 6.2 Application of Insurance Proceeds with respect to Common Elements.

If common elements or limited common elements are not completely repaired or replaced after damage:

A. The insurance proceeds attributable to the damaged common elements and limited

common elements shall be used to restore the damaged areas to a condition compatible with the remainder of the Condominium; and

B. The remainder of the proceeds shall be held in trust to be distributed to the unit owners and their mortgagees in accordance with the Condominium Act.

Any loss covered by such insurance shall be adjusted by the Association, which shall exclusively represent all unit owners in any proceedings, negotiations, settlements or agreements in connection therewith. As such, each unit owner, except the Declarant (or its successors and assigns) with respect to unsold units, hereby irrevocably constitutes and appoints the Association its true and lawful attorney, with full power of substitution, to represent such unit owner in any proceedings, negotiations, settlements, or agreements in connection with adjusting a loss covered by such insurance. 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. This power of attorney shall not be affected by the disability or incompetence of such a unit owner. The insurance proceeds shall be paid to the Association as trustee for the unit owners and lien holders as their interests may appear. Mortgagees' liens shall transfer in order of priority to the insurance proceeds. Notwithstanding the provisions of this Section, ARTICLE VII of the Declaration governs the distribution of insurance proceeds if the Condominium is terminated.

Section 6.3 Association Public Liability Insurance.

The Association shall maintain comprehensive commercial general liability insurance, including medical payments insurance insuring the unit owners, in their capacity as unit owners and Association members and any managing agent retained by the Association, relating in any way to the ownership and/or use of the common elements, public ways and any other areas under the supervision of the Association and any part thereof. Such insurance policy shall contain a "severability of interest endorsement" or equivalent coverage which precludes the insurer from denying the claim of a unit owner because of the negligent acts of the Association or another unit owner. Such insurance shall include coverage for bodily injury and property damage that results from the operation, maintenance or use of the common elements, any liability resulting from law suits related to employment contracts in which the Association is a party, other than standard workers compensation and employment practices exclusions, and such other risks as the Board determines are appropriate. The amount of coverage of such liability insurance, and the deductibles therefor, shall be as determined by the Board. The scope and amount of coverage of all liability insurance policies shall be reviewed periodically by the Board and may be changed in the Board's discretion.

Section 6.4 Unit Owner Insurance.

EACH UNIT OWNER ACKNOWLEDGES THAT THE ASSOCIATION WILL NOT MAINTAIN INSURANCE AGAINST FIRE AND OTHER HAZARDS ON THE DWELLING AND OTHER IMPROVEMENTS CONSTRUCTED WITHIN A UNIT. As such, each Unit owner shall be solely responsible for maintaining property insurance with respect to its unit and the buildings, structures and improvements located thereon insuring against loss or damage by fire and all other hazards that are normally covered by the standard extended coverage endorsement and all other perils customarily covered for similar types of properties, including those covered by the standard "all risk" endorsement, or such other fire and casualty insurance as the unit owner reasonably may determine provides equal or greater protection for the unit owner. Any unit owner who obtains individual insurance policies covering any portion of the Property other than the Unit and improvements thereon belonging to such owner shall be required to file a copy of such individual policy or policies with the Association within thirty (30) days after purchase of such insurance. The Association shall have no obligation to maintain public liability insurance for the benefit of any owner except as expressly required by section 6.2 above. Each unit owner shall be responsible for maintaining public liability insurance with respect to its unit and the use, occupancy and ownership thereof, which policy shall name the Association as an additional insured, and the unit owner shall provide to the Association a current certificate of such insurance, including the renewals thereof.

In the event of damage to or destruction of any building, structure or improvement located on a unit or limited common element assigned exclusively to that unit, the unit owner shall cause any debris to be promptly removed from the Property and properly disposed of, shall immediately remedy or construct barriers around any unsafe condition on the unit resulting from such damage or destruction and, by not later than one (1) year after the date of such damage or destruction shall cause the buildings, structures or improvement to be reconstructed substantially identical in design and materials to the damaged buildings, structures or improvements when new (the plans for which the Board will endeavor to keep on file at the Association's office). If the Unit owner elects not to rebuild a damaged or destroyed structure within a Unit or limited common element, the Unit owner promptly shall restore the Unit or limited common element, or the relevant portion thereof, to its natural condition. If the unit owner fails to perform any such work as required following any such damage or destruction, then the Association shall have the right, but shall have no obligation, to do so and to charge the cost thereof to the unit owner as a service charge as provided in this Declaration.

ARTICLE VII

REMOVAL FROM THE CONDOMINIUM ACT

Section 7.1

The submission of the Property to the Condominium Act herein shall not be terminated unless (i) one hundred percent (100%) in voting interest of all of the then-current unit owners in accordance with the Condominium Act, (ii) the percentage of the Eligible Mortgage Holders required by Article X shall agree to such revocation or removal of the Property from the provisions of the Condominium Act, their agreement to be established by written instrument duly recorded, and (iii) all required State of Maine and Town of Scarborough land use and other permits and approvals are obtained.

Section 7.2

Upon removal of the Property from the Condominium Act, the unit owners shall hold the Property and any proceeds thereof as tenants in common in accordance with the Condominium Act, with any mortgages or liens affecting a unit to attach in order of priority against the resulting common ownership interest. Removal shall not bar the subsequent re-submission of the Property to the Condominium Act.

ARTICLE VIII

EMINENT DOMAIN

Section 8.1

If a unit is acquired by eminent domain, to the extent the award is paid to the Association or is controlled by this Declaration or the Association, the award shall be applied to compensate the unit owner and his mortgagee(s), if any, for the unit and the unit's percentage interest in the common elements, whether or not any common elements are acquired. Upon acquisition of the unit, the unit's allocated interests shall be automatically reallocated to the remaining units in proportion to their respective allocated interests before the taking, and the Association shall promptly prepare, execute, and record an instrument reflecting the reallocations.

Section 8.2

If part of a unit is acquired by eminent domain, to the extent the award is paid to the Association or is controlled by this Declaration or the Association, the award shall be applied to compensate the unit owner and his mortgagee(s), if any, for the reduction in value of the unit and its interest in the common elements, whether or not any common elements are acquired. Upon such acquisition:

A. That unit's allocated interests shall be reduced in proportion to the reduction in the size of the unit; and

B. The portion of the allocated interest divested from the partially acquired unit shall automatically be reallocated to that unit and the remaining units in proportion to their respective allocated interests of those units with the partially acquired unit participating in the reallocation on the basis of its reduced allocated interests.

Section 8.3

If part of the common elements are acquired by eminent domain, the Association shall be entitled to payment of the award, subject to the Maine Condominium Act; generally the portion of the award attributable to the common elements taken shall be distributed to the unit owners and their mortgagee(s) in accordance with the Condominium Act, unless the Association rebuilds or acquires comparable common elements. Any portion of an award attributable to the acquisition of a limited common element or as may otherwise benefit the Condominium determined by a Court of competent jurisdiction must be equally divided among the owners of the units to which that limited common element is allocated at the time of acquisition in proportion to their interests in the common elements.

Section 8.4

In the event of a proposed acquisition by eminent domain, the Association shall have the right but not the obligation to act and to intervene on behalf of unit owners. As such, each unit owner, except the Declarant (or its successors or assigns) with respect to unsold units, hereby irrevocably constitutes and appoints the Association its true and lawful attorney, with full power of substitution, to represent such unit owner in any proceedings, negotiations, settlements, or agreements in connection with a proposed acquisition by eminent domain. 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. This power of attorney shall not be affected by the disability or incompetence of such a unit owner. Nothing contained in this Section or this Declaration, however, shall entitle any unit owner or other person to priority over a first mortgagee of a unit pursuant to its mortgage instrument in the right to receive eminent domain awards for the taking of units and/or common elements.

ARTICLE IX
GENERAL ADMINISTRATIVE PROVISIONS

Section 9.1 Easement for Access, Utilities and Support.

A. Appurtenant to each unit is a perpetual right, subject to the rules and regulations

established by the Board, of ingress and egress from such unit through the common elements and limited common elements allocated to such unit to Ballantyne Drive or any other public streets adjoining the Property.

B. The Association, the Declarant, the managing agent and/or any other person authorized by the Board shall have a right of access to any unit and any limited common elements to the full extent as provided in the Condominium Act and the Bylaws. In case of emergency, such entry may be gained immediately whether or not the unit owner is present at the time.

C. The Association shall have the right and easement to enter a unit with workers and equipment at any time and from time to time to install, maintain, repair or replace the landscaping improvements within a unit, including without limitation seeding and mowing the grass, planting and pruning trees and bushes, the application of approved fertilizers and pesticides, planting flowers, weeding planting beds, applying mulch, bark or other materials to planting beds.

D. Each unit shall have an easement in common with all other units to use all pipes, wires, ducts, cables, conduits, utility lines and other common elements serving such unit and located in any of the other units or on the common elements or limited common elements.

E. Each unit containing a building sharing a party wall with the adjacent unit shall have an easement for support from such other unit, and an easement for driving and removing nails, screws, bolts and other attachment devices into the unit side surface of the framing that support the dry wall or other wall covering to the extent such nails, screws, bolts and other attachment devices may encroach into the adjoining unit; provided, however, that any such action shall not adversely affect either the structural, thermal or acoustical character of the party wall.

Section 9.2 Encroachments.

Each unit shall have an appurtenant easement to the extent necessary for subjacent and lateral support over every other unit and over the common elements and limited common elements. If any portion of the common elements or limited common elements hereafter encroaches upon any unit, or if any unit hereafter encroaches upon any portion of the common elements or limited common elements, as a result of settling or shifting of any structures thereon or otherwise than as a result of the purposeful or negligent act or omission of the owner of the encroaching unit or of the Association in the case of encroachments by the common elements or limited common elements, a valid easement appurtenant to the encroaching units, common elements or limited common elements for the encroachment and for the maintenance of the same shall exist for so long as the encroachment shall exist. Notwithstanding any of the foregoing, the Declarant, as builder of the units, shall have no liability for immaterial deviations from the Plat that result in encroachments requiring easements under this Section 9.2.

Each unit containing a building sharing a party wall with a building on the adjacent unit shall have

an appurtenant easement to the extent necessary for structural, lateral and subjacent support from the adjacent unit sharing such party wall.

Section 9.3 Use.

Each unit may be used subject to all restrictions contained in this Declaration, the Bylaws of the Association, and the rules and regulations of the Association, as amended from time to time. The units are restricted to single-family residential use, except that the Declarant may use the Property in the exercise of Development Rights and Special Declarant Rights and unit owners may use their units as home offices for telecommuting purposes; provided, however, that no walk-ins or regular client or customer meetings shall be conducted in the units and no employees other than persons living in unit shall be employed in such unit. No unit owner shall be allowed to install a sign visible from the common elements or limited common elements indicating or advertising a commercial use or home office use in any unit. Each unit shall be used by the owner or other occupant(s) thereof in compliance with all applicable laws, ordinances and regulations, and unit owners indemnify and hold harmless the Association and other unit owners and occupants harmless from all fines, penalties, costs and prosecutions for any violation thereof.

Section 9.4 Pets.

The keeping, boarding and/or raising of animals, laboratory animals, livestock, poultry or reptiles of any kind, regardless of number, shall be and is prohibited within any unit or upon the common elements or limited common elements, except that the keeping of small, orderly domestic pets such as dogs, cats or caged birds, aquarium fish or other domesticated species of animals are permitted subject to regulation by the Board. All pets and animals shall be restrained so as not to become noisome or offensive to the occupants of any unit. The unit owner is responsible for the clean up of the pet's excrement, whether within a unit boundaries or on the common elements or limited common elements. No pets shall be allowed to run freely on the Property, nor shall pets be allowed outside of a dwelling within a Unit without both wearing a leash and being under the immediate supervision of a responsible person. With respect to all animals, except fish, the aggregate number of animals per unit shall not exceed two (2). The Association shall have the power to further regulate pets and animals under the Bylaws or rules and regulations of the Association as promulgated or amended from time to time, including without limitation the express power to regulate the size and species of pet, to establish additional behavior requirements and to expel any offending pets and animals from the Property. Notwithstanding the foregoing, no Pit Bulls, Rotweilers, Doberman Pincers or other dog breeds with a general reputation for being aggressive shall be permitted in the Condominium.

Notwithstanding the foregoing, any pet that qualifies as a "service pet" under applicable law for

assistance to the disabled shall be excluded from the foregoing restrictions except for the following: such service pet shall be restrained so as not to become noisome or offensive to the occupants of any unit. The Unit owner is responsible for the clean up of the service pet's excrement, whether within the Unit boundaries or in the common elements or limited common elements. No service pets shall be allowed to run freely on the Property, nor shall services pets be allowed outside of a dwelling within a Unit without both wearing a leash and being under the immediate supervision of a responsible person.

Section 9.5 Leasing of Units.

All leases of units must be in writing in a form approved by the Board. No unit shall be rented for transient or hotel purposes or in any event for an initial term with any tenant of less than one (1) year and no portion of any unit (other than the entire unit) shall be leased for any period, except as allowed in writing by the Board. The written lease of any unit must: (a) require the lessee to comply with this Declaration, Bylaws and rules and regulations of the Association; (b) provide that failure to comply therewith constitutes a default under the lease; and (c) provide that the Board has the power to terminate the lease and to bring summary proceedings to evict the tenant in the name of the lessor thereunder after thirty (30) days prior written notice to the unit owner, in the event of a default by the lessee in the performance of the lease. Each unit owner, promptly following the execution of any lease of a unit, shall forward a conformed copy thereof to the Board.

Section 9.6 Insurance.

Notwithstanding anything in this Article IX to the contrary, nothing shall be done or kept in any unit or in the limited common elements that will increase the rate of insurance for the Property or any part thereof without the prior written consent of the Board. No unit owner shall permit anything to be done or kept in this unit or in the limited common elements that will result in the cancellation of insurance on the common elements or limited common elements or any part thereof or that would be in violation of any law, regulation, ordinance or administrative ruling.

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 notify

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 INDEMNIFY, 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.

ARTICLE X
RIGHTS OF MORTGAGEES

Section 10.1

Any first mortgagee of a unit may file a request identifying itself as a first mortgage holder and the number of the unit encumbered by its mortgage with the Association by certified or registered, first-class mail, return receipt requested or by delivery in hand securing receipt therefore and thereby shall become an "Eligible Mortgage Holder"; the Secretary of the Association shall maintain such information. After the filing of a request by the Eligible Mortgage Holder, the Board shall cause notice to be sent to the Eligible Mortgage Holders of any one or more of the following events affecting the mortgaged unit(s), if so requested.

A. Default by the owner of a mortgaged unit in the payment of monthly common charges, assessments, service charges, or other amounts due the Association that continues for 60 days or as required by the Condominium Act;

B. The lapse, cancellation, expiration or material modification of insurance required to be maintained under this Declaration or Bylaws of the Association;

C. A material amendment to the Declaration requiring the consent of Eligible Mortgage Holders as provided in Section 10.2 below;

D. Any condemnation proceeding against any of the Property;

E. Material destruction of any portion of the common elements or limited common elements or any improvements thereon; or

F. Such other events specified in the Condominium Act.

If in said request to the Association forwarded by an Eligible Mortgage Holder, the mortgage is identified as being subject to the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Veterans' Administration, the Federal Housing Administration or other recognized institutional mortgage programs, then the Association shall maintain such hazard and other insurance policies and coverage required under said mortgage programs and identified in said notice from the institutional mortgage holder, to the extent such insurance is available to the Association.

Section 10.2

For a material amendment to the Declaration except in connection with the exercise of Development Rights and Special Declarant Rights, but subject in any event to the provisions of the Condominium Act, approval must be obtained from Eligible Mortgage Holders representing in the aggregate at least fifty-one percent (51%) of the votes of units subject to mortgages held by Eligible

Mortgage Holders. An amendment affecting any of the following shall be deemed material:

A. Voting rights in the Association;

B. Change in percentage liability for common expenses, assessment liens for common expenses, or the subordination of assessment liens;

C. Reserves for maintenance, repair and replacement;

D. Responsibility for maintenance and repairs;

E. Reallocation of pro rata interests in the common elements or limited common elements or rights to their use;

F. Boundaries of any unit;

G. Convertibility of units into common elements or vice versa;

H. Expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominium;

I. Insurance or fidelity bonds;

J. The rights to lease units;

K. Imposition of any restrictions on a unit owner's right to sell or transfer his or her unit;

L. A decision by the Association to establish self management when professional management had been required previously by an Eligible Mortgage Holder;

M. Restoration or repair of the Property (after damage or destruction, partial taking by eminent domain or condemnation) in a manner other than that specified in this Declaration;

N. Any action to terminate Condominium after substantial damage, destruction or condemnation occurs;

O. Any provisions of this Article or any other provision of this Declaration that expressly benefits mortgage holders, insurers or guarantors;

P. The merger or consolidation of the Condominium with another condominium or the subjection of the Condominium to a master association;

Q. Any change in the Association's right to lien a unit for unpaid common expense assessments or a change in the priority of such liens;

R. Any one-time increase in monthly assessments by more than twenty-five percent (25%); or

S. Any material reduction in the funding of reserves for maintenance, repair and replacement of common elements and limited common elements.

When unit owners are considering termination of the Condominium for reasons other than substantial damage, destruction or taking by eminent domain of the Condominium, the Eligible Mortgage Holders representing at least sixty-seven percent (67%) of the votes of units subject to mortgages held by

Eligible Holders must consent to such termination.

The approval of any Eligible Mortgage Holder to such a material amendment to the Declaration shall be presumed when an Eligible Mortgage Holder fails to submit a response to any written proposal for an amendment within 30 days after the proposal is made.

Section 10.3 Records.

An Eligible Mortgage Holder may, at it sole expense, examine the books, records and accounts of the Association at reasonable times with reasonable advance notice to the Treasurer of the Association; provided, however, that Declarant shall have the right to withhold information in the books, records and accounts of the Association relating primarily to the construction and unit sale activities of Declarant. After the first conveyance of an individual unit (as distinguished from the conveyance of the entire project or Condominium) by the Declarant, the Association shall have an audited financial statement prepared within one hundred and twenty (120) days of the end of the Association's fiscal year. Upon written request from a holder of a mortgage on a unit, an insurer thereof, or an institutional guarantor thereof, the Association shall, within a reasonable period of time, provide a copy of such audited financial statement to such party requesting the same (if the request for a copy of the audited financial statement precedes the 120-day preparation deadline above, then the statement will be provided after it becomes available).

Section 10.4 Dispositions by Mortgagees.

In the event the Association adopts any right of first refusal or purchase option arising in the event of the sale or transfer of a unit, it shall not impair the right of an institutional mortgage lender to foreclose its mortgage, to accept a deed in lieu of foreclosure after written notice of default which deed identifies the circumstances classifying it as such a deed, or to dispose of, advertise, sell or lease a unit acquired under the procedures set forth above, and any such foreclosure or deed shall convey title free and clear of any such right of first refusal or purchase option with respect to such conveyance, but only with respect to such conveyance.

ARTICLE XI

ASSESSMENT FOR COMMON EXPENSES AND SERVICE CHARGES.

Section 11.1 Common Expense Assessments

The total amount of common expenses incurred by the Association shall be assessed against the units in the proportions of common expense liability set forth in **Schedule C**, subject to the following:

A. The common expenses that are not assessed as limited common expenses shall be assessed against all the units in proportion to the relative common expense liability of all the units.

B. A limited common expense shall be assessed solely against all units benefited in proportion to the relative common expense liability of such units as between themselves, as the Board may determine.

C. Assessments to pay a judgment against the Association shall be made as a limited common expense against the units included in the Condominium at the time the judgment was entered.

D. Electricity, gas, water, sewer, cable television and telephone services shall be supplied by the public utility company serving the area directly to each unit through a separate meter and each unit owner shall be required to pay the bills for such services consumed or used in his unit. The electricity, gas, water and sewer serving the common elements shall be separately metered, and the Association shall pay all bills for such services consumed in the common elements as a common expense assessable to all the owners of the units.

"Common expenses" shall be any and all expenses incurred by the Association to operate, maintain, repair, and replace the common elements and limited common elements as necessary to keep the same in a first-class condition with respect to appearance, operation and function and utilities used in connection with the operation and maintenance of the common elements and limited common elements. The foregoing shall include, without limitation: road, driveway and walking path plowing, salting, sanding, and sweeping; road and driveway maintenance; grass cutting and landscaping maintenance and replacement in the common elements and Units (except for flower or vegetable gardens maintained by the Unit owner); the Condominium's prorata share of the cost of maintaining, repairing, resurfacing, plowing, sanding, salting, and sweeping Ballantyne Drive, the sidewalk adjacent thereto and the driveways accessing units 1, 13, 14, and 15 from Ballantyne Drive; and storm water management system maintenance and repair.

Each unit is subject to a lien in favor of the Association for the unpaid common expense assessments, interest and costs of collection as provided in the Condominium Act, which lien may be foreclosed in like manner as a mortgage on real estate. No foreclosure of the Association's lien shall release the unit owner from any personal liability for any unpaid portion of the lien. The recordation of this Declaration constitutes record notice of the lien. Such lien for common expense assessments shall not have priority over a first mortgage securing a loan to purchase a unit, and upon foreclosure of such first mortgage, any liens for then-existing common expense assessments automatically shall be released but without releasing the responsible unit owner from any personal liability for the liability secured by the released lien.

Contemporaneous with the initial conveyance of each unit by Declarant to a party other than a successor declarant, the unit purchaser shall pay to Declarant an amount equal to two (2) months' estimated common expense charges for each such unit, and Declarant shall contribute such payment from the unit purchaser to a working capital fund established by the Declarant as provided below. Such working capital fund shall be established by Declarant, prior to the conveyance of the first unit, as a segregated account, owned by and in the name of the Association, established at a Maine financial institution insured by the Federal Deposit Insurance Corporation or other equivalent federally-sponsored insurance. The Declarant may reimburse itself from such payments collected at closing from unit purchasers if the Declarant has made the working capital fund payment for the units in advance of the closing on the initial conveyance of such units. Working capital fund payments from unit purchasers shall not be credited against or deemed to be prepayment of any assessments against units by the Association. While the Declarant controls the Association pursuant to this Declaration, the Declarant shall not use the working capital fund described above in this paragraph to offset its expenses, to make the required working capital fund contributions for units owned by the Declarant (except to reimburse itself as provided above), or to fund initial construction costs.

The Declarant shall not be liable for any assessments for any particular unit owned by the Declarant until the later to occur of (i) sixty (60) days after the first conveyance of any unit to a purchaser, (ii) until the Association makes its first common expense assessment, and (iii) the date upon which a certificate of occupancy has been issued for such unit owned by the Declarant.

Section 11.2 Service Charges and Fines.

The Association shall have the power to separately charge a unit and the owner thereof for services rendered to that unit, and interest and costs of collection in connection with service charges, and for fines assessed against a unit owner for violation of this Declaration, the Bylaws and the rules and regulations. Such charges and fines shall be a lien on the unit with the same status as a lien for common expense assessments under the Condominium Act, this Declaration and Bylaws, which lien for service charges may be foreclosed in like manner as a mortgage on real estate. The recordation of this Declaration constitutes record notice of the lien.

Service charges shall include without limitation:

A. If a unit owner, members of his/her family, guests or tenants requests the Association or its agent to perform repair and maintenance work on the unit, or a unit owner, members of his/her family, guests or tenants damage the common elements or fail to perform maintenance and repair work required by this Declaration and the Association performs such work pursuant to Article XII below,

the expense thereof as determined by the Board may be assessed as a service charge.

B. Fees, if any, which may be established by the Board for the use and maintenance of water, sewer and/or other utility services and equipment or of recreational facilities. The expense of public utility charges for water and sewer services and of equipment maintenance and repair and reasonable reserve allowances may also be calculated by the Board in their discretion and assessed monthly as a service charge to each unit. At the election of the Board, the expense of capital improvements, major repairs or renovations to the water and sewer supply systems or to recreational facilities may be assessed either as a common expense or as a service charge.

Section 11.3 Liability.

Unit owners shall pay regular and special assessments and service charges levied by the Association without any deduct or offset whatsoever. Multiple owners of a unit shall each be jointly and severally liable with one another for all unpaid common expense assessments, service charges, interest, penalties and costs of collection during their period of unit ownership up to the time of the grant or conveyance. A grantee shall not be prevented from exercising any right to recover from the grantor such amounts paid for those common expenses assessments, service charges, etc. arising prior to the conveyance. A grantee or proposed purchaser under a purchase and sale contract for a unit may obtain, upon request and the payment of such fee as may be established from time to time by the Board, a statement from the Association setting forth the amount of unpaid common expense assessments and service charges, interest, penalties and costs of collection against the unit as of the date of grant or conveyance and such other information required by the Condominium Act. The grantee shall not be liable for, and the unit conveyed shall not be subject to a lien for any unpaid amounts due from the grantor before the statement date in excess of the amount set forth in the statement except interest and costs of collection accruing thereafter.

Section 11.5 Budget.

The proposed budget approved by the Association's Board shall be adopted unless rejected by a sixty-seven percent (67%) vote of all unit owners. After the first conveyance of an individual unit, the budget must contain funding for an adequate reserves for replacements of improvements to the common elements and to those limited common elements that the Association is obligated to maintain.

Section 11.6 Violations.

Any unit owner in default in the payment of any amount due the Association or in violation of any provision of the Condominium Act, this Declaration, the Bylaws, or the rules and regulations of the Association, which violation continues after reasonable notice to cure by the Association to the unit

owner may be prohibited by the Board from the use and enjoyment of any and all of the common elements that are not essential to access to the unit or for the provision of necessary utilities, in addition to all other remedies available to the Board.

ARTICLE XII
MAINTENANCE AND REPAIR

Section 12.1 Maintenance and Repair of Units.

A. Except as provided in this Declaration, the maintenance of the units and limited common elements shall be allocated between the unit owners and the Association in accordance with the Section 1603-107(a) of the Condominium Act. Each unit owner shall keep and maintain all buildings, structures, improvements and fixtures within and upon a unit and the limited common elements allocated exclusively to that unit in good order, condition and repair and in a clean and sanitary condition, all at the unit owner's sole cost and expense, whether such maintenance and repair shall be structural or nonstructural, ordinary or extraordinary, and shall do all exterior redecorating and painting that may at any time be necessary to maintain the good appearance and condition of his unit comparable to new and otherwise in accordance with the standards and schedules established by the Board from time to time. Each unit owner shall perform his maintenance responsibility in such manner as shall not unreasonably disturb or interfere with the other unit owners. If any unit owner fails to perform such maintenance or repair within one hundred and eighty (180) days of written notice from the Association or in the event of emergency, the Association through its officers or managing agent shall have the right, but not the obligation, to enter the unit and perform such maintenance or repair in the name of the owner. The Association shall be entitled to assess the expense thereof as a service charge due in full at the time of the next regular monthly payment. Each unit owner shall promptly report to the Board or the managing agent any defect or need for repairs to the common elements and limited common elements for which the Association is responsible pursuant to this Declaration or the Condominium Act.

B. No unit owner shall rake, sweep or throw, or permit to be raked, swept or thrown, from his unit onto the common elements or limited common elements any leaves, dirt, debris, trash or other substance.

C. Rubbish and debris shall be stored between pickups in the unit's garage in sanitary receptacles with sealing covers or as required by Town ordinances or by the rules and regulations adopted by the Board, and shall be placed curbside for pickup in such receptacles with the covers placed tightly over the receptacles and promptly re-stored in a garage after rubbish pickup.

D. No articles of personal property belonging to any unit owners shall be stored in any portion of the common elements or limited common elements.

E. Without the prior written consent of the Board, no additional dwellings,

buildings, structures, additions, improvements, fixtures, including without limitation, patios, decks, porches, sheds, trees or other landscaping improvements, shall be constructed on or within a unit after initial construction of the dwelling and garage on the unit by the Declarant. Unit owners shall not paint, stain or otherwise change the color of any exterior portion of any structure or improvement on a unit to a color other than that originally sold by the Declarant, without the prior written consent of the Board. Notwithstanding the forgoing, Unit owners may plant a flower or vegetable garden behind the dwelling within their respective Units provided that such garden shall not extend beyond the sight lines of the dwelling and shall not extend beyond the rear boundary of the Unit.

In the event that any such items are installed or constructed on a unit without the consent of the Board, the Board may, in its discretion but without any obligation to do so, enter the unit with agents or contractors to remove the unauthorized improvements and otherwise restore the unit to its prior condition and charge all costs of removal and disposal of such improvements and restoration to the unit owner as a service charge as provided in this Declaration. With respect to any improvements installed, built, planted or made by the unit owner with the consent of the Board, the Association shall have no obligation for maintenance, repair or replacement other than standard foundation plantings and grass areas that are the same as provided in the standard construction plan. In the event such authorized improvements become unsightly, deteriorated, dilapidated, or any planting within the unit becomes weedy or dies, the Association shall have the right to enter the unit, remove the deteriorated improvement or landscaping, restore it to a condition similar to the condition provided for standard construction and plantings in the Condominium, and assess the cost of such improvement and repair to the unit owner.

F. No unit owner shall use his unit in such a manner as to create a nuisance or disturbance of other unit owners. No unit owner shall play or operate any electronic or mechanical, sound-producing machinery, appliance or device outside his unit between the hours of 10:00 p.m. and 8:00 a.m., or otherwise if such playing or operation shall disturb or annoy the occupants of any other unit. No unit owner shall erect or maintain an outside television or radio antenna, except for small satellite dishes not in excess of 18 inches in diameter which may be installed with the prior written consent of, and pursuant to any conditions imposed by, the Board, and which nevertheless must be installed (i) such that they are not visible from Ballantyne Drive or Audubon Way and (ii) otherwise in the most visually discrete manner.

G. Pursuant to the approvals received from the Town of Scarborough, the following restrictions apply to the Condominium.

(1) Rubbish removal shall be provided by a private contractor;

(2) Audubon Way is a private way and all portions thereof shown on the plan shall be maintained by the Association, its successors and assigns, subject to the terms and conditions of the Access Easement described on **Schedule A** attached hereto.

(3) The detention pond as shown on the plans shall not be altered and shall be maintained in compliance with the Drainage and Flowage Easement identified in **Schedule A** and in the condition required by the Town of Scarborough pursuant to the Planning Board approval for the Condominium and/or the Maine Department of Environmental Protection, including without limitation the following:

a. After each significant rainfall event, or at least monthly, the detention pond will be visually inspected to assure that the outlet structure is not blocked and that no signs of erosion are apparent within the berming or riprap;

b. Any signs of erosion or blockage shall be immediately repaired to assure vigorous growth of vegetation, stability of the impoundment and treatment structures, and functioning of the outlet structure;

c. The detention pond will be inspected on an annual basis to assure that significant sediment accumulation has not occurred. Whenever the outlet culvert is 25% inundated with sediment, the accumulated sediment shall be removed and disposed of properly;

d. Paved surfaces within the Condominium shall be swept or vacuumed at least annually in the spring to remove all winter sand and periodically during the year on an as-needed basis to minimize the transportation of sediment during rainfall events;

e. Embankments and swales will be maintained to preserve their integrity as impoundment and treatment structures including mowing, control of woody vegetation, erosion control and repair, and outlet control structure maintenance and repair; and

f. Swales that show newly formed channels or gullies will be immediately repaired by reseeding/sodding of bare spots, removal of trash, leaves and/or accumulated sediments, and the control of woody or other undesirable vegetation;

(4) All electrical, cable and telephone service serving the Condominium shall be underground.

H. Common elements and limited common elements provided for access to the units shall be used only for access to and from units by vehicles and pedestrians and shall not be blocked by any personal property of unit owners, their tenants, families and guests.

Section 13.2 Maintenance and Maintenance Contracts.

The Association and its designees shall maintain, repair and replace the common elements including the limited common elements (except as otherwise specifically provided herein) and shall establish reasonable reserves for such purposes. No unit owner shall do any of the foregoing without the prior written permission of the Board in each instance. No management contract may be for a term exceeding three (3) years and any such contract shall be terminable for cause upon 30 days' notice. Any professional management contract entered into by the Association prior to the expiration of the period of Declarant Control may be terminated without cause and without penalty at any time after the expiration of such control upon written notice.

Section 13.3 Exterior Appearance.

The Association may adopt reasonable rules and regulations regulating antennas, window shades and blinds, or any other structures, fixtures or personal property that materially and adversely affects the appearance of the exterior of buildings and other structures within or upon a unit. Unit owners shall not erect fences, signs, structures, canopies, sheds or other structures, plant or remove trees, shrubs or flowers or materially alter the landscape or grading, including without limitation the planting of gardens in the common elements, limited common elements or unit (except as provided in Section 12.1(E) above), or do anything to alter the exterior or outside appearance of the units and the buildings and structures thereon and therein. To the extent that grass areas within the unit may be accessed by the Association's standard grass-cutting machinery, grass will be cut at such times and in the manner of the grass in the common elements. To the extent that they are accessible by the Association's standard snow removal equipment, the Association will be responsible for snow removal on the limited common element drives to the garages on a unit at the times the Association has snow removed from Audubon Way.

Section 13.4 Preservation of Property.

No unit owner shall in any manner jeopardize the soundness or safety of the Property, create a nuisance, reduce the value thereof, or impair any easements, rights, appurtenances or the use and benefit of common elements, as determined in the judgment of the Board. None of the Board, the Association or any managing agent is responsible for the safety and security of vehicles or other personal property of any nature within a unit or left on the common elements or limited common elements.

Section 13.5 Liability for Damage.

Each unit owner shall be liable for the expense of maintenance, repair or replacement of (i) any damage to his unit and (ii) any damage to the common elements, limited common elements or to another unit caused by such unit owner's act, neglect or carelessness or by that of any member of such unit

owner's family, or such unit owner's tenants, guests, invitees, employees, agents, contractors, or their pets. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy, or abandonment of any unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation against such unit owner.

The Association shall not be liable for the failure of electricity, telephone, water supply, sewage disposal systems, or other services to be obtained by the Association or paid for out of the common expense or service charge funds, or for injury or damages to persons or property caused by the elements or by the owner of any unit or by any other person, or resulting from electricity, water, snow or ice which may leak, fall or flow from or settle on any portion of the common elements or limited common elements or from any wire, pipe, drain, conduit, appliance or equipment. The Association shall not be liable to the owner of any unit for loss or damage, by theft, or otherwise, of property which may be stored upon or in any individual unit or in any of the common elements, limited common elements or facilities. No set-off, diminution or abatement of common expenses assessments or service charges shall be claimed or allowed for the expense, damage or discomfort arising from the making of repairs or improvements to the common elements, limited common elements or facilities or to any unit, or from any action taken by the Association to comply with any law, ordinance, or order of any other governmental authority.

ARTICLE XIV
ASSOCIATION

Section 14.1 Owners Association and Bylaws.

Each unit owner and/or owners shall be a member of the Association, a non-profit and non-stock corporation organized under the laws of the State of Maine and to be known as the "Ballantyne Place Condominium Association". Membership shall be appurtenant to the units, and the transfer of title to a unit shall automatically transfer the membership appurtenant to that unit to the transferee or transferees. The granting of a mortgage by a unit owner, however, shall not transfer membership until foreclosure or sale in lieu of foreclosure. The Association shall have all the powers set forth in herein and in Section 1603-102 of the Condominium Act and as set forth in the Bylaws of the Association, all as if fully set forth herein. Any failure of the Board to enforce any provision of this Declaration, the Bylaws or rules and regulations shall not be deemed to be a waiver of such provision waived in writing. The written waiver by the Board of any provision of this Declaration, the Bylaws or the rules and regulations shall apply only to the specific provision being waived on that occasion and to no other provision or any other occasion.

ARTICLE XV

MISCELLANEOUS

Section 15.1 Interpretation.

In the event of any conflict or discrepancy between this Declaration and the Plat, this Declaration shall govern.

Section 15.2 Conflict.

If any provision of this Declaration, the Bylaws or the rules and regulations of the Association, or any section, sentence, clause, phrase, or word herein or therein, or the application thereof in any circumstances be judicially held in conflict with any applicable laws, including, but not limited to, the Condominium Act, then the laws shall be deemed controlling; but the validity of the remainder of this Declaration, the Bylaws and rules and regulations of the Association, and the application of any such provision, section, clause, phrase, or word in other circumstances shall not be affected thereby.

Section 15.3 General Provisions.

A. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provisions hereof.

B. The use of the singular number in this Declaration shall be deemed to include the plural, the plural the singular, and the use of any one gender shall be deemed applicable to all genders.

C. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches that may occur.

Section 15 4 Interpretation.

Any dispute or disagreement between unit owners with respect to interpretation or application of this Declaration or the Bylaws or rules and regulations shall be determined by the Board, which determination shall be final and binding on all parties.

Section 15.5 Invalidity.

If any term, covenant, provision, phrase or other element of this Declaration, the Bylaws, any deed to a unit, or the rules and regulations of the Association is held to be invalid or unenforceable for any reason whatsoever, such holdings shall not affect, alter, modify, or impair in any manner, any other term, covenant or provision, phrase or other element of such documents.

Section 15.6 Provisions Regarding Private Sewer System.

A. So long as any portion of the Property is served by a private sewage disposal system, no amendment or termination of this Declaration relating to the repair, replacement, operation or funding of said private sewage disposal system shall be effective unless approved by the Town of Scarborough Planning Board and the Scarborough Sanitary District.

B. In the event of any malfunction of the sewage disposal system or any component thereof, the Association shall be deemed to be the owner, occupant, tenant and occupant-in-possession as those terms are used in Section 3428 of Title 30-A of the Maine Revised Statutes, as it may be amended from time to time. The Town of Scarborough may give all notices, serve all orders and pursue all remedies provided in said statute directly against the Association. The Association shall be responsible to the Town or the Scarborough Sanitary District for remedying any malfunction in the sewage disposal system and for abating any nuisance caused by any such malfunction.

C. No amendment or termination of this Declaration relating to the repair, replacement, operation or funding of the storm water drainage system shall be effective unless approved by the Town of Scarborough Planning Board and the Maine Department of Environmental Protection, if necessary.

D. In the event of a malfunction or obstruction of any storm water drain or other storm water management device located on the Property, to the extent that such malfunction or obstruction damages any street or highway, the Association shall be deemed to be the person using the drain as that term is used in Section 3426 of Title 30-A of the Maine Revised Statutes, as such may be amended from time to time, and the Town of Scarborough may give all notices, serve all orders and pursue all remedies provided under such statute directly against the Association and the Association shall be responsible for remedying any malfunctions, obstruction or disrepair of such drain or device and for repairing any damage to the street or highway caused by such malfunction, obstruction or disrepair.

Section 15.7 Dispute Resolution.

Except as provided in this Declaration, the Association and/or any aggrieved unit owner shall have a right of action against any unit owner who fails to comply with this Declaration, the By-laws, the rules and regulations issued by the Association or a decision of the Association.

In any dispute between one or more unit owners and the Declarant regarding this Declaration after the expiration of the Declarant Control Period, the Board shall act for the unit owners, and any agreement with respect thereto by the Board shall be conclusive and binding upon the unit owners. As such, each unit owner, except the Declarant, hereby irrevocably constitutes and appoints the Association its true and lawful attorney, with full power of substitution, to represent such unit owner in any proceedings, negotiations, settlements, or agreements in connection with a dispute with the Declarant.

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. This power of attorney shall not be affected by the disability or incompetence of such a unit owner. In any dispute between one or more unit owners arising under this Declaration, prior to formally initiating any litigation, the unit owners involved will submit their dispute in writing to the Board for mediation and will make a good faith effort to resolve the dispute through mediation with the Board.

Section 15.8 Municipal Ordinances.

This Declaration is independent of any requirements or restrictions imposed by the Ordinances of the Town of Scarborough. Nothing in this Declaration relieves any person of any obligation to comply with such ordinances. The Town of Scarborough has no authority or responsibility to enforce the provisions of this Declaration.

ARTICLE XVI

NOTICES

Section 16.1

Any notice required or given pursuant to this Declaration to the Association or to any unit owner may be delivered to any Association director or officer or to such unit owner respectively either by delivering it in person, by sending it to his/her unit by first-class mail, postage prepaid, or by delivering it to the unit by hand, or as otherwise permitted by the Bylaws.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed as of September 23, 2003.

Witness Tom S. Hanson

Ballantyne Development, LLC

By: _____
Kerry D. Anderson
Its Sole Member

STATE OF MAINE
COUNTY OF CUMBERLAND

September 23, 2003

Personally appeared before me the above-named Kerry D. Anderson, Sole Member of Ballantyne Development, LLC as aforesaid, and acknowledged the foregoing to be his free act and deed in said capacity and the free act and deed of said company.

Attorney-at-Law/~~Notary Public~~
Print name: Tom S. Hanson

SCHEDULE A

LEGAL DESCRIPTION

A certain parcel of land, with the improvements thereon, situated on the easterly side of Commerce Drive in the Town of Scarborough, County of Cumberland and State of Maine, as shown on a Subdivision Plan of Ballantyne Place, Sheet 1 of 2, prepared by Sebago Technics, Inc., dated July 11, 2002, further bounded and described as follows:

Beginning at the southwesterly corner of the intersection of Ballantyne Drive and Commerce Drive;

Thence by and along a curve to the right with a radius of 10.00 feet, a length of 14.23 feet, having a chord of N 37°- 32'- 23" E, 13.06 feet to a point of tangency;

Thence N 78°-17'-43" E, by and along the southerly side of Ballantyne Drive, a distance of 135.12 feet;

Thence S 09°-28'-37" E, by and along remaining land of Ballantyne Development LLC, a distance of 14.16 feet;

Thence S 47°-19'-49" E, by and along land now or formerly of Richard Sullivan and State of Maine Conservation Easement Area as described in deed recorded at Cumberland County Registry of Deeds in Book 12870, Page 19, a distance of 231.47 feet;

Thence S 54°-44'-24" E, continuing along said Conservation Easement, a distance of 367.80 feet;

Thence by and along remaining land of Ballantyne Development, LLC the following bearings and distances:

S 88°-16'-24" E, 96.33 feet;
N 61°-08'-39" E, 119.11 feet;
N 81°-05'-07" W, 64.68 feet;
N 39°-12'-45" E, 68.15 feet;
N 11°-14'-05" W, 58.17 feet;
N 30°-37'-35" W, 108.84 feet;
N 43°-39'-51" W, 168.99 feet;
N 56°-19'-58" W, 139.86 feet to the southeasterly end of Ballantyne Drive as shown on said plan;

Thence N 20°- 45'- 28" E, by and along end of said drive, a distance of 50.00 feet;

Thence by and along the northerly sideline of said drive along a curve to the left with a radius of 445.00 feet, a length of 252.13 feet, having a chord of N 85°-28'-24" W, 248.77 feet to a point of tangency;

Thence S 78°-17'-43" W, continuing along the northerly sideline of said drive, a distance of 431.12 feet to a point of curvature;

Thence continuing along the northerly sideline of said drive along a curve to the right with a radius of 10.00 feet, a length of 16.84 feet, having a chord of N 53°-27'-07" W, 14.92 feet to the easterly sideline of Commerce Drive;

Thence by and along the easterly side of Commerce Drive in an opposite direction of the last bearing and distance given along a curve to the right with a radius of 2030.00 feet, a length of 70.26 feet, having a

chord of S 04°- 12'- 26" E, 70.26 feet to the POINT OF BEGINNING.

Together with the benefit of an appurtenant, non-exclusive easement for access to and from the Property and Commerce Drive by vehicles and pedestrians on Ballantyne Drive as shown on the Plat, subject to the Condominium's obligation to share prorata, according to the number of dwelling units, on the Property and the Additional Land, using the road, the costs to operate, maintain, repair and replace such road and curbing and subject to the Declarant's, or its successors' and assigns', right to use Ballantyne Drive for any purposes whatsoever with respect to the Declarant's Additional Land and any abutting land that may be later acquired by Declarant.

Together with the benefit of appurtenant, non-exclusive easements to use and maintain underground lines, pipes, wires, conduits, and cables for the provision of storm water drainage, water, electricity, telephone and cable television between the Property and Commerce Drive, the approximate locations as shown on the Plat as lines labeled "SD", "W", "UGE&T", subject to the Condominium's obligation to share prorata, according to the number of dwelling units, on the Property and the Additional Land, using the such lines, pipes, wires, conduits and cable, the costs to operate, maintain, repair and replace such underground lines, pipes, wires, conduits, and cables and subject to the Declarant's, or its successors' and assigns', right to use such underground lines, pipes, wires, conduits, and cables for any purposes whatsoever with respect to the Declarant's Additional Land and any abutting land that may be later acquired by Declarant.

Together with a temporary vehicle access easement on the Additional Land, which easement shall automatically expire without any action on the part of the Declarant or the unit owners, upon completion of the extension of Ballantyne Drive such that it connects both ends of Audubon Way, for purposes of turning around vehicles, in the area shown on the Plat as "Temporary Turn Around Area".

Together with the benefit of appurtenant, non-exclusive easements across the Additional Land in the areas shown on the Plat as driveways accessing units 1, 13, 14 and 15 from Ballantyne Drive, such easements being for access by vehicles and pedestrians to and from such units, together with the right to maintain and repair such driveways.

Subject to:

Declarant reserves an appurtenant, non-exclusive easement benefiting the Additional Land for pedestrians and bicycles across and over the recreational paths on Property, as shown on the Plat as "Pedestrian/Bike Path". Declarant also reserves an easement in gross for the same purposes, together with the unrestricted right to assign rights in such easement to any number of other users.

Declarant reserves an appurtenant, non-exclusive easement benefiting Additional Land for storm water drainage through, over and across the Property, including the right and easement to divert water to and to flood the detention pond on the Property, all as shown on the Plat. Declarant also reserves an easement in gross for same purposes, together with the unrestricted right to assign rights in such easement to any number of other users.

Declarant reserves an appurtenant, non-exclusive access easement benefiting the Additional Land across and through Audubon Way for access by vehicles, equipment and pedestrians to the Additional Land from and to Ballantyne Drive.

Declarant reserves an appurtenant, non-exclusive underground storm water drainage pipe easement across and under the Property, to install, use, repair and replace underground storm water drainage pipes, and to enter upon the Property with workers and equipment to perform such work, and to tie into and use the existing storm water drainage pipe for the conveyance of storm water run off, all in the locations shown

on the Plat and labeled with "SD"; provided, however, that Declarant shall use reasonable efforts to restore any disturbed areas to their condition prior to disturbance within practical limitations. Declarant also reserves an easement in gross for the same purposes, together with the unrestricted right to assign rights in such easement to any number of other users.

Declarant reserves an appurtenant, non-exclusive sewer pipe easement, to install, use, maintain, repair and replace sanitary sewer pipe across and under the Property, and to enter upon the Property with workers and equipment to perform such work, and to tie in and use the existing sewer system for sanitary sewage suitable for disposal in the Scarborough Sanitary District sewer system (or any replacements of or substitutions for said system), all in the approximate location shown on the Plat and labeled with an "S"; provided, however, that Declarant shall use reasonable efforts to restore any disturbed areas to their condition prior to disturbance within practical limitations. Declarant also reserves an easement in gross for the same purposes, together with the unrestricted right to assign rights in such easement to any number of other users.

Declarant also reserves an appurtenant, non-exclusive utility easement benefiting the Additional Land to install, use, repair, and replace any under or above ground utility lines, pipes, conduits, wires, and all related equipment, including without limitation, poles, guys, anchors, concrete pads, transformers and other utility juncture boxes, for any utility services, including without limitation electricity, telephone, cable television, gas, water, and sewer, such utility easement to be in such locations on the Property, except for units, as Declarant determines in Declarant's sole discretion and those shown on the Plat and labeled with a "G", "UGE&T" and "W", including the right and easement to enter upon the Property with workers and equipment to perform such work, provided that Declarant shall use reasonable efforts to restore any disturbed areas to their condition prior to disturbance within practical limitations (excluding any utility equipment installed pursuant hereto). Declarant also reserves an easement in gross for the same purposes, together with the unrestricted right to assign rights in such easement to any number of other users.

A 50-foot Sewer Right-of-Way to the Town of Scarborough described in deeds dated August 24, 1962 and recorded at Cumberland County Registry of Deeds in Book 2699, Page 81, and dated September 29, 1962 and recorded in said Registry in Book 2710, Page 30.

A 50-foot by 50-foot easement to the Town of Scarborough as described in deed dated January 24, 1997 and recorded at the Cumberland County Registry of Deeds in Book 13312, Page 1.

Floating access and sewer easements, and a located access easement, reserved in a Warranty Deed from Richard J. Sullivan and Patricia D. Sullivan to Ballantyne Development LLC dated April 18, 2003 and recorded in the Cumberland County Registry of Deeds in Book 19229, Page 151.

Maine Department of Environmental Protection Site Location Order dated December 20, 2002, and recorded in the Cumberland County Registry of Deeds in Book 18771, Page 165.

SCHEDULE B

A certain parcel of land situated easterly of but not adjoining Commerce Drive and southerly of and adjoining the "Bessey School" property, in the Town of Scarborough, County of Cumberland and State of Maine, as shown on a "Subdivision Plan of Ballantyne Place – Phase One", Sheet 2 of 7, prepared by Sebago Technics, Inc., dated May 17, 2002, last revised on December 17, 2002, and recorded in the Cumberland County Registry of Deeds in Plan Book 203, Page 74, further bounded and described as follows:

Beginning at an iron pin found at the northwesterly most corner of the herein described parcel; said point also being the southwesterly corner of land now or formerly owned by the Town of Scarborough, known as the Bessey School;

Thence N 71°-10'-26" E, by and along the land of said school, a distance of 1,132.49 feet to a corner and land now or formerly owned by Ballantyne Development LLC as described in a deed recorded in the Cumberland County Registry of Deeds in Book 15783, Page 61;

Thence S 10°-38'-17" E, by and along land of Ballantyne Development LLC, a distance of 970.15 feet to a point;

Thence S 54°-51'-35" E, continuing along said Ballantyne Development LLC, a distance of 790.00 feet to a point on the northerly sideline of the Old Eastern Road;

Thence S 48°-08'-25" W, by and along the northerly sideline of said road, a distance of 641.77 feet to land now or formerly owned by Richard Sullivan and State of Maine Conservation Easement Area further described in a deed recorded at Cumberland County Registry of Deeds in Book 12870, Page 19;

Thence N 58°-10'-00" W, by and along said Conservation Easement, a distance of 262.80 feet;

Thence N 42°-56'-37" W, continuing along said Conservation Easement, a distance of 225.36 feet;

Thence N 45°-11'-38" W, continuing along said Conservation Easement, a distance of 244.44 feet;

Thence N 66°-47'-06" W, continuing along said Conservation Easement, a distance of 399.75 feet;

Thence N 00°-50'-41" W, continuing along said Conservation Easement, a distance of 310.65 feet;

Thence N 54°-44'-24" W, continuing along said Conservation Easement, a distance of 367.80 feet;

Thence N 47°-19'-50" W, continuing along said Conservation Easement, a distance of 231.47 feet to land of Ballantyne Development LLC;

Thence N 09°-28'-37" W, by and along said land of Ballantyne Development LLC, a distance of 159.94 feet to the point of beginning.

Also including:

A certain lot or parcel of land, with the improvements thereon, situated at the southerly terminus of Westwood Avenue and Ward Street and on the northerly side of "Old Eastern" (formerly location of Boston and Maine Railroad) in the Town of Scarborough, County of Cumberland and State of Maine, bounded and described as follows:

BEGINNING at a 5/8" iron rod set on the westerly sideline of Ward Street at the southeasterly corner of Lot 56 as it is delineated on "PLAN SHOWING SUBDIVISION OF PROPERTY AT OAK HILL, SCARBORO, MAINE OWNED BY T. ALONZO LIBBY" dated Sept. 1915 and recorded in the Cumberland County Registry of Deeds in Plan Book 13, Page 23;

Thence N 79° 22' 23" E along the terminus of the accepted portion of Ward Street, 40.03 feet to the southwesterly corner of Lot 57 on the named Alonzo Libby plan;

Thence S 08° 33' 39" E along the westerly boundary of Lot 7 and the extension thereof, across a proposed street to the northerly boundary of Lot 12 as Lots 12 & 7 are delineated on "PLAN OF SUBDIVISION OF OAKWOOD FARMS AT OAK HILL IN SCARBORO, MAINE OWNED BY GUY H. STEVENS", DATED Nov. 22, 1946 and recorded in said Registry of Deeds in Plan Book 32, Page 33, a distance of 150.10 feet to a point;

Thence S 79° 22' 23" W along the northerly boundary of said Lot 12 40.03 feet to the northwesterly corner thereof;

Thence S 08° 33' 39" E along the westerly boundary of said Lot 12 a distance of 110.07 feet to a drill hole found in a large rock marking the southwesterly corner of said Lot 12;

Thence N 79° 22' 23" E along land now or formerly of Lorraine and Leonard Libby, being along the southerly bounds of the last named subdivision, 565.332 feet to the southeasterly terminus of Westwood Avenue as shown on said Plan;

Thence S 08° 38' 50" E along land now or formerly of George and Verna Whipple 69.31 feet to a 5/8" iron rod set;

Thence S 79° 22' 23" W along land now or formerly of Christina Conley 408.74 feet to a 5/8" iron rod set at the northwest corner of said Conley land;

Thence by the following courses and distances across land of Richard Sullivan, et al:

S 07° 53' 30" W 163.65 feet to a 5/8" iron rod set;
S 06° 11' 00" E 558.04 feet to a 5/8" iron rod set;
N 67° 36' 00" E 644.00 feet to a 5/8" iron rod set in the westerly boundary of land now or formerly of Robert L. Feeney;

Thence S 09° 10' 10" E along said Feeney land 314.94 feet to a 5/8" iron rod set on the northerly sideline of the former location of Boston and Maine Railroad, know as "Old Eastern";

Thence S 48° 08' 25" W along said Old Eastern 680.00 feet to a 5/8" iron rod set;

Thence N 54° 51' 35" W across land of Richard Sullivan et al 790.00 feet to a 5/8" iron rod set;

Thence N 10° 38' 17" W across Richard Sullivan's et al land 970.15 feet to a 5/8" iron rod set on the southerly boundary of the Town of Scarborough "Bessey School Lot";

Thence N 71° 10' 25" E along said school lot 285.00 feet to a 5/8" rod set;

Thence N 79° 22' 23" E along land now or formerly of Calvin L. Austin Family Trust, 178.60 feet to the point of beginning, containing 22.157 acres and being delineated on a plan entitled, "STANDARD BOUNDARY SURVEY ON BLACK POINT ROAD, OLD EASTERN, WESTWOOD AVENUE &

WARD STREET SCARBOROUGH, MAINE MADE FOR KERRY D. ANDERSON", dated May 27, 1998 (revision 08-18-2000) by Owen Haskell, Inc.

Excepting from all of the foregoing the Condominium land as described in Schedule A above.

Also, any additional land acquired by Declarant within 3,000 feet of the Property.

SCHEDULE C

Unit No.	Initial Common Element and Assessment Interest	Initial Voting Interest
1	6.6666%	1
2	6.6667%	1
3	6.6667%	1
4	6.6667%	1
5	6.6667%	1
6	6.6667%	1
7	6.6667%	1
8	6.6667%	1
9	6.6666%	1
10	6.6667%	1
11	6.6667%	1
12	6.6667%	1
13	6.6666%	1
14	6.6666%	1
15	6.6666%	1
TOTAL	100.000%	15

BALLANTYNE PLACE CONDOMINIUM
LIMITED JOINDER AND AGREEMENT OF MORTGAGEE

The undersigned, BANKNORTH, N.A., a national bank with a place of business at One Portland Square, Portland, Maine 04101, as holder of and mortgagee under a certain First Mortgage, Security Agreement & Financing Statement (the "Mortgage") from BALLANTYNE DEVELOPMENT, LLC dated April 18, 2003, and recorded in the Cumberland County Registry of Deeds in Book 19229, Page 155, covering premises located at Ballantyne Drive in Scarborough, Maine as more particularly described in the Mortgage (the "Property"):

Hereby confirms its consent to and joins with Ballantyne Development, LLC in submitting the Property and the buildings, improvements and rights appurtenant thereto to the Maine Condominium Act, Title 33, Chapter 31, Section 1601-101 et seq., of the Maine Revised Statutes Annotated, as amended, as well as in the creation of units, common elements and limited common elements thereunder, all as described in the Declaration of Ballantyne Place Condominium (the "Declaration") dated as of September 23, 2003, and recorded or to be recorded in said Registry of Deeds, and as shown on the condominium plat recorded or to be recorded in said Registry of Deeds entitled "Ballantyne Place Condominium Plat" prepared by Sebago Technics and dated August 7, 2003, all being subject to the lien of the Mortgage, for the sole and limited purposes of evidencing its consent as mortgage holder and secured party to such additions and actions; PROVIDED, that such joinder and consent shall not be construed to make said Banknorth, N.A., its successors and assigns, as mortgagee and secured party, the Declarant or to impose on it any of the obligations or liabilities of the Declarant under the Declaration, as may amended, including without limitation any obligation or liability of any kind to any purchaser(s) of any units, and Banknorth, N.A. makes no warranties or covenants to any person or party as to title, merchantability, fitness for any particular purpose, physical condition or otherwise as to the Property, express or implied.

The undersigned hereby agrees that in the exercise of its rights as mortgagee and secured party under the Mortgage, the undersigned will recognize the actions taken under the Declaration pursuant to the provisions of the Maine Condominium Act.

IN WITNESS WHEREOF, the said Banknorth, N.A. has caused this instrument to be executed by Richard A. Blake, its Senior Vice President, this 17 day of September, 2003.

BANKNORTH, N.A.

By: _____
Richard A. Blake
Its Senior Vice President

State of Maine
County of Cumberland

September 17, 2003

Personally appeared before me the above-named Richard A. Blake, Senior Vice President of Banknorth, N.A. as aforesaid, and acknowledged the foregoing to be his free act and deed in said capacity and the free act and deed of said corporation.

_____
~~Notary Public~~/Attorney-at-Law
Print name: Richard H. Spencer JR
My commission expires:

Received
Recorded Register of Deeds
Sep 24,2003 02:31:49P
Cumberland County
John B. O Brien