EXHIBIT F

RIVER RUN MOTEL CONDOMINIUM

BYLAWS

ARTICLE I

PLAN OF UNIT OWNERSHIP

1. Purpose. The administration of the Condominium shall be governed by these Bylaws which are annexed to the Declaration of the River Run Motel Condominium and are made a part thereof, and all present and future holders of any interest in the Condominium shall be members of the River Run Association which is a "condominium management association" organized and operated to provide for the acquisition, construction, management, maintenance and care of "association property" as those terms are defined in Section 528 of the Internal Revenue Code. No part of the net earnings of said Association shall inure (other than by acquiring, constructing or providing management, maintenance and care of "association property" and other than by a rebate of excess assessments pursuant to Article V, Section 1(c) hereof) to the benefit of any Unit Owner.

2. Definitions. Capitalized terms not otherwise defined in these Bylaws or in the Declaration shall have the meanings specified in Section 3 of the Condominium Act.

3. Bylaws Applicability. The provisions of these Bylaws are applicable to the Property, and the use, occupancy, sale, lease or other transfer thereof. All present and future Owners, tenants, future tenants, their guests, licensees, servants, agents, employees and any other Person who shall use the facilities of the Condominium, shall be subject to these Bylaws and to the Rules of the Condominium. The acceptance of a deed of conveyance or the entering into a lease or the act of occupancy of a Unit or any other portion of the Condominium shall constitute an acknowledgement that such Owner, tenant or occupant has accepted and ratified these Bylaws, the provisions of the Declaration and the Rules and will comply with them.

4. Office. The office of the Condominium and of the Board of Directors shall be located at the Condominium or at such other place as may be designated from time to time by the Board of Directors.

ARTICLE II

UNIT OWNERS' ASSOCIATION

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1. Composition. All of the Unit Owners, acting as a group in accordance with the Condominium Act, the Declaration and these Bylaws, shall constitute the "Unit Owners' Association," which shall have the responsibility of administering the Condominium,

establishing the means and methods of collecting the assessments for Common Expenses, arranging for the management of the Condominium, and performing all of the acts that may be required to be performed by the Unit Owners' Association by the Condominium Act. Except as to those matters which the Act, the Declaration or these Bylaws specifically require to be performed by the vote of the Unit Owners, the administration of the Condominium shall be performed by the Board of Directors (as more particularly set forth in Article III).

2. Voting Each Unit which has been conveyed or rented by the Declarant shall be entitled to the number of votes equal to the Percentage Interest assigned to such Unit in the Declaration. Since a Unit Owner may be more than one person, if only one of such persons is present at a meeting of the Association, that person shall be entitled to cast the votes appertaining to that Unit. But if more than one of such persons is present, the vote appertaining to that Unit shall be cast only in accordance with the agreement of a majority of them, and such consent shall be conclusively presumed if any one of them purports to cast the vote appertaining to that Unit without protest being made forthwith by any of the others to the person presiding over the meeting. As applied to a person which is not a natural person, the word "person" shall be deemed for the purposes of this Section to include, without limitation, any one natural person having authority to execute deeds on behalf of such person which is not a natural person and which is, either alone or in conjunction with another person or persons, a Unit Owner. Except where a greater number is required by the Condominium Act, the Declaration, or these Bylaws, a majority of the votes of Unit Owners' Association. If the Declarant owns or holds title to one or more Condominium Units, the Declarant shall have the right at any meeting of the Unit Owners' Association to cast the votes to which such Unit is entitled.

3. Place of Meeting. Meetings of the Unit Owners' Association shall be held at the principal office of the Condominium or at such other suitable place as may be designated by the Board of Directors and stated in the notice of the meeting.

4. Annual Meeting. The first annual meeting of the Unit Owners' Association shall be held on a date to be determined by the Declarant, which date shall be within one (1) year after the formation of the Association by the recordation of the Declaration. Notice of such meeting shall be given in accordance with the provisions of Section 6 of this Article II. At such meeting the persons designated by the Declarant shall resign as members of the Board of Directors, and all of the Owners, including the Declarant if the Declarant owns any Unit or Units, shall elect a new Board of Directors. Thereafter, the annual meetings of the Association shall be held on the same date of each succeeding year, or on such other date within a thirty (30) day period prior to such date, as may be designated by the Board of Directors and reflected in the said notice. At such annual meetings the Board of Directors shall be elected by ballot of the Owners in accordance with the requirements of Section 4 of Article III. The foregoing notwithstanding, until Three (3) years after the recordation of the Declaration or until Units

representing three-fourths (3/4ths) of the Percentage Interests appertaining to One Hundred Ninety-Eight (198) Units have been legally conveyed by the Declarant, whichever first occurs, the Declarant shall be entitled to elect a majority of the members of the Board of Directors. The Association may transact such other business as may properly come before them at such meetings.

5. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners' Association if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Clerk by Owners having not less than 30% of the votes of all Owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

6. Notice of Meeting. It shall be the duty of the Clerk to mail, by United States mail, return receipt requested, a notice of each annual meeting or special meeting of the Owners, at least twenty-one (21) days in advance of such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Owner of record, at the address of their respective Units and at such other address as each Owner may have designated by notice in writing to the Clerk. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

7. Voting Requirements. An Owner shall be deemed to be in good standing and entitled to vote at any annual meeting or at any special meeting of the Unit Owners' Association if, and only if, he shall have fully paid all assessments made or levied and due against him and his Condominium Unit by the Board of Directors as hereinafter provided, together with all interest, costs, attorney's fees, penalties and other expenses, if any, properly chargeable to him and against his Condominium Unit, at least three (3) days prior to the date fixed for such annual or special meeting.

8. Proxies. The votes appertaining to any Unit may be cast pursuant to a proxy or proxies in accordance with the provisions of Section 39 IV of the Condominium Act where the Unit Owner is more than one Person, by or on behalf of all such Persons.

9. Quorum. A quorum shall be constituted as provided in Section 38 of the Act.

10. Order of Business. The order of business at all meetings of the Unit Owners' Association may be as follows: (a) roll call; (b) recitation of proof of notice of meeting; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) report of Board of Directors; (f) reports of committees; (g) election of directors, if applicable; (h) unfinished business; and (i) new business, any of which may be waived.

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11. Conduct of Meeting. The President, or his designate, shall preside over all meetings of the Unit Owners' Association and the Clerk shall keep the minutes of the meeting and record in a Record

Book all resolutions adopted by the meeting as well as a record of all transactions occurring thereat. Roberts Rules of Order shall govern the conduct of all meetings of the Unit Owners' Association when not in conflict with the Declaration, these Bylaws or the Condominium Act.

ARTICLE III

BOARD OF DIRECTORS

1. Powers and Duties. The affairs and business of the Condominium shall be managed by a Board of Directors (sometimes hereinafter referred to as the "Board") which shall have all of the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things as are not by the Condominium Act or by these Bylaws directed to be exercised and done by the Unit Owners' Association. The Board of Directors shall have the power from time to time to adopt any Rules deemed necessary for the enjoyment of the Condominium provided that such Rules shall not be in conflict with the Condominium Act, the Declaration or these Bylaws. The Board of Directors may delegate to one of its members the authority to act on behalf of the Board of Directors on all matters which might arise between meetings of the Board of Directors. In addition to the general duties imposed by these Bylaws, the Board of Directors shall have the power to, and be responsible for, the following:

(a) Preparation of an annual budget, in which there shall be established the assessment of each Owner for the Common Expenses;

(b) Making assessments against Owners to defray the Common Expenses of the Condominium, establishing the means and methods of collecting such assessments from the Owners, collecting said assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to carry out the administration of the Property. Unless otherwise determined by the Board of Directors, the annual assessments against each Owner for his proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for said month.

(c) Providing for the operation, care, upkeep, replacement and maintenance of all of the Common Area and services of the Condominium.

(d) Designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the Common Area, and providing services for the Property, and, where appropriate, providing for the compensation of such personnel and for the purchase or use of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment, if purchased, shall be deemed the common property of the Owners.

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(e) Making and amending Rules respecting the use of the Property and enforcing by legal means the provisions of the Declaration, these Bylaws and such Rules, and bringing any proceedings which may be instituted on behalf of the Owners.

(f) Obtaining and carrying insurance against casualties and liabilities, as provided in Article VI of these Bylaws, and paying the premium cost thereof and making, or contracting for the making of, repairs, additions, and improvements to, or alterations of, the Property and repairs to, and restoration of, the Property, in accordance with the other provisions of these Bylaws, after damage or destruction by fire or other casualty.

(g) Keeping books with detailed accounts of the receipts and expenditures affecting the Property, and the administration of the Condominium. The said books shall be available for examination by the Owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner that shall be set and announced by the Board of Directors for the general knowledge of the Owners. All books and records shall be kept in accordance with generally accepted accounting practices, and the same shall be audited at least once a year by an outside auditor employed by the Board of Directors who shall not be a resident of the Condominium, or an Owner therein. The cost of such audit shall be a Common Expense. A copy of the annual audit report shall be supplied to any first mortgagee of any Unit in the Condominium who requests the same in writing to the Clerk.

(h) To do such other things and acts not inconsistent with the Condominium Act and with the Declaration which it may be authorized to do by a resolution of the Unit Owners' Association.

2. Managing Agent. The Board of Directors may employ, or contract with, a professional manager or management firm ("Manager") for a fee or compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including, but not limited to, the duties listed in section 1 of this Article III. The Board of Directors may delegate to the Manager all of the powers granted to the Board of Directors by these Bylaws; provided that any actions by the Manager with respect to the powers set forth in paragraphs (b) and (f), of Section 1 of this Article III shall require the written consent of the Board of Directors. The term of any employment contract for a Manager may not exceed two (2) years, and any such employment contract shall provide, inter alia, that such agreement may be terminated for cause upon no more than ninety (90) days written notice.

3. Number of Directors and Initial Selection of Board. The Board of Directors shall be composed of five (5) persons. Until the election of the Board of Directors takes place at the first annual meeting of the Unit Owners' Association as provided in Section 4 of Article II, the Board of Directors shall consist of such persons as shall have been designated by the Declarant. Thereafter, anything

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in these Bylaws to the contrary notwithstanding, until three (3) years after the date of recordation of this Declaration at the Carroll County Registry of Deeds, or until Units representing three fourths (3/4ths) of the Percentage Interests appertaining to One Hundred Ninety Eight (198) Units have been conveyed by the Declarant whichever first occurs, a majority of the members of the Board of Directors shall be selected and designated by the Declarant. The Declarant shall have the right in its sole discretion to replace such Directors as may be so selected and designated by it, and to select and designate their successors. The Declarant may relinquish its rights hereunder at any prior time. Directors shall consist only of Owners or spouses of Owners, or, where a Person which is an Owner is not a natural person, any natural person having authority to execute deeds in behalf of such Person.

4. Election and Term of Office. At the first annual meeting of the Unit Owners' Association five (5) directors shall be elected. The term of office of three (3) directors shall be fixed at one (1) year and the term of office of two (2) directors shall be fixed at two (2) years. Subject to the provisions of Section 3 above, at the expiration of the initial term of office of each respective director, each successor shall be elected at subsequent annual meetings of the Unit Owners' Association to serve a term of two (2) years. The directors shall hold office until their respective successors have been elected and hold their first meeting.

5. Organization Meeting The first meeting of the members of the Board of Directors following the annual meeting of the Unit Owners' Association shall be held within ten (10) days after the annual meeting at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present thereat.

6. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors, but at least two (2) such meetings shall be held during each twelve month period after the annual meeting of the Unit Owners' Association. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, telephone or telegraph, at least five (5) business days prior to the day named for such meeting, except that no notice shall be required for a regular meeting held immediately after, and at the same place as, the annual meeting of the Association.

7. Special Meetings. Special meetings of the Board of Directors may be called by the President on five (5) business days' notice to each director. Such notice shall be given personally or by mail, telephone or telegraph, and such notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Clerk in like manner and on like notice on the written request of at least two (2) directors.

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8. Waiver of Notice. Before or within ten (10) days after any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

9. Board of Director's Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

10. Vacancies. Vacancies in the Board of Directors caused by any reason other than removal of a director by a vote of the Unit Owners' Association shall be filled by vote of the majority of the remaining directors, at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the directors present at such meeting may constitute less than a quorum of the Board; and each person so elected shall be a director for the remainder of the term of the director so replaced; provided, however, that the vacancy of any director designated by the Declarant pursuant to a right of the Declarant to make such designation shall be filled by the Declarant.

11. Removal of Directors. A director may be removed with or without cause, and his successor elected, at any duly called regular or special meeting of the Unit Owners' Association at which a quorum is present, by an affirmative vote of a majority of the votes represented and voting. Any director whose removal has been proposed by the Owners shall be given at least ten (10) days' notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting. Notwithstanding anything in this Section to the contrary, no person selected and designated by the Declarant as a member of the Board of Directors may be removed without the consent of the Declarant and in such event the Declarant shall select and designate his successor.

12. Compensation. No director shall receive any compensation from the Condominium for acting as such.

13. Conduct of Meetings. The President, or, in his absence, a president pro tem elected by the Board, shall preside over all meetings of the Board of Directors and the Clerk shall keep minutes of the meetings of the Board of Directors recording therein all resolutions adopted by the Board of Directors and all transactions

and proceedings occurring at such meegings, which minutes shall be filed in the Record Book of the Condominium.

14. Report of Board of Directors. The Board of Directors shall present at each annual meeting, and when called for by vote of the Unit Owners' Association at any special meeting of the Unit Owners' Association, a full and clear statement of the business and condition of the Condominium.

15. Fidelity Bonds. The Board of Directors may require that all officers, agents (including the Manager) and employees of the Unit Owners' Association handling or responsible for funds furnish adequate fidelity bonds. The premiums on such bonds shall constitute a Common Expense.

16. Dispensing with Vote. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

17. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct or bad faith or actions which are contrary to the provisions of the Declaration or of these Bylaws. The Owners shall indemnify and hold harmless each of the Directors from and against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Owners unless any such contract shall have been made in bad faith, due to willful misconduct or contrary to the provisions of the Declaration or of these Bylaws. It is intended that the members of the Board of Directors shall have no personal liability (except as Owners) with respect to any contract made by them on behalf of the Owners, unless made in bad faith, due to willful misconduct or contrary to such provisions. It is also intended that the liability of any Owner arising out of any contract made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors shall be limited to such proportion of the total liability thereunder as his Percentage Interest bears to the Percentage Interests of all of the Owners. Every written agreement made by the Board of Directors or by the Manager on behalf of the Owners shall, if obtainable, provide that the members of the Board of Directors or the Manager, as the case may be, are acting only as agents for the Owners and shall have no personal liability thereunder (except as Owners), and that each Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his Percentage Interest bears to the Percentage Interests of all Owners. The Owners shall indemnify any person who was or is a part or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether or not based in contract, by reason of the fact that he is or was a Director, or officer, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement incurred by him in connection with such action, suit or proceeding unless he acted in bad faith or

was guilty of willful misconduct or acted contrary to the provisions of the Declaration or these Bylaws.

ARTICLE IV

OFFICERS

1. Designation. The principal officers of the Condominium shall be a President, a Clerk, and a Treasurer, all of whom shall be elected by the Board. The Board may appoint such other officers as in its judgment may be necessary. With the exception of the President, no officer need be a member of the Board. The offices of Treasurer and Clerk may be held by the same person.

2. Election of Officers. The officers of the Condominium shall be elected annually by the Board at the organization meeting of each new Board and shall hold office at the pleasure of the Board. Any vacancy in an office shall be filled by the Board at a regular meeting or special meeting called for such purpose.

3. Removal of Officers. The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the whole Board, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

4. President. The President shall be the chief executive officer; he, or his designate, shall preside at meetings of the Unit Owners' Association and, if present at meetings of the Board of Directors and shall be an ex officio member of all committees; he shall have general and active management of the business of the Condominium and shall see that all orders and resolutions of the Board are carried into effect. He shall have all of the general powers and duties which are usually vested in or incident to the office of president of a stock corporation organized under the laws of the State of New Hampshire.

5. Clerk. The Clerk shall attend all meetings of the Board of Directors and all meetings of the Unit Owners' Association, shall record the minutes of all proceedings in the record book of the Condominium and shall perform like duties for committees when required. He shall keep the record book current and in his custody. He shall give, or cause to be given, notice of all meetings of the Unit Owners' Association the Board and committees and shall perform such other duties as may be prescribed by the Board or President. The Clerk shall compile and keep current at the principal office of the Condominium, a complete list of the Owners and their last known post office addresses. This list shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days.

6. Treasurer. The Treasurer shall have the custody of all funds and securities that are not under the control of the Manager, and, with the assistance of the Manager, shall keep full and accurate

records of receipts and disbursements, shall prepare all required financial data, and shall deposit all moneys and other valuable effects in such depositories as may be designated by the Board. He shall disburse funds as ordered by the Board, where possible taking proper vouchers for such disbursements, and shall render to the President and directors, at the regular meetings of the Board, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the Condominium.

7. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium for expenditures or obligations shall be executed by any officer of the Condominium or by such other person or persons as may be designated by the Board of Directors.

8. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as such.

ARTICLE V

OPERATION OF THE PROPERTY

1. Determination of Common Expenses and Assessments Against Owners.

(a) Fiscal Year. The fiscal year of the Condominium shall consist of the twelve month period commencing on January 1 of each year and terminating on December 31 of the same year, except that the first fiscal year shall begin at the date of organization and terminate on December 31. The fiscal year herein established shall be subject to change by the Board of Directors should corporate practice subsequently dictate.

(b) Preparation and Approval of Budget. Each year the Board of Directors shall adopt a budget for the Condominium containing an estimate of the total amount which it considers necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Area and any parts of the Units as to which it is the responsibility of the Board of Directors to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Condominium Act, the Declaration, these Bylaws or a resolution of the Unit Owners' Association, and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to the Owners of all related services. Such budget shall also include such reasonable reserves as the Board of Directors considers necessary to provide a general operating reserve, and reserves for contingencies and replacements. The Board of Directors shall make reasonable efforts to send to each Owner a copy of the budget, in a reasonably itemized form which sets forth the amount of the Common Expenses payable by each

Owner, at least fifteen days in advance of the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each Owner's contribution for the Common Expenses of the Condominium.

(c) Assessment and Payment of Common Expenses. The total amount of the estimated funds required for the operation of the Property set forth in the budget for the fiscal year adopted by the Board of Directors shall be assessed against each Owner of a Unit which has been conveyed or rented by the Declarant in proportion to the number of votes in the Unit Owners' Association appertaining to his Unit, and shall be a lien against each Owner's Condominium Unit in accordance with the Condominium Act. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven (11) months in such fiscal year, each Owner shall be obligated to pay to the Association one-twelfth (1/12) of the assessment for such fisca year made pursuant to the foregoing provisions. Within sixty (60) day after the end of each fiscal year, the Board of Directors shall supply to all Owners an itemized income and expense statement. Any amount accumulated in excess of the amount required for actual expenses and budgeted reserves shall, in the discretion of the Board of Directors, either be rebated to the Owners in accordance with each Owner's votes in the Association by crediting same to the next successive monthly installments due from Owners under the then current fiscal year's budget, until exhausted, or shall be added to reserves. Any net shortage shall, if the Board of Directors deems it advisable, be added according to each Owner's votes in the Unit Owners' Association to the installments due in the succeeding six (6) months after the rendering of the accounting.

(d) Reserves. The Board of Directors shall build up and maintain an adequate operating reserve and reserve for replacement of the Common Area, which shall be funded by regular monthly payments, as provided for in subsection (c). At the end of each fiscal year, all funds accumulated during such year for reserves for replacement of Common Area shall be placed in a separate bank account, segregated from the general operating funds, and used only for such purposes. If for any reason, including nonpayment of any Owner's assessment, the reserves are inadequate, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Owners according to their respective votes in the Unit Owners' Association, and which may be payable in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any such further assessment on all Owners by a statem in writing giving the amount and reasons therefor, and such further assessment shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All Owners shall be obligated to pay the adjusted monthl amount or, if the additional assessment is not payable in installment the amount of such assessments.

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(e) Initial Assessment. When the first Board of Directors takes office, it shall determine the budget, as defined in this section, for the period commencing upon the recordation of the

Declaration at the Carroll County Registry of Deeds and ending on the last day of the fiscal year in which their election occurs. Assessments shall be levied against the Owners during said period as provided in paragraph (c) of this Section. The Board of Directors may establish an initial operating reserve through special assessment of each Owner upon purchase of his Condominium Unit from the Declarant.

(f) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of an Owner's obligation to pay his allocable share of the Common Expenses as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget, each Owner shall continue to pay the monthly charge at the then existing monthly rate established for the previous fiscal period until 10 days after a statement has been mailed or delivered showing the monthly payment which is due under the new annual or adjusted budget.

2. Payment of Common Expenses. All Owners shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article V. No Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Area or by abandonment of his Unit. No Owner shall be liable for the payment of any part of the Common Expenses assessed against his Condominium Unit subsequent to a sale, transfer or other conveyance by him of such Condominium Unit. The purchaser of a Condominium Unit or other acquiring Owner by virtue of any transfer or other conveyance shall be jointly and severally liable with the transfering Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of the conveyance, without prejudice to the acquiring Owner's right to recover from the transfering Owner the amounts paid by the acquirer therefor; provided, however, that any such acquiring Owner or transfering Owner shall be entitled to a recordable statement from the Board of Directors or the Manager setting forth the amount of the unpaid assessments against the transfering Owner and such acquiring Owner shall not be liable for, nor shall the Condominium Unit conveyed be subject to a lien for, any unpaid assessments in excess of the amount therein set forth; failure to furnish or make available such a statement within seven (7) Days from receipt of such request by the Board or Manager, shall extinguish the lien for unpaid assessments. Payment of a fee of ten Dollars ($10.00) or the maximum allowable under the Condominium Act, whichever is greater, shall be required as a prerequisite for issuance of such a statement. If a mortgagee of a first mortgage of record or other purchaser of a Condominium Unit obtains title to the Condominium Unit as a result of foreclosure of a first mortgage, or through the enforcement of any other remedies provided for in the mortgage, or by virtue of a deed in lieu of foreclosure, such mortgagee or purchaser, its successors and assigns, shall not be liable for the payment of Common Expenses assessed prior to the acquisition of title to such Unit by such mortgagee or purchaser pursuant to the aforesaid remedies, and the Condominium Unit shall not be subject to a lien for same, except for any Common Expenses assessed against such Unit prior to the execution of the mortgage by the Owner which were not paid or waived pursuant to Section 2 of Article VIII. Such unpaid share of Common

Expenses assessed prior to the acquisition of title to such Unit by such mortgagee or purchaser pursuant to the aforesiad remedies shall be collectible from all Owners, including the purchaser or first mortgagee, in proportion to their respective votes in the Unit Owners' Association.

3. Collection of Assessments. The Board of Directors shall take prompt action to collect any assessments for Common Expenses due from any Owner which remain unpaid for more than sixty (60) days from the due date for payment thereof.

4. Maintenance and Repair.

(a) By the Board of Directors. Except as otherwise provided in Section 4(b) below, the Board of Directors shall be responsible for the maintenance, repair and replacement (unless necessitated by the negligence, misuse or neglect of an Owner, or of a person gaining access with said Owner's actual or implied consent, in which case such expense shall be charged to such Owner), of all of the Common Area, whether located inside or outside of the Units, and whether presently existing or hereafter constructed, the cost of which shall be charged to all Owners as a Common Expense.

(b) By the Owner. Except for the portions of his Unit required to be maintained, repaired and replaced by the Board of Directors, each Owner shall be responsible for the maintenance, repair and replacement, at his own expense, of his Unit, and any part thereof, including but not limited to, any interior walls, finished interior surface of ceiling and floors; kitchen and bathroom fixtures and appliances, and those parts of the heating and air conditioning, plumbing and electrical systems which are wholly contained within his Unit and serve no other. Each Owner shall be responsible for performing the normal maintenance for any Limited Common Area which is appurtenant to his Unit, including keeping it in a clean and sanitary condition and free and clear of snow, ice and any accumulation of water, and shall make, at his own expense, all repairs thereto, beyond normal maintenance, caused or necessitated by his negligence, misuse or neglect. Each Owner shall keep the interior of his Unit and its equipment and appurtenances in good order, condition, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his Unit. In addition, each Owner shall be responsible for all damage to any and all other Units or to the Common Area resulting from his failure to make any of the repairs required to be made by him by this section. Each Owner shall perform his responsiblity in such manner as shall not unreasonably disturb or interfere with the other Owners. Each Owner shall promptly report to the Board of Directors, or the Manager, any defects or need for repairs for which the Board of Directors is responsible.

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(c) Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation, and shall be of first class quality. The method of approving payment vouchers for all repairs and replacement shall be determined by the Board of Directors.

5. Additions, Alterations or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors the Common Area shall require additions, alterations or improvements costing in excess of Five Thousand Dollars ($5,000) during any period of twelve (12) consecutive months, and the making of such additions, alterations or improvements shall have been approved by a Majority of the Owners, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all Owners for the cost thereof as a Common Expense. Any additions, alterations or improvements costing Five Thousand Dollars (5,000) or less during any period of twelve (12) consecutive months may be made by the Board of Directors without approval of the Owners and the cost thereof shall constitute part of the Common Expenses. Notwithstanding the foregoing, if, in the opinion of not less than 80% of the members of the Board of Directors such additions, alterations or improvemtns are exclusively or substantially exclusively for the benefit of a limited number of Owner or Owners requesting the same, such requesting Owners shall be assessed therefor in such proportion as they jointly approve or, if they are unable to agree thereon, in such proportions as may be determined by the Board of Directors.

6. Additions, Alterations or Improvements by Owners. No Owner shall make any structural addition, alteration or improvement in or to his Unit without the prior written consent thereto of the Board of Directors. No Owner shall paint, decorate or otherwise change the external appearance of his Unit, including the doors and windows, or of any fence, or of any exterior surface of the Building, without the prior written consent thereto of the Board of Directors. The Board of Directors shall be obligated to answer any written request by an Owner for approval of such proposed structural addition, alteration or improvement or such external change within thirty (30) days after such request, and its failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed addition, alteration or improvements or change. The provisions of this Section 6 shall not apply to Condominium Units owned by the Declarant until such Units have been initially conveyed by the Declarant.

7. Restrictions on Use of Units. To assist the Condominium in providing for congenial occupancy and the protection of the value of the Units, it is necessary that the Board of Directors have the right and authority to exercise reasonable controls over the use of the Units. Violation of the following enumerated prohibitions shall not be permitted, and the Board of Directors is hereby authorized to take all steps necessary to prevent or discontinue any violations thereof, all at the expense of the violator:

(a) No advertisements, signs or posters of any kind shall be posted in or on the Property except as authorized by the Board. This restriction shall not apply to advertisements, signs or posters utilized by the Declarant, or its agents, in selling or renting the Units.

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(b) No clothing, laundry, rugs, or other objects shall be hung, shaken or thrown from any window or exterior portion of a Unit or otherwise left or placed in such a way as to be exposed to

public view. All refuse and trash shall be placed in locations specifically designated by the Board, and no garbage or trash shall be permitted to remain in public view.

(c) No animal, including common household pets, shall be kept or maintained on the Property. The Owner of a Unit where a pet is kept or maintained in violation of this provision shall be responsible, and shall be assessed by the Board of Directors, for all costs incurred by the Association in enforcing the Rules prescribed or to be prescribed by the Board of Directors for the control and regulation of pets in the Condominium.

(d) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Condominium by others.

(e) No Owner, tenant or guest shall allow the installation of wiring for electrical or telephone use, television antennae, air conditioning unit or other machine or equipment, which protrudes through the walls or the roof of any building or is otherwise visible on the exterior of a building except as presently installed or as authorized by the Board.

(f) No Unit or Common Area of the Condominium may be used for any unlawful, immoral or improper purpose.

(g) Nothing shall be done in any Unit or in, on, or to the Common Area which may impair the structural integrity of the Property, or which would structurally change a building or improvements thereon except as provided in the Declaration or these Bylaws. Nothing shall be altered or constructed in or removed from the Common Area, except upon the written consent of the Board of Directors.

(h) No Owner, tenant or guest shall direct or engage any employee of the Condominium on any private business, nor shall he direct, supervise or in any manner attempt to assert control over any such employee.

(i) No activity shall be done or maintained in any Unit or upon any Common Area which will increase the rate of insurance on any Unit or the Common Area or result in the cancellation of insurance thereon, unless such activity is first approved in writing by the Board of Directors. No waste shall be committed in the Common Area.

In the use of the Units and the Common Area of the Condominium, Owners shall obey and abide by all valid laws, ordinances and zoning and other governmental regulations affecting the same and all applicable Rules adopted by the Board. The Common Area shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the Units.

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8. Right of Access. An Owner shall grant a right of access to his Unit to the Board of Directors or the Manager, or to any other person authorized by the Board for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or Common Area, or for the purpose of performing installation, alterations or repairs to the mechanical or electrical services or other Common Area in his Unit or elsewhere in the building, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Owner. In case of any emergency, such right of entry shall be immediate whether the Owner is present at the time or not.

9. Rules. Rules concerning the operation and use of the Common Area may be promulgated and amended by the Board of Directors, provided that such Rules are not contrary to or inconsistent with the Condominium Act, the Declaration or these Bylaws. Copies of the Rules shall be furnished by the Board of Directors to each Owner prior to the time when the same shall become effective.

ARTICLE VI

INSURANCE

1. Insurance Required. Pursuant to Section 43 of the Condominium Act, the Board of Directors shall obtain (i) a master casualty policy affording fire and extended coverage in an amount equal to the full replacement value of the structures within the Condominium; (ii) a master liability policy covering the Association, the Board, the Manager and agents or employees of the foregoing with respect to the Condominium, and all Owners and other persons entitled to occupy any portion of the Condominium; and (iii) such other policies as specified hereinbelow, which insurance shall be governed by the following provisions to the extent obtainable or possible.

(a) Fire insurance with standard extended coverage endorsement, vandalism and malicious mischief endorsements insuring all the buildings in the Condominium including without limitation all such portions of the interior of such buildings as are for insurance purposes normally deemed to constitute part of the building and customarily covered by such insurance, such as heating and air conditioning and other service machinery, interior walls, all finished wall surfaces, ceiling and floor surfaces including any wall to wall floor coverings, bathroom and kitchen cabinets and fixtures, including applicances which are affixed to the buildings, and heating and lighting fixtures, except for improvements made by individual Owners which exceed a total value of One Thousand Dollars ($1,000.00) and are not reported to the insurer, such insurance to be in an amount at least equal to the replacement value of the buildings and to be payable to the Board as trustee for the Owners and their mortgagees as their respective interests may appear.

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(b) Public liability insurance in such amounts as the Board may from time to time determine, but in no event shall the limits of liability be less than One Million Dollars ($1,000,000) for bodily injury and property damage per occurence, insuring the Association and all individuals referred to in Section 1 above, against any liability to anyone, and with cross liability coverage with respect to liability claims of any one insured thereunder against any other insured thereunder. This insurance, however, shall not insure against individual liability for negligence occurring within a Unit or within the Limited Common Area to which a Unit has exclusive use.

(c) Workmen's compensation insurance as required by law.

(d) Such other insurance as the Board may determine.

2. General Insurance Provisions.

(a) The Board shall deal with the insurer or insurance agent in connection with the adjusting of all claims covered by insurance policies provided for under Paragraph 1 above and shall review with the insurer or insurance agent, at least annually, the coverage under said policies, said review to include an appraisal of improvements within the Condominium, and shall make any necessary changes in the policy provided for under Paragraph 1(a) above (prior to the expiration date set forth in any agreed amount endorsement contained in said policy) in order to meet the coverage requirements of such Paragraph.

(b) The Board shall be required to make every effort to see that all policies of physical damage insurance provided for under Paragraph 1 above: (i) shall contain waivers of subrogation by the insurer as to claims against the Association, its employees and agents, members of the Board, the Manager, Owners and members of the family of any Owner who reside with said Owner, except in cases of arson and fraud; (ii) shall contain a waiver of defense of invalidity or prejudice on account of the conduct of any of the Owners over which the Association has "no control"; (iii) shall contain a waiver of defense of invalidity or prejudice by failure of the insured, or Owners collectively, to comply with any warranty or condition with regard to any portion of the Condominium over which the insured, or Owners collectively, have no control; (iv) shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days written notice to all of the insureds thereunder and all mortgagees of Units in the Condominium; (v) shall provide that in no event shall the insurance under said policies be brought into contribution with insurance purchased individually by Owners or their mortgagees; (vi) shall exclude policies obtained by individual Owners for consideration under any "no other insurance" clause; and (vii) shall provide that until the expiration of thirty (30) days after the insurer gives notice in writing to the mortgagee of any Unit, the mortgagee's insurance coverage will not be affected or jeopardized by any act

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or conduct of the Owner of such Unit, the other Owners, the Board of Directors, or any of their agents, employees or household members, nor cancelled for non-payment of premiums.

3. Individual Policies. Any Owner and any mortgagee may obtain at his own expense additional insurance (including a "condominium unit-owner's endorsement" for improvements and betterments to a Unit made or acquired at the expense of the Owner). Such insurance should contain the same waiver of subrogation provision as that set forth in Section 2(b) of this Article VI. It is recommended that each Owner obtain, in addition to the insurance hereinabove provided to be obtained by the Board of Directors, a "Tenant's Homeowners Policy", or equivalent, to insure against loss or damage to personal property used or incidental to the occupancy of the Unit, additional living expense, vandalism or malicious mischief, theft, personal liability and the like.

(a) Each Owner may obtain additional insurance for his own benefit and at his own expense. No such policy shall be written so as to decrease the coverage under any of the policies obtained by the Board pursuant to Paragraph 1(a) above, and each Owner hereby assigns to the Board the proceeds of any such policy to the extent that any such policy does in fact result in a decrease in such coverage, said proceeds to be applied pursuant to the terms hereof as if produced by such coverage. Copies of all such policies (except policies covering only personal property, owned or supplied by individual Owners) shall be filed with the Association.

(b) Each Owner should obtain insurance for his own benefit and at his own expense insuring all personal property presently or hereafter located in his Unit or Limited Common Area, any floor coverings, applicances and other personal property not covered in the master policy, and all improvements to his Unit which exceed a total value of One Thousand Dollars ($1,000.00) and which are not reported to the Board.

(c) Each Owner, prior to commencement of construction of such improvements, shall notify the Board of all improvements to his Unit (except personal property other than fixtures) which exceed a total value of One Thousand Dollars ($1,000.00) and upon receipt of such notice, the Board shall notify the insurer under any policy obtained pursuant to Paragraph 1(a) hereof, of any such improvements

(d) Each Owner should obtain liability insurance with respect to his ownership and/or use of his Unit.

4. Notice to Unit Owners. Excepting such policies as are obtained in behalf of the Association prior to the conveyance of the first Unit in the Condominium, when any policy of insurance has been obtained on behalf of the Association, written notice of the obtainment thereof and of any subsequent changes therein or in such initial policies, or termination thereof shall be promptly furnished to each Unit Owner by the Clerk of the Association.

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Such notice shall be sent to all Unit Owners of record at the address of their respective Units and to such other addresses as any of them may have designated to the Clerk; or such notice may be hand delivered by the Clerk or Manager.

ARTICLE VII

REPAIR AND RECONSTRUCTION AFTER FIRE OR OTHER CASUALTY

1. When Repair and Reconstruction are Required. Subject to the provisions of Paragraph 3(i) of the Declaration, in the event of damage to or destruction of all or part of the buildings in the Condominium as a result of fire or other casualty, the Board of Directors shall arrange for and supervise the prompt repair and restoration of the damaged or destroyed portion of the buildings. Notwithstanding the foregoing, each Owner shall have the right to supervise the redecorating work in his own Unit.

2. Procedure for Reconstruction and Repair.

(a) Immediately after a fire or other casualty causing damage to a building, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the damage to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary.

(b) If the proceeds of insurance are not sufficient to defray the said estimated costs of reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments in sufficient amounts to provide payment of such costs shall be made against the Owners in proportion to their respective votes in the Unit Owners' Association.

(c) Any such reconstruction or repair shall be substantially in accordance with the original plans and specifications under which the damaged building was originally constructed.

(d) Encroachments upon or in favor of Units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Owner upon whose property such encroachment exists, provided that such reconstruction is substantially in accordance with original plans and specifications under which the damaged building was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the building (as reconstructed) shall stand.

3. Disbursements of Construction Funds.

(a) The net proceeds of insurance collected on account of a casualty and the funds collected by the Board of Directors

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from assessments against Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair by the Board of Directors.

(b) The construction fund shall be paid by the Board of Directors in appropriate progress payments, to such contractors, suppliers and personnel engaged in performing the work or supplying materials or services for the repair and reconstruction of the building as are designated by the Board of Directors.

(c) It shall be presumed that the first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds; and if there is a balance in the construction fund after the payment of all of the cost of the reconstruction and repair for which the fund is established, such balance shall be distributed to the Owners.

(d) When the damage is to both Common Area and Units, the insurance proceeds shall, to the extent practical, be applied first to the cost of repairing the Common Area and the balance to the cost of repairing the Units.

ARTICLE VIII

SALES, LEASES, AND ALIENATION OF UNITS

1. No Severance of Ownership. No Owner shall execute any deed, lease, mortgage, or instrument conveying or mortgaging the title to his Unit without including therein the undivided interest of such Unit in the Common Area, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, lease, mortgage, or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. Except to the extent otherwise expressly provided by the Declaration, these Bylaws or the Condominium Act, the undivided interest in the Common Area allocated to any Unit shall not be altered, and any purported transfer, encumbrance, or other disposition of that interest without the Unit to which it appertains shall be void.

2. Payment of Assessments. No Owner shall be permitted to convey, mortgage, sell, lease, give, or devise his Unit unless and until he (or his personal representative) shall have paid in full to the Board of Directors all unpaid Common Expenses theretofore assessed by the Board of Directors with respect to this Unit, and shall have satisfied all unpaid liens with respect to his Unit, except mortgages. Where this provision is satisfied at the time of execution of a mortgage, there shall be no requirement that it again be satisfied at the time of a subsequent foreclosure of such mortgage, or deed in lieu of such foreclosure. The Board of Directors shall promptly furnish to any Owner (or his devisee or personal representative) requesting the same in writing pursuant to this Section, a recordable statement certifying whether or not such Owner is then obligated for any outstanding assessments previously

levied against that Owner's Unit and the amount, if any, then outstanding. In the event that the Unit is subject to outstanding expenses previously levied against such Unit, the statement shall certify any waiver of, or failure or refusal to exercise, the right of the Unit Owners' Association to prevent the disposition of such Unit, in all cases where the Association allows such disposition. Failure or refusal to furnish in the manner in which notices are provided pursuant to Section 1 of Article XII, within seven (7) days of receipt of such request by the Board or Manager, such a statement shall constitute a waiver of such assessment and make the above-mentioned prohibition inapplicable to any such disposition of the Unit. Any such statement shall be binding on the Association, the Board of Directors and every Owner. Payment of a fee not exceeding the maximum amount allowable under the Condominium Act may be required as a prerequisition to the issuance of such a statement.

ARTICLE IX

RIGHT OF FIRST REFUSAL

1. Procedure. In the event that an Owner receives a bona fide offer for the sale of a Condominium Unit or a bona fide offer for a lease of his Condominium Unit for a term of more than six (6) months including any potential renewal period, which he desires to accept, said Owner shall give notice of such offer to the Declarant, together with an executed copy of said offer including the name and address of the proposed purchaser or lessee, the terms of the proposed transaction and such other information as the Declarant may reasonably require, which notice shall constitute an offer to sell or lease such Condominium Unit, as the case may be, to the Declarant, or its designee, on the same terms and conditions as contained in said offer. The Declarant may elect, by mailing notice to such Owner within fifteen (15) days after its receipt of the aforementioned notice from said Owner, to purchase or to lease such Condominium Unit, as the case may be (or to cause the same to be purchased or leased by its designee), on the same terms and conditions as contained in said offer. In the event the Declarant shall elect to purchase such Condominiun Unit or to cause the same to be purchased by its designee, the said Owner shall convey the same to the Declarant, or to its designee, in accordance with said terms and conditions, and, in the event Declarant shall elect to lease such Condominium Unit, or to cause the same to be leased by its designee, the said Owner shall execute and deliver to the Declarant or to its designee, a lease between the said Owner, as landlord, and the Declarant, or its designee, as tenant, covering such Condominiun Unit in accordance with said terms and conditions.

2. Violation, Release, Transfer of Right. Any purported sale or lease of a Condominium Unit in violation of this Article IX shall be voidable at the election of the Declarant. The right of first refusal set forth in this Article IX may be released or waived by the Declarant in which event the Condominium Unit may be sold, conveyed, or leased, free and clear of the provisions of such Article IX. The Declarant may convey, assign or otherwise transfer its right of first refusal set forth hereinabove to the Association and thereafter the

Association, through the Board, shall have and may exercise all the rights of the Declarant set forth in this Article IX. However, the Board shall not elect to purchase or lease any Condominium Unit hereunder without the prior approval of seventy-five percent (75%) of the Owners' total voting power.

3. Evidence of Compliance. A certificate of the Declarant or the Board, as the case may be, stating that the provisions of this Article IX have been met by an Owner, or have been duly released or waived as set forth hereinabove, shall be conclusive evidence thereof in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Owner who has in fact complied with the provisions of this Article IX in respect to whom the provisions of such Article have been released or waived, upon request, at a reasonable fee, not to exceed Ten Dollars ($10.00).

Acquisition of Condominium Units by the Association may be made from the Common Expense fund in the hands of the Board, or if such fund is insufficient, the Board may levy an assessment against each Owner in proportion of his Percentage Interest and/or the Board, in its discretion, may borrow money to finance the acquisition of such Condominium Unit, provided, however, that no financing may be secured by an encumbrance of any property other than the Condominium Unit so to be acquired by the Association.

The provisions of this Article IX shall not apply with respect to any first mortgage of a Condominium Unit or to any foreclosure sale pursuant to the terms of such mortgage or to any conveyance to a first mortgagee in lieu of foreclosure, or, in the event a first mortgagee purchases said Condominium Unit at such foreclosure sale (or in lieu of foreclosure), to the subsequent sale of said Condominium Unit by said first mortgagee. However, said provisions shall apply to any subsequent sale by the purchaser at the foreclosure sale or at such sale in lieu of foreclosure (other than the first mortgagee) or by the purchaser from said first mortgagee. The said provisions shall not apply where it is established to the satisfaction of the Declarant or the Board, as the case may be, that a transfer is by gift, devise, intestate succession, death or a joint tenant or by other means which is not a sale or a lease.

ARTICLE X

AMENDMENT TO BYLAWS

1. Amendments. Except as otherwise provided in the Condominium Act and herein, these Bylaws may be modified or amended either (i) by a vote of at least sixty-six and two-thirds percent (66 2/3%) of the Owners cast in person or by proxy at meeting duly held in accordance with the provisions hereof, provided that Notice of the proposed amendment shall have been given to each Owner simultaneously with the notice of such meeting, or (ii) pursuant to written instrument or instruments duly executed by of at least sixty-six and two-thirds percent (66 2/3%) of the Owners; provided, however, that

(a) Section 4 of Article II, and Section 3 of Article III, insofar as they relate to the selection of members of the Board of Directors by the Declarant, (b) Section 2 of Article II, insofar as it provides that the Declarant, so long as it is the Owner of one or more Units, may vote the votes appurtenant thereto, and (c) this Section 1 of Article IX, may not be amended without the consent in writing of the Declarant, so long as the Declarant shall be an Owner. Furthermore, notwithstanding the foregoing, so long as the Declarant is the Owner of one or more Units, no amendment to the Bylaws or Rules may be adopted which could interfere with the construction, display, sale, lease, or other disposition of such Unit or Units.

2. Recording. A modification or amendment of these Bylaws shall become effective only when it has been duly evidenced in accordance with the provisions of Section 34 IV of the Condominium Act.

3. Conflicts. No modification or amendment of these Bylaws may be adopted which shall be inconsistent with the provisions of the Condominium Act or with the provisions of the Declaration. A modification or amendment once adopted and recorded as provided for herein shall then constitute part of the official Bylaws of the Condominium and all Owners shall be bound to abide by such modification or amendment.

4. Approval of Mortgagees. These Bylaws, contain provisions concerning various rights, priorities, remedies and interests of the mortgagees of Units. Such provisions in these Bylaws are to be construed as covenants for the protection of the mortgagees on which they may rely in making loans secured by mortgages on the Units. Accordingly, all mortgagees with respect to which the Board has received notice pursuant to Article XI below shall be given thirty (30) days notice of all proposed amendments, and no amendment or modification of these Bylaws impairing or affecting the rights, priorities, remedies or interests of a mortgagee (including the mortgagee's use of a secondary mortgage market, i.e. the saleability of mortgages to Mortgage Guaranty Insurance Corporation, Federal National Mortgage Corporation, Federal Home Loan Mortgage Corporation, etc.) shall be adopted without the prior written consent of such mortgagee. If there is more than one mortgagee holding mortgages on the Units, it shall be sufficient for this purpose to obtain the written consent of the mortgagee or mortgagees holding mortgages on 75% or more the Units encumbered by mortgages.

ARTICLE XI

MORTGAGES

1. Notice to Board. An Owner who mortgages his Condominium Unit shall notify the Board of the name and address of his mortgagee, and shall file a conformed copy of the mortgage with the Board. The Board shall maintain suitable records pertaining to such mortgages.

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2. Notice of Unpaid Assessments for Common Expenses. The Board whenever so requested in writing by a mortgagee of a Condominium Unit, shall promptly report any then unpaid assessments for Common Expenses due from, or any other default by, the Owner of the mortgaged Condominium Unit.

3. Notice of Default. The Board shall give written notice to an Owner of any default by the Owner in the performance of any obligations under the Act, Declaration or Bylaws, and, if such default is not cured within thirty (30) days, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has theretofore been furnished to the Board. No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to the Declaration or these Bylaws except after ten (10) days written notice to the holder of the first mortgage on the Unit which is the subject matter of such suit or proceeding.

4. Notice of Damage. The Board of Directors shall notify; (i) the mortgagee of a Unit whenever damage to the Unit covered by the mortgage exceeds $1,000 and the Board is made aware of such damage; and (ii) all mortgagees whenever damage or loss to, or taking of, the Common Area exceeds $10,000.

5. Examination of Books. Each Owner and each mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but, with respect to Owners, not more often than once a month.

ARTICLE XII

NOTICE

1. Manner of Notice. All notices, demands, bills, statements or other communications provided for or required under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by U.S. Mail, return receipt requested, first class postage prepaid, (i) if to an Owner, at the address of his Unit and at such other address as the Owner may have designated by notice in writing to the Clerk, or (ii) if to the Unit Owners' Association, the Board of Directors or the Manager at the principal office of the Manager or at such other address as shall be designated by notice in writing to the Owners pursuant to this Section.

2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes, the Declaration or of these Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto, unless such waiver is ineffective under the provisions of the Condominium Act.

ARTICLE XIII

COMPLIANCE AND DEFAULT

1. Relief. Each Owner shall be governed by, and shall comply with, all of the terms of the Declaration, these Bylaws, and the Rules, and any amendments of the same. A default by an Owner shall entitle the Unit Owners' Association acting through the Board of Directors or the Manager, to the following reflief:

(a) Legal Proceedings. Failure to comply with any of the terms of the Declaration, these Bylaws, and the Rules shall be grounds for relief which may include without limiting the same, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in these Bylaws, or any combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Unit Owners' Association, the Board of Directors, the Manager, or, if appropriate, by any aggrieved Owner.

(b) Additional Liability. Each Owner shall be liable for the expenses of all maintenance, repair or replacement rendered necessary by his acts, neglect or carelessness or the act, neglect or carelessness of any member of his family or his tenants, guests, employees, agents or invitees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by an insurance company of its rights of subrogation.

(c) Costs and Attorneys' Fees. In any proceeding arising out of any alleged default by an Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorneys' fees as may be determined by the court.

(d) No Waiver of Rights. The failure of the Unit Owners' Association, the Board of Directors, or of an Owner to enforce any right, provision, covenant, or condition which may be granted by the Declaration, these Bylaws or the Rules shall not constitute a waiver of the right of the Association, the Board of Directors, or any Owner to enforce such right, provision, covenant, or condition in the future. All rights, remedies and privileges granted to the Association, the Board of Directors, or any Owner pursuant to any term, provision, covenant or condition of the Declaration or the Rules shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by the Declaration, these Bylaws or the Rules, or at law or in equity.

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(e) Interest. In the event of a default by any Owner against him which continues for a period in excess of thirty (30) days, such Owner shall be obligated to pay interest in the amounts due at the highest rate permitted by law, or at twelve

percent (12%), whichever is less, per annum from the due date thereof. In addition, the Board of Directors shall have the authority to impose a late payment charge on such defaulting Owners in an amount not to exceed $15.00, or six cents ($.06) per dollar on any amount so overdue, whichever is greater.

(f) Abatement and Enjoinment of Violations by Owners. The violation of any rule or regulation adopted by the Board of Directors, or the breach of any Bylaw contained herein, or the breach of any provision of the Declaration, shall give the Board of Directors or the Manager the right, in addition to any other rights set forth in these Bylaws: (a) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of provision hereof, and the Board of Directors or Manager shall not thereby be deemed guilty in any manner of trespass; (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; or (c) to suspend or limit the right of the Owner commiting the violation to use any part of the Common Area during the continuance of such violation.

2. Lien for Assessments.

(a) The total annual assessment of each Owner for the Common Expenses or any special assessment levied pursuant to these Bylaws is hereby declared to be a lien levied against the Unit of such Owner as provided in the Condominium Act, (including without limitation the priority provisions set forth in Section 46 thereof) which lien shall be effective when perfected in accordance with said Act.

(b) In any case where an assessment against an Owner is payable in installments, upon a default by such Owner in the payment of any single installment, which continues for ten (10) days after written notice of such default has been sent to the Owner, the maturity of the remaining total of the unpaid installments of such assessments may be accelerated, at the option of the Board of Directors, and the then balance owing may be declared due and payable in full by the service of notice to such effect upon the defaulting Owner by the Board of Directors or Manager. The Association, in order to perfect such lien shall file before the expiration of six (6) months from the time that the delinquent assessment (or installment, where such assessment is payable in installments) became due and payable, a memorandum in the Carroll County Registry of Deeds in form and manner prescribed in said Act.

(c) The lien for assessments shall include interest, costs and attorneys fees as provided in Section 1 of this Article XIII and may be foreclosed in the manner provided by the laws of the State of New Hampshire for the foreclosure of power of sale mortgages or by suit brought in the name of the Board of Directors, acting on behalf of the Unit Owners' Association. During the

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pendency of such proceedings or suit the Owner shall be required to pay a reasonable rental for the Unit for any period prior to sale pursuant to any judgment or order of any court having jurisdiction over such sale.

(d) Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving the lien securing the same, and foreclosure shall be available without bringing suit to recover a money judgment.

ARTICLE XIV

COMPLIANCE, CONFLICT, AND MISCELLANEOUS PROVISIONS

1. Compliance. These Bylaws are set forth in compliance with the requirements of the Condominium Act (herein sometimes referred to as the "Act").

2. Severability. These Bylaws are set forth to comply with the requirements of the State of New Hampshire. In case any of the Bylaws are in conflict with the provisions of any of its statutes, the provisions of the statutes will apply. If any provisions of these Bylaws or any section, sentence, clause, phrase, or word, or the application thereof in any circumstance is held invalid, the validity of the remainder of these Bylaws, shall not be affected thereby and to this end, the provisions hereof are declared to be severable.

3. Waiver. No restriction, condition, obligation or provision of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

4. Captions. The captions contained in these Bylaws are for convenience only and are not part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws.

5. Gender, etc. Whenever in these Bylaws the context so requires, the singular number shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

IN WITNESS WHEREOF, Declarant has caused these Bylaws to be executed by its duly authorized officers and its corporate seal to be hereunto affixed this 20th day of July, 1978.

WITNESS:

RIVER RUN COMPANY, INC.

By _____
Joseph L. Berry
President

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