

EXHIBIT "A"
BYLAWS
OF
JACOB'S EDGE CONDOMINIUM TRUST

The provisions of this Exhibit A to JACOB'S EDGE CONDOMINIUM TRUST shall constitute the Bylaws of JACOB'S EDGE CONDOMINIUM TRUST, the organization of Unit Owners established by said Trust unless the context otherwise requires, the words defined in the Master Deed and the definitions contained in Section 1 of Chapter 183A shall be applicable to the Bylaws. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Master Deed and the Trust.

1. Powers and Duties of the Trustees

The Board of Trustees shall have all powers necessary for administering the affairs of the Condominium as set forth in Chapter 183A and they may do any and all acts necessary or desirable for the administration of the affairs of the Condominium except only for such acts as may not, under law or under the provisions of the Master Deed or this Trust, be delegated to the Trustees by the Unit Owners. Such powers and duties of the Trustees shall include, but shall not be limited to, the following:

- (a) operation, care, upkeep and maintenance of the Common Areas and Facilities;
- (b) determination of the Common Expenses required for the affairs of the Condominium, including but not limited to the operation and maintenance of the Common Areas and Facilities;
- (c) collection of the Common Expenses, from the Unit Owners;
- (d) employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Common Areas and Facilities;
- (e) subject to the provisions of Section 7 of these Bylaws, adopting, amending, and administering (including waiving) Rules and Regulations covering the details of the operation and use of the Common Areas and Facilities;
- (f) opening bank accounts on behalf of the Condominium, and, subject to the provisions hereof, designating the signatories required therefore;
- (g) managing and otherwise dealing with such facilities as may be provided

for in
the Master Deed as being Common Areas and Facilities;

(h) owning, conveying, encumbering, and otherwise dealing with units conveyed to the Trust or purchased by it as a result of enforcing the lien for Common Expenses, or otherwise;

(i) obtaining insurance for the Condominium, including the units, pursuant to the provisions hereof;

(j) making repairs, additions and improvements to, or alterations or restoration of, the Condominium, in accordance with the other provisions of this Trust.

(k) enforcing obligations of the Unit Owners, allocating income and expenses, and doing anything and everything else necessary and proper for the sound management of the Condominium;

(l) subject to the provisions of Subsection (B) of Section 29 of these Bylaws, purchasing a Unit;

(m) purchasing of units at foreclosure or other judicial sales;

(n) organizing and maintaining corporations, trusts, or other entities to act as nominee of the Condominium in acquiring title to units on behalf of all Unit Owners under the provisions hereof;

(o) conducting litigation as to any course of action involving the Common Areas and Facilities or arising out of the enforcement of the Bylaws, Rules and Regulations, and Master Deed, and this Trust. Notwithstanding any provision of the Master Deed, or the Declaration of Trust of the Condominium Trust, or of these Bylaws or the Rules and Regulations to the contrary, neither the Trustees acting in their capacity as such Trustees or acting as representatives of the Unit Owners, nor any class of Unit Owners shall bring any litigation whatsoever unless a copy of the proposed complaint in such litigation has been delivered to all of the Unit Owners, and not less than eighty percent (80%) of all Unit Owners consent in writing to the bringing of such litigation within sixty (60) days after a copy of such complaint has been delivered to the Unit Owners and specifying as part of the written consent a specific monetary limitation to be paid as legal fees and costs and expenses to be incurred in connection therewith, which amount shall be separately assessed as a special assessment effective forthwith at the time of said affirmative consent. Notwithstanding any provisions of the Master Deed, or of the Declaration of Trust of the Condominium Trust (including, but not limited to, the provisions of Article VII of the Declaration of Trust of the Condominium Trust) or these Bylaws or the Rules and Regulations, the provisions of this Paragraph (o) of this Section I shall not be amended except by vote of at least eighty percent (80%) of Unit Owners.

The provisions of this paragraph (o) shall not apply to litigation by the Condominium Trust against Unit Owners with respect to the recovery of overdue Common Expenses or Special Assessments or to foreclose the lien provided by Chapter 183A, Section 6, and Chapter 254, Sections 5 and 5A, as amended by 1987 Mass. Acts Chapter 338 and 1989 Mass. Acts Chapter 341, or to enforce any of the provisions of the Master Deed, or the Declaration of Trust of the Condominium Trust, or these Bylaws or Rules and Regulations thereto, or the unit deed, against Unit Owners; and

(p) granting permits, licenses and easements over the Common Areas and Facilities for utilities and other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium project.

2. Common Expenses and Profits

A. Commencing on the date of the recording of the Master Deed, each Unit Owner shall be liable for Common Expenses and shall be entitled to common profits of the Condominium in the same proportion as his or her beneficial interest in this Trust bears to the aggregate beneficial interest of all the other Unit Owners. The Trustees may at any time or times distribute common profits among the Unit Owners in such proportions. The Trustees shall at all times establish and maintain an adequate

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reserve fund for the periodic maintenance, repairs and replacement of improvements to the Common Areas and Facilities and those limited common areas that the Trust may be obligated to maintain. Such reserve fund shall be funded by regular monthly assessments from regular assessments for Common Expenses and shall not be deemed to be common profits available for distribution.

B. In addition to the foregoing (and not in substitution thereof), to ensure that this Trust will have the funds to meet unforeseen expenditures or to purchase any additional equipment or services, a working capital fund shall be established equal to at least two (2) months' estimated common charges for each unit. Any amounts paid into this fund shall not be considered advance payments of regular assessments. Each unit's share of the working capital fund shall be collected at the time the sale of the unit is closed or at the time control of this Trust is transferred to the Trustees elected by Unit Owners other than the Declarant, as set forth in Article III of this Trust, whichever occurs earlier. When control of this Trust is transferred as set forth in the immediately preceding sentence, the working capital fund shall be transferred to this Trust for deposit to a segregated fund. During the term of the Initial Board (or while a majority of the Trustees are the Declarant, or nominees or designees of the Declarant), the working capital fund, which is the subject of this subsection, cannot be used to defray the expenses, reserve contributions or construction costs that are the responsibility of the Declarant in its role as developer of the Condominium or to make up budget deficits. The Declarant may reimburse itself for these payments from the funds collected at closing when the unsold units are sold.

C. In addition to the foregoing (and not in substitution thereof), the Trustees may, to such extent as they deem advisable, set aside common funds of the Condominium as additional reserves and may use the funds so set aside for reduction of indebtedness or other lawful capital purposes, and, subject to the provisions of Section 4 of these Bylaws, for repair, rebuilding or restoration of the Condominium, or for improvements thereto, and for replacement of the Common Areas and Facilities, and other proper contingencies. The funds so set aside shall not be deemed to be common profits available for distribution.

D. At least thirty (30) days prior to the commencement of each fiscal year of this Trust, the Trustees shall estimate the Common Expenses expected to be incurred during such fiscal year, together with reasonable provision for contingencies and reserves, and for the reserve funds mentioned in Subsection C of this Section 2 and, after taking into account any undistributed common profits from prior years, shall determine the assessment for Common Expenses to be made for such fiscal year. The Trustees shall promptly furnish copies of each budget on which such assessment is based to all Unit Owners and, if requested, to their mortgagees. The Trustees shall promptly render statements to the Unit Owners for the respective shares of such assessment, and each Unit Owner thereafter shall pay one-twelfth (1/12) of his or her share of the estimated Common Expenses monthly in advance on the first day of each month. The Trustees shall not be obligated to render monthly statements. In the event that, at any time and from time to time, the Trustees shall determine during any fiscal year that the assessment so made is less than the Common Expenses actually incurred or to be incurred, including but not limited to provisions for proper reserve funds, the Trustees shall make a supplemental assessment or assessments and render statements therefore in the manner aforesaid, and such statements shall be payable and take effect as set forth in such statements. The Trustees may, in their discretion, provide for payments of such supplemental assessment statements in monthly or other installments. The Trustees shall have the authority and the duty to levy and enforce the collection of general and special assessments for Common Expenses.

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E The amount of each such statement, for regular or supplemental assessments, together with interest thereon, if not paid when due, at a rate equal to six percent (6%) above the Wall Street Journal (Eastern Edition) prime rate then in effect (but not more than nineteen percent (19%) per annum), together with all expenses, including attorney fees, incurred by the Trustees in any proceeding brought to collect such unpaid Common Expenses and assessments, shall constitute a lien on the unit of the Unit Owner assessed pursuant to the provisions of Section 6 of said Chapter 183A and Sections 5 and 5A of Chapter 254, as amended by 1987 Mass. Acts Chapter 338, 1989 Mass. Acts Chapter 341, 1992 Mass. Acts Chapter 400 and 1993 Mass. Acts Chapter 1, and may be collected by the Trustees pursuant to said statutes. The Trustees shall take prompt action to collect any Common Expenses and assessments due from any Unit Owner that remain unpaid for more than thirty (30) days from the due date thereof, including but not limited to action

under the provisions of Massachusetts General Laws Chapters 183A and 254, as amended by 1987 Mass. Acts Chapter 338, 1989 Mass. Acts Chapter 341, 1992 Mass. Acts Chapter 400 and 1993 Mass. Acts Chapter 1. In the event that the Trustees bring an action to foreclose a lien on any unit pursuant to said statute, the Unit Owner shall pay a reasonable sum for use and occupancy of his or her unit from the date of foreclosure until the Unit Owner vacates the unit (in such foreclosure action, the plaintiff shall be entitled to the appointment of a receiver to collect the same), but nothing in this sentence shall be deemed to grant any Unit Owner the right to remain in possession of his or her unit after such foreclosure. The Trustees, acting on behalf of all Unit Owners, shall have power to purchase such unit at the foreclosure sale and to acquire, hold, , mortgage (but not vote appurtenant to), convey or otherwise deal with the same. A suit to recover a money judgment for unpaid Common Expenses shall be maintainable without foreclosing or waiving the lien securing the same. In the event of any suit or foreclosure by the Trustees, the Trustees shall be entitled to interest at a rate equal to six percent (6%) above the Wall Street Journal (Easter Edition) prime rate then in effect (but not more than nineteen percent (19%) per annum) and all costs of collection, suit and foreclosure, including attorney fees. In addition to the lien in favor of the Trustees for assessments for Common Expenses and assessments, such assessments shall also be the personal obligation of the Unit Owner at the time the assessment fell due.

F. The Trustees shall promptly provide any Unit Owner, or any Unit Buyer who has a duly executed Purchase and Sale Agreement for the acquisition of a unit, or any mortgagee, or the attorney of any such party, with a written statement of all unpaid Common Expenses due with respect to such unit, signed and acknowledged in proper form for recording, upon the written request of such Unit Owner or buyer or mortgagee or attorney. Notwithstanding anything to the contrary in this Declaration of Trust, including these Bylaws, such statements may be executed by any two (2) Trustees. Recording such statement in the Hampshire County Registry of Deeds shall discharge the unit from any lien for any other sums unpaid not enumerated as of the date of such statement to the extent provided by said Chapter 183A.

G. The Trustees shall expend common funds only for common expenses and lawful purposes permitted hereby and by the provisions of said Chapter 183A.

H. Any first mortgagee who obtains title to a Condominium unit, pursuant to the remedies provided in its mortgage or foreclosure of its mortgage, will not be liable for such unit's unpaid dues, common charges, or assessments (including interest and costs of collection and legal fees relating to the collection thereof) that accrue prior to the acquisition of title to such unit by the Mortgagee, provided, however, that notwithstanding the foregoing, such first mortgagee shall be liable for such unit's unpaid common expenses, costs and attorney fees as provided in subsection (c) of Section 6 of Chapter 183A, as amended by 1992 Mass. Acts Chapter 400 and 1993 Mass. Acts Chapter 1. The lien

for common expense assessments shall not be affected by any sale or transfer of a unit, except that a sale or transfer pursuant to a foreclosure of a first mortgagee shall extinguish a subordinate lien for assessments that became payable prior to such sale or transfer, provided, however, that the lien for common expense assessments shall be affected by the sale or transfer of a unit to the extent set forth in subsection (c) of Section 6 of Chapter 183A, as amended by 1992 Mass. Acts Chapter 400 and 1993 Mass. Acts Chapter 1. Any such delinquent assessments that were extinguished pursuant to the immediately preceding sentence may be reallocated and assessed to all units as a Common Expense. Any such sale or transfer pursuant to a foreclosure shall not relieve the purchaser or transferee of a unit for liability for, nor the unit from the lien of, any assessments made thereafter.

3. Insurance

A. The Trustees shall be required to obtain and maintain, to the extent obtainable, the following insurance (and to pay premiums thereon as a Common Expense):

(1) fire insurance with extended coverage (covering other perils normally covered

by the standard extended coverage endorsement) insuring all portions of the building, including the Common Areas and Facilities of the Condominium, and all of the units and all of the fixtures installed therein on the date of recording the Master Deed, but not including carpeting, drapes, fixtures, furniture, furnishings, or other personal property supplied to or installed by Unit Owners, such insurance covering the interest of the Condominium, the Trustees and all Unit Owners and their mortgagees, as their interests may appear, in an amount equal to one hundred percent (100%) of current replacement cost of the building, Common Areas and Facilities, and units, without deduction for depreciation, with loss payable to the Trustees, as Insurance Trustees for each Unit Owner and the holder of each unit's mortgage. The named insured shall be "the Trustees of Jacob's Edge Condominium Trust, for the use and benefit of the individual Unit Owners and unit mortgagees." Such insurance shall also cover all other perils customarily covered with respect to projects similar in construction, location and use, including all perils normally covered by the standard "all risk" endorsement, where such is available;

(2) workers' compensation insurance if the Trustees shall have an employee or employees;

(3) comprehensive general liability insurance covering all Common Areas and Facilities and any other areas under the supervision of the Trustees, in such amounts and with such coverage as the Trustees shall from time to time determine, with a combined single limit for both personal injury, death and property damage, of not less than one million dollars (\$1,000,000.00), but at least covering each member of the Trustees, the managing agent or the manager, if any, and each Unit

Owner and with cross-liability endorsement to cover liabilities of the Condominium to a Unit Owner, and a severability of interest provision precluding the insurer's denial of a Unit Owner's claim because of negligent acts by this Trust or other Unit Owners;

(4) fidelity bonds in blanket form for all officers, directors, Trustees and employees of the Trust and all other persons handling or responsible for funds administered by the Trust whether or not they receive compensation for their services. The total amount of fidelity bond coverage shall not be less than the estimated maximum funds, including reserve funds, in the

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custody of the Trust or the management agent, as the case may be, at any given time during the term of such bond, and, in any event, the aggregate amount shall not be less than a sum equal to three (3) months' aggregate assessments on all units plus reserve funds, or one and one-half (1 1/2) times the insured's estimated annual operating expenses and reserves, whichever is greater.

- (i) The fidelity bonds shall name the Trust as an obligee;
- (ii) The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expression; and
- (iii) The bonds shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days' prior written notice to the Trust and to the Mortgagees that are listed as scheduled holders of first mortgages in the insurance policy; and

(5) such other insurance as the Trustees may determine.

Notwithstanding the provisions of Clause (4) of the immediately preceding sentence, the fidelity bonds set forth in said Clause (4) shall be required only if required under the provisions of subsection (e) of Section III of this Trust, and not otherwise. All such policies shall provide that adjustment of loss shall be made by the Trustees and that the net proceeds thereof shall be payable to the Trustees as Trustee for each Unit Owner and the holder of each unit's mortgage. Each Unit Owner, by accepting delivery of his or her unit deed, appoints the Trustees as Insurance Trustees (or any Insurance Trustee or Substitute Insurance Trustee designated by the Trustees) as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including the collection and appropriate disposition of the proceeds thereof, the negotiation of losses and execution of releases of liability, the execution of all documents, and the performance of all other acts necessary to accomplish such purpose. The Trustees shall periodically reevaluate the amount of public liability insurance to be carried by them as set forth in clause (3) of this Section 3 to the end that the limits of such insurance shall not be less than the amounts specified in said clause (3), or not less than limits of such liability insurance as are

carried by other Condominium Unit Owners' Associations in comparable condominiums in South Hadley, Massachusetts, whichever is higher.

B. All such policies of physical damage insurance shall, insofar as practicable, contain waivers of subrogation as to any claim against the Trustees, their agents and employees, Unit Owners, their respective employees, agents and guests, and of any defense based on invalidity arising from the acts of the insured and shall provide that the insurance will not be prejudiced by any acts or omissions of individual Unit Owners that are not under the control of the Unit Owner's association, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all Unit Owners and mortgagees of units. Recovery thereunder shall not be affected on account of the availability of proceeds under any policies obtained by individual Unit Owners covering their own units and shall include a Special Condominium Endorsement (so-called) or its equivalent. Agreed Amount, Inflation Guard and Construction Code endorsements shall be required if available. A steam boiler and machinery coverage endorsement shall also be required, which provides that the insurers minimum liability per accident at least equals the lesser of \$2,000,000.00 or the insurance value of the building housing the boiler or machinery. A

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certificate of insurance, showing the amount of insurance, shall be issued to the owners of each unit, and the original or a certificate thereof shall, upon request, be delivered to the mortgagee of each unit. The Trustees shall periodically obtain an independent appraisal of the full replacement value of all portions of the building, including all of the units and all of the Common Areas and Facilities, and additions, alterations and improvements, without deduction for depreciation, for the purposes of determining the amount of fire and extended coverage insurance to be effected pursuant to this Section, and the amount of such insurance shall in no event be less than the full replacement value so as determined.

C. Subject to the provisions of Section 4 of these Bylaws, insurance proceeds received by the Trustees shall be held in trust in an identified and segregated fund for the benefit of the Unit Owners and all mortgagees of all units. If the cost of restoring the Common Areas and Facilities, or any unit, is estimated by the Trustees to exceed the sum of one thousand dollars (\$1,000.00), then the Trustees shall give written notice of such loss to all eligible Mortgage Holders and all eligible Insurers and Guarantors, as herein defined.

D. The cost of all such insurance obtained and maintained by the Trustees pursuant to the provisions of this Section 3 shall be a Common Expense of the Condominium.

E. Any such insurance obtained and maintained by the Trustees pursuant to the provisions of this Section 3 may have a deductible amount to be determined from time to time by the Trustees (but in no event shall such deductible amount be greater than the lesser of ten thousand dollars (\$10,000.00) or one percent (1 %) of the policy face amount), who

shall simultaneously specify, in writing with notice to all Unit Owners, how and by whom the amount of the deductible shall be paid in the event of a loss.

F. All insurance obtained and maintained by the Trustees shall conform to applicable requirements of the Federal Home Loan Mortgage Corporation ("FHLMC") and the Federal National Mortgage Association ("FNMA"), so long as FHLMC or FNMA hold one or more mortgages on units in the Condominium or any interest therein.

G. Each Unit Owner may carry insurance at his or her own expense for his or her own benefit insuring, inter alia, his or her carpeting, drapes, fixtures, furniture, furnishings and other personal property. He or she may also carry insurance for personal liability and loss assessment coverage, provided that all such policies shall contain waivers of subrogation, and further provided that the liability of the carriers issuing insurance obtained by the Trustees shall not be affected or diminished by reason of any such additional insurance carried by a Unit Owner. Each Unit Owner shall promptly notify the Trustees of all improvements made by him or her to his or her unit the insurable replacement cost of which exceeds one thousand dollars (\$1,000.00), and such Unit Owner shall pay to the Trustees as an addition to his or her share of the Common Expenses of the Condominium otherwise payable by such owner any increase in insurance premium incurred by this Trust that results from such improvement.

H. Nothing shall be done or kept in any unit or in the Common Areas and Facilities that will increase the rate of insurance on the buildings or the contents thereof without the prior written consent of the Trustees, unless the Unit Owner responsible for such increase shall agree to pay the amount of such increase.

4. Rebuilding and Restoration

A. In the event of damage to or destruction of the Common Areas and Facilities as a result of fire or other casualty (unless Subsection F of this Section is applicable), or, in the event of damage to or destruction of any unit as a result of fire or other casualty, whether or not the Common Areas and Facilities have been damaged or destroyed (unless Subsection F of this Section is applicable), the Trustees shall promptly adjust the loss, arrange for the prompt repair or restoration of the same, and disburse the proceeds of all insurance policies in payment of all costs and expenses actually incurred in connection with such repair or restoration in appropriate progress payments and with appropriate retain age. All insurance proceeds paid to the Trustees as Insurance Trustees on account of any casualty shall be dedicated first to the repair or restoration of the loss, and any application of said proceeds by the Trustees on account thereof shall be prior to the application of such proceeds for any other purposes.

B. In the event that the insurance proceeds are not sufficient to cover the cost of repairs to the Common Areas and Facilities and the units, the proceeds will be first allocated to the cost of repairs to the Common Areas and Facilities. The balance, if any, will go to the cost of repairs to the units in proportion to the cost of all repairs to the respective units as determined by the insurer or by independent appraisal. To the extent that the proceeds allocated as aforesaid are insufficient to cover the cost of repairs to the Common Areas and Facilities, the balance of the cost of such repairs will be assessed against all Unit Owners as a Common Expense. To the extent that the proceeds allocated as aforesaid are insufficient to cover the cost of repairs to the units, the balance of the cost of such repairs to each unit will be assessed against all Unit Owners as a Common Expense.

C. Whenever the estimated cost of repair or restoration exceeds, as to anyone casualty or occurrence, on the basis of an independent appraisal, the sum of twenty-five thousand dollars (\$25,000.00), then the Trustees shall retain a registered architect or registered engineer, who shall not be, directly or indirectly, a Unit Owner or an employee or agent of any Unit Owner, or a Trustee or an employee or agent of any of the Trustees, or the manager, if any, or any employee or agent of such manager, to supervise the work of repair or restoration. No sums shall be paid by the Trustees on account of such repair or restoration except upon certification to them by such architect or engineer that the work for which payment is being made has been completed in a good and workmanlike manner in accordance with approved plans and specifications and that the estimated total cost of completion of said repair or restoration, less amounts theretofore advanced, does not exceed the undisbursed proceeds of insurance as augmented by funds obtained by any assessment or assessments levied or chargeable to the Unit Owners as a Common Expense.

D. The Trustees may perform emergency work essential to the preservation and safety of the Condominium, including all parts of the building and the Common Areas and Facilities and the units, or the safety of persons, or required to avoid the suspension of any essential service to the Condominium, including all parts of the building and the Common Areas and Facilities and the units, without having first engaged an architect or engineer, adjusted the loss or obtained proceeds of insurance.

E. Subject always to the prior rights of the Unit Mortgagees, if there shall have been a repair or restoration pursuant to the foregoing, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds, if any, shall

be added to the Condominium's reserve fund or, at the option of the Trustees, divided among all the Unit Owners in proportion to their respective interests in the Common Areas and Facilities.

F. Notwithstanding the foregoing, if as a result of fire or other casualty the loss exceeds ten percent (10%) of the value of the Condominium, including all parts of the building and the Common Areas and Facilities and the units prior to the casualty, and (a) If seventy-five percent (75%) of the Unit Owners do not agree within one hundred and twenty (120) days after the date of the casualty to proceed with repair or restoration, then the Condominium, including all units, shall be subject to partition at the suit of any Unit Owner. Such suit shall be subject to dismissal at any time prior to entry of an order to sell if an appropriate agreement to rebuild is filed. Subject always to the prior rights of the Unit Mortgagees, the net proceeds of the partition sale, together with any common funds, shall be divided in proportion to the Unit Owners' respective undivided ownership in the Common Areas and Facilities. Upon such sale, the Condominium shall be deemed removed from the provisions of Chapter 183A; (b) If seventy-five percent (75%) of the Unit Owners agree to proceed with the necessary repair or restoration, the cost of rebuilding the Condominium, in excess of any available common funds, including the proceeds of any insurance, shall be a common expense, provided, however, that if such excess cost exceeds ten percent (10%) of the value of the Condominium, including all parts of the building and the Common Areas and Facilities and the units, prior to the casualty, then any Unit Owner who did not so agree may apply to the Superior Court of Hampshire County, on such notice to the Trustees and Unit Owners as the Court shall direct, for an order directing the purchase of his or her unit by the Trustees at the fair market value thereof as approved by the Court. The cost of any such purchase shall be a Common Expense.

G. The Trustee shall maintain and restore the twenty-five (25) foot wide buffer strips along the easterly and westerly boundaries of the land described in Exhibit A attached to the Condominium Master Deed in a manner as more particularly described in the Decision of the Planning Board dated March 3, 2008 and recorded in the Hampshire County Registry of Deeds on March 18, 2008.

5. Condemnation

If more than ten percent (10%) in value of the Condominium is taken under the power of Eminent Domain, then the taking shall be treated as a casualty loss, and the provisions of Section 4 of these Bylaws and the provisions of Chapter 183A, Section 17 shall apply. Where one or more units have been substantially altered or rendered uninhabitable as a result of a partial taking, and the Unit Owners vote to restore and continue the Condominium pursuant to Section 17 of said Chapter 183A, the Trustees shall have the authority to acquire the remaining portions of such units for such price as the Trustees shall determine, provided that any Unit Owner of such remaining portion who does not agree with such determination may apply to the Superior Court of Hampshire County, on such notice to the Trustees and the other Unit Owners as the Court shall direct, for an order directing the purchase of such remaining portion at the fair market value thereof as approved by the Court. Where, as a result of a partial taking, any unit is decreased in size or where the number of units is decreased by a partial taking, then the Trustees may make such provision for realignment of the percentage interest in the Common Areas and Facilities as shall be just and equitable.

In the event of a total or partial taking under the powers of eminent domain, the Unit Owners shall be represented by the Condominium acting through the Trustees. In the event of a partial taking, the award shall be allocated to the respective Unit Owners according to their undivided interest in the

Common Areas and Facilities, except as to such portion or portions of the award that are attributable to direct or consequential damages suffered by particular units as determined by the Court, which shall be payable to such Unit Owners or their mortgagees, as their interests may appear. Subject always to the prior rights of the Unit Mortgagees, in the case of a total taking of all units and the Common Areas and Facilities, the entire award shall be payable to the Trustees to be distributed to the Unit Owners and their mortgagees in accordance with their respective percentage interests in the Common Areas and Facilities.

6. Improvements

A. If fifty percent (50%) or more but less than seventy-five percent (75%) of the Unit Owners agree to make an improvement to the Common Areas and Facilities, the cost of such improvement shall be borne solely by the Unit Owners so agreeing.

B. Seventy-five percent (75%) or more of the Unit Owners may agree to make an improvement to the Common Areas and Facilities and assess the cost thereof to all Unit Owners as a Common Expense, but if such improvement shall cost in excess of ten percent (10%) of the then value of the Condominium, including the building, the Common Areas and Facilities and the units, any Unit Owner not so agreeing may apply to the Superior Court of Hampshire County, on such notice to the Trustees and Unit Owners as the Court shall direct, for an order directing the purchase of his or her unit by the Trustees at fair market value thereof as approved by the Court. The cost of any such purchase shall be a Common Expense.

7. Rules and Regulations

A. The Trustees have adopted the initial Rules and Regulations set forth on Exhibit B, which is annexed hereto and hereby incorporated herein by this reference and made a part hereof, governing the details of the operation and use of the Common Areas and Facilities and containing such restrictions on, and requirements respecting the use and maintenance of, the Common Areas and Facilities as are consistent with the provisions of the Master Deed and designed to prevent unreasonable interference with the use by the Unit Owners of the Common Areas and Facilities.

B. The Trustees shall administer such Rules and Regulations.

C. The Trustees may at any time and from time to time amend, rescind and waive any or all such Rules and Regulations.

D. The Trustees may at any time and from time to time adopt other Rules and Regulations governing the details of the operation and use of the Common Areas and Facilities and containing such restrictions on, and requirements respecting the use and maintenance of, the Common Areas and Facilities as are consistent with the provisions of the Master Deed and designed to prevent unreasonable interference with the use by the Unit Owners of the Common Areas and Facilities.

E. Notwithstanding the foregoing provisions of this Section 7:

(i) The Trustees shall furnish copies of any new rule or regulation, or amendment of any existing rule or regulation, to the Unit Owners prior to the time when such new rule or regulation, or amendment, as the case may be, shall become effective; and

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(ii) The Unit Owners, by majority vote, may at any time and from time to time rescind, amend or waive any rule or regulation promulgated by the Trustees (including but not limited to the initial Rules and Regulations referred to hereinabove); and

(iii) Any waiver, revision, amendment, adoption or enforcement of a rule or regulation whether by the Trustees or the Unit Owners as hereinbefore set forth, shall be uniformly binding upon all Unit Owners.

8. Meetings

A. The Board of Trustees shall meet annually on the date of the Annual Meeting of the Unit Owners. Other meetings may be called by any Trustee, and in such other manner as the Trustees may establish, provided, however, that written notice of each meeting, shall be given at least five (5) days before such meeting to each member of the Board of Trustees. A majority of the Trustees shall constitute a quorum at all meetings. All meetings shall be conducted in accordance with such rules as the Board of Trustees may adopt.

B. There shall be an annual meeting of the Unit Owners on the second Wednesday of January in each year at 8:00 p.m. on the Condominium premises or at such other reasonable place and time (not more than twenty-one (21) days before or after said date) as may be designated by the Board of Trustees by written notice given to the Unit Owners at least fourteen (14) days prior to the date so designated. Special meetings of the Unit Owners may be called by them upon the written request of any Unit Owner. Written notice of any such meeting designating the place, day and hour thereof shall be given by the Board of Trustees to the Unit Owners at least fourteen (14) days prior to the date so

designated. At the annual meeting of the Unit Owners, the Board of Trustees shall submit reports of the management and finances of the Condominium. Whenever at any meeting the Board of Trustees proposes to submit to the Unit Owners any matter with respect to which approval of or action by the Unit Owners is necessary or appropriate, the notice of such meeting shall state and reasonably specify such matter. A quorum of Unit Owners shall consist of a majority in interest of Unit Owners.

C. Any Trustee or Unit Owner may at any time waive notice of any meeting in writing, and such waiver shall be deemed equivalent to giving such notice. Attendance at any meeting by a Trustee or Unit Owner without objection to lack of notice shall constitute a waiver of notice by such Trustee or Unit Owner. If all of the Trustees are present at any meeting of the Trustees or if all of the Unit Owners are present at any meeting of the Unit Owners, respectively, no notice shall be required, and any business may be transacted at such meeting of the Trustees or Unit Owners, respectively.

9. Notices to Unit Owners

Every notice to any Unit Owner required under the provisions hereof, or that may be deemed by the Trustees necessary or desirable in connection with the execution of the Trust created hereby or that may be ordered in any judicial proceeding, shall be deemed sufficient and binding if a written or printed copy of such notice shall be given by one or more of the Trustees to such Unit Owner by leaving such notice with him or her at his or her residence in the Condominium or by mailing it,

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postage prepaid, addressed to such Unit Owner at his or her address as it appears upon the records of the Trustees, at least five (5) days prior to the date fixed for the happening of the matter, thing or event of which such notice is given, unless a different period for the giving of such notice is specified in these Bylaws.

10. Inspection of Books; Reports to Unit Owners

The Trustees shall keep detailed records of their actions, minutes of their meetings, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium, including a chronological list of receipts and expenditures, as well as a separate account for each unit, which, among other things, shall contain the amount of each assessment of Common Expenses against such unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. Copies of the Master Deed, this Trust and these Bylaws, Rules and Regulations, and floor plans of the building, as the same may be amended from time to time, shall be maintained at the office of the Trustees. All of the foregoing records, accounts and documents shall be available for inspection by Unit Owners, their authorized agents, and lenders, mortgagees, holders, insurers and guarantors of any mortgage on any unit at all reasonable times. "Available"

shall mean available for inspection, upon request, during normal business hours or under other reasonable circumstances. The Trustees shall, as soon as reasonably possible, after the close of each fiscal year, or more often, if convenient to them, submit to the Unit Owners a report of the operation of the Trustees for such year, which shall include financial statements in such summary form and in such detail as the Trustees shall deem proper. Except in the case of fraud, committed by any Trustee, any person (other than a mortgagee or mortgage insurer or guarantor) who has been furnished with such report and shall have failed to object thereto by notice in writing to the Trustees, given by registered or certified mail within a period of sixty (60) days of the date of receipt by him or her, shall be deemed to have assented thereto. The holders of fifty-one percent (51 %) or more of first mortgages shall be entitled to have an audited statement prepared at their expense within a reasonable time if one is not otherwise available.

11. Checks and Notes

Checks, drafts and other instruments for the payment of money drawn or endorsed in the names of the Trustees or of the Trust may be signed by any two (2) Trustees (except in the case of the Initial Trustees, anyone of the two Initial Trustees may sign on behalf of the Trust) or by any person or persons (who may be one of the Trustees) to whom such power may, at any time or from time to time, be designated by not less than a majority of the Trustees. All vouchers for the payment of any Common Expense shall be approved by not less than two (2) Trustees in each instance.

12. Seal

The Trustees may, at any time or from time to time, at their discretion, adopt a seal circular in form bearing the name of this Trust and the year in which this instrument was recorded in the Registry of Deeds, or a common or wafer seal, which shall be valid for all purposes.

13. Fiscal Year

The fiscal year of the Trust shall be the calendar year or such other date as may from time to time be determined by the Trustees.

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14. Management; Employees

A. The Trustees, at their discretion, may, but need not, appoint a real estate management firm or manager to manage the Condominium at such compensation and upon such terms and conditions as the Trustees see fit. If such management firm, or manager, is so appointed, the Trustees may delegate to such firm or manager such duties as are customarily and usually performed by Condominium property managers in the Greater South Hadley area, or such duties as the Trustees may at any time and from time to time, expressly delegate, provided, however, that the duties and powers, and responsibilities of the Trustees under Sections 1(b), 1(d), 1(e), 1(f), 1(g), 1(h), 1(i), 1(k), 1(l), 1(m), 1(n), 1(o), 1(p), 2, 3, 4, 5, 6, 7, 8A, 12, 15, 16, 23,

29B, 30 and 34 of these Bylaws shall not be so delegated to anyone whomsoever except the Trustees themselves or to such of the Trustees as the Trustees shall designate.

B. Notwithstanding anything to the contrary herein, any agreement for professional management of the Condominium shall provide that the management contract may be terminated without cause and without payment of a termination fee or penalty on ninety (90) days' written notice or less, and the term of any such contract shall not exceed three (3) years, except that the term of any such contract entered into at any time during the term of the Initial Board of Trustees shall not exceed six (6) months.

C. When professional management has been previously required by an eligible Mortgage Holder, any decision to establish self-management by the Trustees shall require the prior consent set forth in clause (n) of Section (D) of Section 33 hereof.

D. The consent of not less than two (2) Trustees shall be necessary for hiring and dismissing any
Condominium employees.

15. Use of Units

A. No unit shall be occupied for nonresidential purposes, nor by more than one (1) family unit nor more than two (2) unrelated persons per bedroom, provided, however, that any of the units may also be used as an office and/or artist's studio, but only accessory to such residential use and only if and to the extent such accessory office and/or artist's studio use is permitted by applicable zoning laws. So long as any unit mortgage or interest therein is held by the Federal National Mortgage Association ("FNMA"), no nonresidential space that is part of the Condominium may constitute, in FNMA's judgment, an inordinate amount of space devoted to nonresidential purposes.

B. Notwithstanding the foregoing, until the Declarant, or their successors-in-title or their nominees have conveyed all of the units, the Declarant and their successors-in-title or nominees may use one or more units for a sales office or model and may maintain "For Sale" signs on and in the building.

C. Each Unit Owner shall be obligated to maintain his or her own unit in good order and repair.

16. Use of Common Areas and Facilities

A Unit Owner shall not place or cause to be placed in the Common Areas and Facilities any furniture, packages or objects of any kind.

17. Attorneys, Accountants, Appraisers

The Trustees may, but need not, engage the services of attorneys, accountants, appraisers, architects, engineers, and other professionals in connection with their duties as such

Trustees, upon the payment of such fees and upon such other terms and conditions as the Trustees shall decide, and such fees and other expenses in connection with such employment shall be Common Expenses of the Condominium. In the absence of fraud, the Trustees shall be protected in reasonably relying upon the opinion of such attorneys, accountants, appraisers, architects, engineers, or other professionals engaged by the Trustees pursuant to their duties as such Trustees.

18. Electricity, Other Utilities

Electricity shall be supplied by the public utilities servicing the area in which the Condominium is located, directly to each unit through separate meters. Each Unit Owner shall be required to pay all bills and assessments for electricity and other utilities, if any, consumed or used in his or her unit.

19. Violations by Unit Owners

The violation of any rule or regulation adopted by the Trustees, or the breach of any of these Bylaws, or the breach of any provisions of the Master Deed or of this Trust or for the offending Unit Owner's Unit Deed shall give the Trustees the right, in addition to any other rights set forth in these Bylaws, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, or both, the continuance of any such breach. In addition to the foregoing, and not in substitution therefor, the Trustees shall have the power to levy fines against Unit Owners for such violations. No fine may be levied for more than fifty dollars (\$50.00) for anyone violation, but each day a violation continues after notice shall be considered a separate violation. Collection of fines may be enforced against the Unit Owner or Unit Owners involved as if the fines were Common Expenses owed by the particular Unit Owner or Unit Owners. In the case of persistent violations by a Unit Owner, the Trustees shall have the power, after notice and a hearing pursuant to Section 34 hereof, to require such Unit Owners to post a bond to secure adherence to said Rules and Regulations, Bylaws, Master Deed, this Trust, or said Unit Deed.

20. Violation of Law

No noxious or unlawful activity shall be carried on in any unit or in the Common Areas and Facilities nor shall anything be done therein, either willfully or negligently, that may be or become unreasonably annoying to the other Unit Owners or occupants. No Unit Owner shall make or permit any disturbing noises by himself or herself, his or her family, guests, agents, servants, employees, licensees, or tenants, nor do or permit anything by such persons that will unreasonably interfere with the rights, comforts or conveniences of other Unit Owners or occupants. For purposes of this Section, any noise from within a unit that can be heard within another unit shall be deemed a disturbing noise.

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21. Maintenance and Repairs

A. All maintenance and replacement of and repairs to any unit, ordinary or extraordinary other than to the Common Areas and Facilities contained therein not

necessitated by the negligence, misuse or neglect of such Unit Owner, and to the doors and windows, and to electrical, plumbing, and heating fixtures within the unit or belonging to the Unit Owner that are not a part of the Common Areas and Facilities, and the washing of exterior glass of his or her unit shall be done by the Unit Owner at the Unit Owner's expense, excepting as otherwise specifically provided herein. Each Unit Owner shall be responsible for all damage to any and all other units and to the Common Areas and Facilities that his or her failure so to do may endanger.

B. All maintenance, and replacements of and repairs to the Common Areas and Facilities and all maintenance, and replacement of and repairs to the exterior walls of the building and to structural parts of the Building and the painting and decorating of the exterior doors of the Building and exterior window sash, shall be made by the Trustees and shall be charged to each of the Unit Owners as a Common Expense, except to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner.

22. Right of Access--Pass Keys

A. Subject to the provisions of said Chapter 183A, Section 4, Clause (2), the Trustees in their capacities as such, and any manager engaged by them, and any persons authorized by the Trustees or such manager, shall have a right of access to all units in the Condominium, at any time in case of emergency, and at all other times during reasonable times by prior appointment with each Unit Owner, for the purpose of making inspections or repairs to either the unit to which such persons seek access, or to another unit, or to any part of the Common Areas and Facilities.

The Trustees or their designated agent shall retain a pass key to each unit, and no Unit Owner shall alter, change or install any locks without first providing the Trustees or their designated agent with a pass key with respect to any such changed, altered or new lock.

23. Pets

Ordinary domestic pets may be kept by any Unit Owner, but no such pets shall be permitted in any part of the Condominium (other than within the unit of the owner thereof) unless carried or on a leash and all pet owners are responsible to properly pick up and dispose of all pet waste. After due notice and hearing, the Trustees may require any Unit Owner to dispose of any pet that has habitually been guilty of annoying or harassing any Unit Owner or occupant.

24. Structural Integrity

Nothing shall be done or maintained in any unit or in the Common Areas and Facilities that will impair the structural integrity of any part of the building of the Condominium.

25. No Alterations

Neither the exterior of any unit nor the Common Areas and Facilities nor the hallways or lobby shall be altered, constructed, removed, decorated or painted in any manner except with the written consent of the Trustees. Any Unit Owner is free to decorate the interior of his or her unit in any manner as he or she sees fit without requiring the consent of the Trustees so long as such decorations do not alter the structure of the unit or the building.

26. Signs

Except only as set forth in Subsection B of Section 15 ("Use of Units") of the Bylaws of this Trust, no business, professional, commercial or other signs, whether designed for profit, altruism or otherwise, shall be maintained or permitted on any part of the property, nor shall any "For Sale," sign be permitted thereon except by the Declarant during such time as the Declarant owns one or more units in the Condominium and except for any Mortgagee who may become the owner or Mortgagee in possession of any unit, but in no event shall any such sign be larger than two (2) square feet.

27. Combustible Materials

No Unit Owner shall permit or suffer to be kept at any time any flammable, combustible or explosive fluid or substance on the property of the Condominium or in his or her unit except for such lighting and cleaning fluids as are customary for residential use.

28. Safety

Each Unit Owner assumes complete responsibility for the safety of himself or herself, his or her family, guests, agents, servants, employees, licensees and tenants while such persons are in his or her unit, or any other unit or in the Common Areas and Facilities of the Condominium.

29. Sale of Units**A. No Severance of Ownership**

No Unit Owner shall execute any deed, mortgage, or other instrument conveying or mortgaging title to his or her unit without including therein the Appurtenant Interests (as hereinafter defined), it being the intention hereof to prevent any severance of such combined ownership. Any such deed, 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. No part of the Appurtenant Interests of any unit may be sold, transferred, or otherwise disposed of, except as part of a sale, transfer, or other disposition of the unit to which such interests are appurtenant, or as part of a sale, transfer, or other disposition of such part of the Appurtenant Interest of all units. As used herein, "Appurtenant Interests" shall include

(i) the undivided interest of a Unit Owner in the Common Areas and Facilities; and

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(ii) the interest of such Unit Owner in any other assets of this Trust, but the foregoing language shall not hinder or prevent any Unit Owner from conveying an easement or easements for the exclusive use of a Parking Space to another Unit Owner(s), and all easements so conveyed shall not be included in the term "Appurtenant Interests. "

B. Financing of Purchase of Units by Trustees

With the prior written approval of at least seventy-five percent (75%) of the beneficial interests hereunder (the vote of the Unit Owner of the unit that is the subject of such vote shall not be counted), the Trustees may acquire units of the Condominium. Acquisition or lease of units by the Trustees may be made from any funds in the hands of the Trustees or, if such funds are insufficient, the Trustees may levy an assessment against each Unit Owner in proportion to his or her beneficial interest as a Common Expense; or the Trustees, in their discretion, may borrow money to finance the acquisition of such units, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the specific unit or units with Appurtenant Interests so to be acquired by the Trustees. Nothing in this Subsection (B) of this Section shall be construed as compelling any Unit Owner to sell his or her unit. Nothing in this Subsection (B) of this Section shall have any effect, nor limit in any manner the rights and remedies of the Trustees under the provisions of Section 6 of Chapter 183A or under the provisions of Subsections A and B of Section 2 hereof.

C. Waiver of Right of Partition

In the event that a unit shall be acquired by the Trustees, all Unit Owners shall be deemed to have waived all rights of partition with respect to such unit or units as are acquired by the Trustees.

D. Payment of Assessments

No Unit Owner shall convey, mortgage, pledge, hypothecate, sell or lease his or her unit unless and until he or she shall have paid in full to the Trustees all unpaid Common Expenses, theretofore assessed by the Trustees against his or her unit and until he or she shall have satisfied all unpaid liens against such unit. This paragraph shall not apply to any first mortgagee of any unit.

30. Nondiscrimination

Notwithstanding anything to the contrary herein, no part of this Trust or these Bylaws or the Rules and Regulations now or hereafter adopted or promulgated (including but not limited to the provisions of Section 30) shall ever be deemed to prevent, restrict,

discourage, or hinder, in fact, in any manner whatsoever, the alienation, conveyance, mortgage, purchase, sale, license, use, or occupancy of units or any negotiations in connection therewith because of race, religion, creed, color, national origin, sex, sexual preference, age, ancestry, marital status, blindness, status as a veteran or member of the armed services, membership in any ethnic group, or by reason of the fact that children will occupy such unit, receipt of public assistance, or, in addition to the foregoing, by any reason whatsoever prohibited by any federal, state, county or municipal law.

31. Percentage of Unit Owners

Whenever the term "Percentage of Unit Owners" or "Percentage of Units" is used in this instrument, it shall mean the owners of the specified percentage in the aggregate in interest of the undivided ownership in the Common Areas and Facilities of the Condominium.

Protection of Mortgagees; Federal Home Loan Mortgage Corporation; Federal National Mortgage Association

A. Definitions

- (i) The term "FHLMC" means Federal Home Loan Mortgage Corporation.
- (ii) The term "FNMA" means Federal National Mortgage Association.
- (iii) The term "eligible Mortgage Holder" means a holder of a first mortgage on a unit who has requested notice of certain matters from this Trust as set forth in these Bylaws.
- (iv) The term "eligible Insurer or Guarantor" means an insurer or governmental guarantor of a first mortgage who has requested notice of certain matters as set forth in these Bylaws.
- (v) The term "Constituent Documents" means, collectively, the Master Deed, this Trust and the Bylaws and Rules and Regulations thereto and the Master Plans.

B. General

Notwithstanding anything to the contrary in the Constituent Documents, the following provisions shall govern and be applicable insofar as and for as long as the same are required in order to qualify mortgages of Units for sale to FHLMC or FNMA:

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- (i) There shall be no restriction upon any Unit Owner's right of ingress or egress to his or her unit, which right shall be perpetual and appurtenant to the ownership of the unit.
- (ii) There shall be no restriction on the right of a Unit Owner to sell, transfer or otherwise convey his or her unit. There shall be no "right of first refusal" so-called or any similar restriction.
- (iii) There shall be no restriction on the right of any Unit Owner to mortgage or otherwise encumber his or her unit.
- (iv) The Constituent Documents shall not be amended or modified if the result of any such amendment or modification would add a "right of first refusal" so-called.

C. Rights of Eligible Mortgage Holders and Eligible Insurers or Guarantors

Notice of Action: Upon written request to this Trust identifying the name and address of the mortgage holder, insurer or guarantor and the unit number or address, any first mortgagee and any such eligible Mortgage Holder or eligible Insurer or Guarantor will be entitled to timely written notice of:

- (i) any condemnation loss or any casualty loss that affects either a material portion of the project or any unit on which there is a first mortgage held, insured, or guaranteed by such eligible mortgage holder or eligible insurer or guarantor, as applicable;
- (ii) any delinquency in the payment of assessments or charges owed, or default in the performance by the borrower of any obligation under the Condominium Constituent Documents, by an owner of a unit subject to a first mortgage held, insured or guaranteed by such first Mortgage Holder or eligible holder or eligible Insurer or Guarantor, which remains uncured for a period of 60 days;
- (iii) any lapse, cancellation or material modification of any Insurance policy or fidelity bond maintained by the Trust; and
- (iv) any proposed action that would require the consent of a specified percentage of eligible mortgage holders.

D. Amendment to Documents

- (i) Where Unit Owners are considering termination of the legal status of the project for reasons other than substantial destruction or condemnation of the property, the consent of owners of units to which at least sixty-seven percent (67%) of the votes in

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this Trust are allocated and the approval of eligible Mortgage Holders representing at least sixty-seven percent (67%) of the votes of the mortgaged units shall be required to terminate the legal status of the project as a Condominium.

- (ii) The consent of the owners of units to which at least sixty-seven percent (67%) of the votes in this Trust are allocated, and the approval of at least fifty-one percent (51 %) of the eligible Mortgage Holders (based on one vote for each unit subject to a mortgage held by an eligible Mortgage Holder), shall be required to add or amend any material provisions of the constituent documents of the project, which establish, provide for, govern or regulate any of the following (except that the required consents shall not be applicable and shall be deemed waived to the extent necessary to allow the phasing of the Condominium as set forth in the Master Deed):

- (a) voting rights;
- (b) assessments, assessment liens or subordination of such liens;
- (c) reserves for maintenance, repair and replacement of the common areas;
- (d) insurance or fidelity bond requirements;
- (e) rights to use the common areas;
- (f) responsibility for maintenance and repairs;
- (g) expansion or contraction of the project or the addition, annexation or withdrawal of property to or from the project;
- (h) definitions of unit boundaries;
- (i) interests in the general or limited common areas;
- (j) convertibility of units into common areas or of common areas into units;
- (k) reallocation of interests in the general or limited common areas or rights to their use;
- (l) a decision by the Trust to establish self-management when professional management had been required previously by an eligible Mortgage Holder;
- (m) imposition of any restrictions on a Unit Owner's right to sell or transfer his or her unit;

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- (n) restoration or repair of the project (after hazard damage or partial condemnation) in a manner other than that specified in the Condominium Constituent Documents;
- (o) any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or
- (p) any provisions that are for the express benefit of Mortgage Holders, eligible Mortgage Holders or eligible Insurers or Guarantors of mortgages on units.

(iii) An addition or amendment to such documents shall not be considered material if it is for the purpose of correcting technical errors or for clarification only. An eligible Mortgage Holder who receives a written

request to approve additions or amendments that are not material who does not submit a response to the requesting party within thirty (30) days after the request is made shall be deemed to have approved such request. Additionally, if specifically provided by any applicable FNMA regulation, implied approval of any addition or amendment may be assumed when an eligible Mortgage Holder fails to submit a response to any written proposal for an amendment within 30 days after the proper notice of the proposal is received, provided the notice has been delivered to the Mortgage Holder by certified or registered mail, return receipt requested. This clause (iii) shall not apply to FHLMC.

E. Right of Action

This Trust and any aggrieved Unit Owner shall have a right of action against Unit Owners for failure to comply with the provisions of this Trust and the Bylaws and Rules and Regulations thereto, the Master Deed, the Master Plans and each unit deed and unit plan, and with decisions of the Trustees of this Trust. Each Unit Owner shall have a similar right of action against this Trust. Any such action may be brought in any court of competent jurisdiction.

F. First Mortgagee Obtaining Title

Except as otherwise provided in Chapter 183A, any first mortgagee who obtains title to a Condominium unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for such unit's unpaid dues or charges that accrue prior to the acquisition of title to such unit by the mortgagee.

G. Additional Prohibitions

Except as provided by statute in case of condemnation or substantial loss to the units and/or common elements of the Condominium project, unless at least sixty-seven (67%) percent of the first mortgagees (based upon one vote for each first mortgage owned) or owners (other than the sponsor, developer or builder) of the individual Condominium units have given their prior written approval, this Trust shall not be entitled to:

(i) By act or omission, seek to abandon or terminate the Condominium project;

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(ii) Change the pro rata interest or obligations of any individual Condominium unit for the purpose of (1) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards or (2) determining the pro rata share of ownership of each Condominium unit in the common elements; provided that this prohibition shall be deemed waived to the extent necessary to allow the phasing of the Condominium as set forth in the Master Deed;

- (iii) Partition or subdivide any Condominium unit;
- (iv) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the common elements. (Granting easements for public utilities or for other public purposes consistent with the intended use of the common elements by the Condominium project shall not be deemed a transfer within the meaning of this clause); provided that this prohibition shall be deemed waived to the extent necessary to allow the phasing of the Condominium as set forth in the Master Deed;
- (v) Use hazard insurance proceeds for losses to any Condominium property (whether to units or to common elements) for other than the repair, replacement or reconstruction of such Condominium property;
- (vi) No provisions of the constituent documents shall give any Unit Owner or Owners or any other party or parties priority over any rights of first mortgagees of Condominium units pursuant to their mortgages in the case of a payment to Condominium Unit Owners of insurance proceeds or condemnation awards for losses to or taking of Condominium units and/or Common Areas and Facilities.

H. Vote or Consent

The right of any Unit Owner to vote or grant or withhold any consent or exercise any rights pursuant to the provisions of this Trust or the Master Deed may be assigned to or restricted in favor of any mortgagee. The Trustees shall be bound by such assignment or restriction, provided, however, that such assignment or restriction does not conflict with the provisions of said Chapter 183A and that the mortgagee has notified the Trustees of such assignment or restriction in writing.

I. Information

The Trust shall promptly deliver the following information, in writing, to any mortgagee, mortgage holder, mortgage servicer, FHLMC or FNMA, requesting same, without expense to the requesting party:

- (i) notification of any default in the performance by the individual unit borrower of any obligation under the Condominium Constituent Documents that is not cured within sixty (60) days;
- (ii) a written certification as to whether the owner of any unit encumbered by a mortgage held or serviced, in whole or in part, by the requesting party, is more than one (1) month delinquent in the payment of Condominium common area charges or assessments;

- (iii) written certification as to the percentage of Unit Owners who are more than one (1) month delinquent in paying Condominium common area charges or assessments; and

(iv) a statement to the best of the Trust's knowledge as to the percentage of units that have been sold and conveyed to bona fide purchasers (who have closed or who are legally obligated to close) and the percentage of units that are occupied by individual Unit Owners as their primary year-round residence.

J. FHLMC; FNMA

The provisions of this Section 32 are set forth so that the Condominium will comply with the requirements of FHLMC and FNMA, and the provisions of this Section 33 shall be construed and interpreted in accordance with that intention. Notwithstanding anything to the contrary in the Constituent Documents, the provisions of this Section 33 shall at all times take precedence over all other provisions in the Constituent Documents, and this Section 33 shall not be amended or modified without the express prior written consent of FHLMC and FNMA, except as expressly provided in the immediately following sentence. In the event that, at any time and from time to time, applicable Rules and Regulations of FHLMC or FNMA are changed or modified, then and in any such event or events, the prohibition contained in the immediately foregoing sentence shall be deemed to be changed and modified so as to permit the amendment and modification of the Constituent Documents so that the Constituent Documents shall comply with such changed or modified Rules and Regulations of FHLMC or FNMA, or both.

33. Right to Notice and Hearing

A. Whenever these Bylaws require that an action be taken after "Notice and Hearing," the following procedure shall be observed: All hearings shall be conducted by at least a majority of the Trustees. The Trustees shall give written notice of the proposed action to all Unit Owners or occupants of Units whose interest would be significantly affected by the proposed action. The notice shall include a general statement of the proposed action and the date, time and place of the hearing. At the hearing, the affected person shall have the right, personally or by a representative, to give testimony orally, in writing, or both, subject to reasonable rules of procedure established by the Trustees to ensure prompt and orderly resolution of the issues. The affected person shall have the right to question the Trustees and any witnesses with respect to the subject matter of the hearing. If the hearing involves an alleged breach by the affected person of any provision of the Master Deed, the Condominium Trust, or the Bylaws and Rules and Regulations thereto, or any unit deed, the affected person shall be informed with specificity of the exact nature of the violation and of the provision that he or she has allegedly violated, and the affected person shall have the right to question any witness to such alleged violation. The Trustees need not comply with the strict legal rules of evidence observed by courts, but they shall consider only such evidence as reasonable people customarily consider in making important decisions. Nothing herein shall be deemed to limit the right of the Trustees, the affected person, or any affected Unit Owners or occupants to bring legal action with respect to the subject matter of any hearing or any decision of the Trustees.

B. When the subject matter of the hearing is Section 3.4(b) of the Declaration of Trust, the reference to Trustees as the persons conducting the hearing shall be deemed to mean Unit Owners entitled to at least fifty-one percent (51 %) of the beneficial interest under this Trust.