

**AMENDED DECLARATION**  
**of**  
**GILFORD YACHT CLUB, A CONDOMINIUM**  
**Gilford, NH**

*The Association having been duly created by a Declaration and Bylaws filed with the Belknap County Registry of Deeds on or about September 16, 1980 beginning at Book 794, Page 0379, and as amended from time to time thereafter, the Unit Owners voted at a duly called Association meeting to amend the Declaration and Bylaws, and any and all amendments thereto and thereafter, with the Declaration and Bylaws immediately following:*

**ARTICLE I**  
**DEFINITIONS**

Certain of the terms as used in this Declaration and in the Bylaws, which are annexed hereto as Appendix C and are made a part hereof, are defined and shall have meaning as follows, unless the context clearly indicates a different meaning thereof:

1. "Act" means the New Hampshire Condominium Act (Chapter 356-B of the New Hampshire Revised Statutes Annotated) as revised periodically.
2. "Association" or "Association of Owners" or "Gilford Yacht Club Condominium Association" means the incorporated or unincorporated association of the Owners acting as a group in accordance with the Declaration and the Bylaws.
3. "Board" or "Board of Directors" means the governing body of the Association elected pursuant to the Bylaws of the Association.
4. "Bylaws" means the instrument annexed hereto as Appendix C and hereby made a part hereof which provide for the self-government of the Association.
5. "Common Area" means all that portion of the Condominium other than the Units and specifically includes the Limited Common Area.
6. "Common Expenses" means all expenditures lawfully made or incurred by or on behalf of the Association, together with all funds lawfully assessed for the creation and/or maintenance of reserves pursuant to the provisions of the condominium instruments;

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“future common expenses” shall mean common expenses for which assessments are not yet due and payable.

7. “Condominium” means the Gilford Yacht Club Condominiums.

8. ”Declaration" means this instrument and all of its Appendices, as amended from time to time, except where the context indicates otherwise.

9. “Gilford Yacht Club Condominiums" (hereinafter referred to as "the Condominium”), in addition to any other definitions herein, may also mean the premises described in Appendix A, including land, all buildings and other improvements and structures now or hereafter thereon, all easements, rights and appurtenances belonging thereto, and all personal property now or hereafter used in connection therewith, which have been or are intended to be submitted to the provisions of the Act.

10. “Limited Common Area" means that portion of the Common Area, if any, which is designated herein as reserved for the use of one or more Units but less than all Units as referenced herein or on the site and/or floor plans of the Condominium.

11. “Occupant” whenever used herein shall mean a person or persons, other than the Owner, in possession of one or more Units.

12. "Owner" or “Unit Owner” means any person or persons or other entity owning a Unit in a fee simple absolute together with an undivided interest in fee simple in the Common Area.

13. “Percentage of Interest” or “Percentage of Undivided Interest” means the percentage of undivided interest of each Unit in the Common Area as set forth in Appendix B hereto.

14. “Property” means the land and the buildings and all other improvements heretofore or hereafter constructed thereon and all easements, rights and appurtenances thereto and all articles of personal property intended for common use in connection therewith which have been or are intended to be submitted to the provisions of the Act and which are more particularly described in Appendix A attached hereto.

15. “Rules" means such rules and regulations as the Board of Directors from time to time may adopt relative to the use of the Condominium or of any part thereof, as the same may be amended pursuant to the terms hereof and of the Bylaws.

16. "Unit" means a part of the Condominium intended for independent ownership, all as more particularly described in Article II, Paragraph 4 hereof.

**ARTICLE II**  
**STATUTORILY REQUIRED INFORMATION**

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1. Name. The name of the Condominium is and shall be Gilford Yacht Club Condominiums being changed from The Gilford Yacht Club, A Condominium.

2. Location. The Condominium is located off of Route 11 and along the shores of Lake Winnepesaukee in the Town of Gilford, County of Belknap and State of New Hampshire and is comprised of sixty-four (64) boat slip Units and a clubhouse.

3. Legal Description by Metes and Bounds. A legal description of the land submitted to the Act is described in Appendix A and made a part hereof.

4. Unit Boundaries and Maintenance Responsibilities. The Units are parking spaces as noted on the Site Plans on file with the Registry of Deeds, Plan 85, Pages 3 and 5, as amended from time to time. Only Owners and their guests are allowed to park and/or use their Unit spaces. Each Unit is assigned a boat slip as noted on the Site Plan.

Each Owner has an unrestricted right of ingress and egress to the Owner's Unit and boat slip. This right, subject to any Rules adopted by the Board of Directors, is perpetual and shall pass with the Unit as transfers of ownership of the Unit occur.

5. Description of Limited Common Area. There is no Limited Common Area in the Condominium.

6. Description of Common Areas. The Common Area shall consist of all land and improvements not specifically designated as part of a Unit in Paragraph 4 above. The Common Area specifically includes the Limited Common Area as designated in Paragraph 5 above. The Common Area also includes, but not by way of limitation:

A. The land, the boat slips, concrete and wooden walkways, shrubbery and other plantings, parking areas and other land and interests in land included and described in Appendix A hereto, except that which is otherwise herein and/or on the Site Plan designated solely as Limited Common Area:

B. Pipes, ducts, flues, chutes, conduits, plumbing, wires, meters, meter housings and other facilities located on, above or below the Property which serve the Property, the structures on the common area and the boat slips;

C. Parking. Any spaces not noted on the Site/Floor Plans as a Unit are Common Area.

D. Boat Slips. Boat Slips are assigned as noted on the Site Plan;

E. Any other amenities constructed or to be constructed on the Property; and

F. All other parts of the Condominium, including personal property acquired by the Association, necessary or convenient to its existence, maintenance and safety or normally in common use.

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7. Allocation of Undivided Interest in Common Area. Each Unit is accorded a Percentage of Undivided Interest in the Common Area for voting and assessments as noted in Appendix B.

8. Statement of Purposes and Use. The Property is intended for non-residential, recreational use as further defined herein and in the Bylaws, and the following provisions, together with the provisions of the Bylaws and Rules, are in furtherance of this purpose.

- A. No noxious or offensive use shall be made of any part of the Property and nothing shall be done therein which is or will become an annoyance or nuisance to another Owner. No use shall be made of any part of the Property which will constitute a fire hazard or which will result in the cancellation of insurance on any part of the Condominium or which is in violation of any law, ordinance or governmental regulation applicable thereto. No use shall be made of any part of the Property that will increase the rate of insurance on the Common Area, without prior written consent of the Board of Directors.
- B. The use of the Common Area shall be limited to the Owners and tenants and to the guests, invitees, occupants and licensees of either the Owner or the tenant. The use, including responsibilities for maintenance and repair, of the Common Area shall be governed by this Declaration, the Bylaws and the Rules as adopted and amended from time to time by the Board of Directors.
- C. None of the rights and obligations of the Owners created herein shall be altered in any way by encroachments as a result of construction of any structures or due to settling or shifting of structures. There shall be valid easements for the maintenance of such encroachments so long as they shall exist; provided, however, that in no event shall a valid easement or encroachment be created in favor of an Owner if said encroachment occurred due to the willful conduct of said Owner or Owners. If any portion of the Common Area encroaches upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Areas, or if any such encroachment shall occur hereafter as a result of (a) alteration or repair to any portion of the Common Area made by or with the consent of the Board of Directors, or (b) as a result of repair or restoration of a structure on the Property after damage by fire or other casualty, or (c) as a result of condemnation or eminent domain proceedings, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the affected building stands.
- D. A Unit or a boat may be used for part-time business activities, including telecommuting, unless otherwise notified by the Board of Directors that the use has become a nuisance, annoyance or does not fit within the recreational

character of the Association, the determination of which is left to the sole discretion of the Board.

Further, any language to the contrary notwithstanding, the Owner of such a Unit- or boat-based occupation shall not do anything related to the business which will cause the insurance on the Association to rise (without the express, written permission of the Board of Directors, and for which the increased cost shall become an obligation of the Unit Owner who has incurred the increased cost), nor shall the Owner in any way, shape or form alter the physical structure of the Unit or Common Area as a result of any such business use.

No employee or persons other than an Owner of such Unit or boat shall engage therein in any such business activities and no such office shall be advertised, held out or used as a place for service to clients, customers or patients. Under no circumstances shall the Association Property be listed as the address of any business. Additionally, no sign advertising or indicating any home-based occupation shall be permitted anywhere on the Property.

Further, the Board of Directors shall possess the sole discretion to revoke any permission given to any Owner to operate a home-based occupation granted pursuant to this paragraph.

- E. Occupancy. Occupancy of any Unit shall be in accordance with the rules, regulations and ordinances of the Town of Gilford and further subject to the laws of the State of New Hampshire and all applicable federal laws. The Board of Directors may make any occupancy rules that are not in violation of the rules, regulations and ordinances of the Town of Gilford.
- F. Pipes, Ducts, Cables, Wires, Conduits, Public Utility Lines and Other Common Area Located Inside of Units; Support. Each Owner shall have an easement in common with the Owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Area located on, above or under the Property that serves the Unit or the Unit's assigned boat slip. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Area serving such other Units and their assigned boat slips and located on, above or below the Property. The Board of Directors shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Area contained therein or elsewhere in the Property. Any costs associated with the entry into a Unit to repair what is determined to be a Unit Owner's property and/or maintenance responsibility shall be assessed to the Unit, including, but not limited to time, labor, materials and attorney's fees, if any.
- G. Leases. Units may be rented, leased or otherwise granted to someone other than the Unit Owner only in its entirety and occupied only by the lessee/renter or other occupant, the Owner's family, servants and guests.

Under no circumstances may portions of a Unit be rented or sub-rented separately. Any such rentals referenced herein may be for no less than one (1) week without the written permission of the Board of Directors, which permission shall not be unreasonably withheld, the determination of which rests solely with the Board of Directors. Upon entering into any rental agreement, in any form, the Owner shall immediately forward to the Board of Directors the name of the tenants, email addresses, telephone number, and the length of the occupancy must be provided to the Board of Directors. No sub-leasing of Units is allowed without the written permission of the Board of Directors. Any costs incurred by the Association to enforce this provision, including but not limited to attorney's fees, shall be assessed to the Unit Owner.

- H. Owners Subject to Declaration, Bylaws and Rules and Regulations. All present and future Owners, tenants and occupants of Units, and any other person who might use the facilities of the Property in any manner, are subject to the provisions of this Declaration, the Bylaws and the Rules to be adopted by the Board of Directors, and decisions and resolutions of the Board of Directors or its representatives, as lawfully amended from time to time. The use of the Property and/or acceptance or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the Bylaws and the Rules, as they may be lawfully amended from time to time, are accepted and ratified by such Owner, tenant or occupant and all of such provisions shall be deemed and taken to be enforceable servitudes and covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed of conveyance or lease thereof.

The Declaration and Bylaws, the Rules to be adopted by the Board of Directors, and the decisions and resolutions of the Board of Directors, or its representatives, as lawfully amended from time to time, all contain, or will contain certain restrictions as to use of the Units or other parts of the Property. Each Owner shall comply therewith, and failure to comply with any such provision, decision or resolution shall be grounds for an action to recover sums due, for damages, for injunctive relief, for specific performance or for any other relief to be awarded by a court of law.

In the event that the Board of Directors does not vote to take action as described herein, each Owner shall be entitled to bring a private action to recover sums due, for damages, for injunctive relief or for any other relief to be awarded by a court of law.

All such actions in law or at equity by the Association shall be authorized by resolution of the Board of Directors, and the prevailing party shall be entitled to recover all reasonable costs and expenses of such actions, including reasonable attorneys' fees, all as more particularly set forth in the Bylaws and as determined by a court of law.

Nothing herein, however, shall exempt a Unit Owner from paying all collection costs, including attorney's fees, should the Association prevail in any such collection case, and the determination of whether the collection costs are reasonable is left to the sole discretion of the Board of Directors.

- I. Condominium Subject to Easements for Ingress and Egress and Use. Subject to the provisions of this Declaration, the Bylaws, the Rules, and the Condominium Act, each Owner shall have an easement in common with all other Owners for ingress and egress through and use and enjoyment of the Common, but not the Limited Common, Area. Each Unit shall be subject to an easement for ingress and egress through and use and enjoyment of all Common, but not Limited Common, Area by persons lawfully using or entitled to the same.
- J. Property Subject to Covenants, Easements and Restrictions of Record. The Property is subject to all covenants, conditions, easements and restrictions or record, including, without limitation, those that are set forth and/or referred to in Appendix A.
- K. Reservation of Utility and other Easements. The Association, through the Board of Directors, shall have perpetual easements for the installation, construction, reconstruction, maintenance, repair, operation and inspection of all utility services necessary or desirable in connection with operation of the Property, including but not limited to, cable, water, sewage disposal, snow removal, telephone, gas, internet and electrical systems, all for the benefit of the respective Owners, as the case may be, which reservation includes the right to convey such easements directly to suppliers and/or distributors of such utility services. The intent of this Paragraph is to grant the Association the perpetual right to allow utility and other providers to enter onto the Common Area to inspect, maintain and otherwise access the utility services, which permission shall not be unreasonably withheld to utility providers. It is particularly noted that no use shall be permitted which could directly or indirectly degrade the quality of the Common Area or the groundwater beneath it. Uses that are prohibited include, but are not limited to, the following:
  - i. Storage, handling, transport, treatment or disposal of domestic or industrial wastewater, hazardous or regulated substances such as pesticides, gas, oil and other chemical, or hazardous or solid wastes with the exception of such materials an owner needs, as determined by the Board of Directors, and kept in a Unit or on a Boat or on the Property to properly operate an Owner's boat;
  - ii. Any other use the New Hampshire Department of Environmental Services determines now or in the future would be detrimental to water quality; and

iii. Any other use the Board of Directors, in its sole discretion, deems inappropriate.

N. The Board of Directors is empowered to adopt and amend, from time to time, Rules concerning the use of the Property and the operation of the Association, which Rules shall be furnished in writing to all Owners and which shall not be violated. The Rules may not conflict with the provisions of the Declaration or Bylaws.

O. Notwithstanding anything herein to the contrary, all such determinations listed in this Paragraph 8 are left to the sole discretion of the Board of Directors. Further, the Board may withdraw the consents of the Board referred to in this Paragraph 8 whenever it deems such withdrawal to be in the best interest of the Condominium. Any such decision may be appealed to the Owners at the next scheduled Association meeting which shall be scheduled with all due haste.

9. Determination of Action Following Casualty Damage. In the event of damage to any portion of the Property covered by the Association's master casualty and liability policy by fire, or other casualty, the proceeds of the master casualty policy shall, pursuant to the Condominium Act, as amended from time to time, be used to repair, replace or restore the structure or Common Area damaged, unless the Unit Owners vote to terminate the Condominium pursuant to RSA 356-B: 34 as amended from time to time. The Board of Directors is hereby irrevocably appointed the agent for each Owner of a Unit and for each mortgagee of a Unit and for each Owner of any other interest in the Condominium to adjust all claims arising under such policy or otherwise resulting from such damage and to execute and deliver releases upon the payment of claims. The provisions of Article VII of the Bylaws shall determine the extent to which any part of the Condominium shall be reconstructed or repaired.

10. Specific Performance. Both the Association and any aggrieved Owner shall have the right, as against other Unit Owners who fail to comply with the provisions of the Declaration, Bylaws, Site/Floor Plans and/or Rules, to specifically enforce the terms of these documents. Similarly, each Owner shall have the right to bring an action for specific performance against the Association, in the event the Association shall fail to comply with the provisions of these documents. The prevailing party shall be entitled to attorney's fees and costs associated with such action in the discretion of the Court.

11. Relocation of Unit Boundaries and Subdivision of Units. Relocation of boundaries between Units and/or subdivision of Units will be permitted subject to compliance with the provisions thereof in the Condominium Act, the provisions of this Declaration and the Bylaws and the provisions of any applicable governmental law, ordinance or regulation. The requesting Owner(s) shall be responsible for all costs, including any updates to the condominium instruments as that term is defined in the Condominium Act and any Rules



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of the Association as adopted from time to time, additionally including, but not limited to, any attorney's fees incurred by or on behalf of the Association.

### **ARTICLE III** **AMENDMENTS**

This Declaration of Condominium and Bylaws of the Association may be amended by a vote in accordance with Article II of the Bylaws and by an instrument in writing signed, acknowledged and recorded as provided by the Act, and such amendment shall be effective upon recording in the office of the Registry of Deeds of Belknap County, State of New Hampshire subject to the following:

1. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is to be considered.
2. No Amendment shall discriminate against any Unit Owner or against any Unit or class or group of Units unless the Unit Owners effected shall consent. Further, no Amendment shall change the boundaries of any Unit or the share of the Common Areas appurtenant to it, or increase an Owner's share in the Common Area, unless all of the record Owners of the Units concerned and all the record owners of mortgages thereon, shall join in the execution of the Amendment.
3. The percentage of Units necessary to pass an Amendment shall be dictated by RSA 356-B: 34, as amended from time-to-time.

### **ARTICLE IV** **INSURANCE**

The Board of Directors shall obtain and maintain insurance at all times for the FULL REPLACEMENT COST of structures on the Property, including for building and safety code upgrades, fire, quake (in the discretion of the Board or as may become required by law), flood (in the discretion of the Board of Directors or as may become required by law), and extended coverage insurance of the type and kind and in at least the amounts provided in the Bylaws, a master liability policy covering the Unit Owners' Association, the Board of Directors, the managing agent, if any, all persons acting or who may come to act as agents or employees of the Association, and all Unit Owners or other persons entitled to occupy any Unit or any portion of the condominium. This insurance, however, shall not insure against the individual liability of an Owner for negligence occurring within the Owner's Unit or within the Limited Common Area over which the Owner has exclusive use and such other policies as the Board of Directors shall designate, including insurance for such other risks, of a similar or dissimilar nature, as are or shall hereafter customarily be covered with respect to other condominium complexes of similar construction, design and use; such insurance shall at all times be sufficient to finance the reconstruction of all improvements to the Common Area, and such insurance shall be subject to a master

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insurance deductible to be determined annually by the Board of Directors with notice of same to the Owners, provided that:

1. All policies shall be written with a company licensed to do business in the State of New Hampshire.
2. Premiums upon insurance policies purchased by the Board of Directors of the Association shall be paid by the Association as a Common Expense and proceeds of such policies shall be payable to the Board of Directors of the Association, to be held in accordance with Article II, Paragraph 9 herein as a common fund.
3. Exclusive authority to adjust losses under policies hereafter enforced shall be vested in the Board of Directors or its authorized representative.
4. In no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners for their mortgages.
5. Each Unit Owner shall obtain fire, quake (in the discretion of the Owner or as may become required by law), flood (in the discretion of the Owner or as may become required by law) and extended coverage for their Unit, covering the portions of the Unit not covered by the Master Policy and any other insurance for liability the Owner or the Board of Directors deems appropriate.

Further, the Owner's policy shall cover the deductible contained in the Master Policy.

No such policy shall be written so as to decrease the coverage under any of the policies obtained by the Association, and each Owner hereby assigns to the Association the proceeds of any such policy to the extent that any such policy does, in fact, result in a decrease in such coverage. Certificates of proof of all such policies (except policies covering only personal property owned or supplied by individual Owners) shall be filed annually with the Board of Directors on a date to be determined by the Board. Should the Owner fail to provide such proof, the Board of Directors is authorized to acquire such insurance on the Unit and assess the cost of same to the Owner.

Any costs incurred by the Board of Directors to enforce this provision, including any attorney's fees incurred by the Board to acquire a copy of the policy and/or certificate of insurance shall be assessed to the Owner.

6. Each Owner must obtain insurance for the Owner's benefit and at the Owner's expense insuring all personal property presently or hereafter located in the Owner's Unit or Limited Common Area as the case may be.
7. The Board of Directors shall be required to make every effort to secure insurance policies that will provide for the following:

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- A. A waiver of subrogation by the insurer as to any claims against the Board of Directors, the Manager, and Owners and their respective servants, agents and guests;
  - B. The Master Policy cannot be canceled, invalidated, or suspended on account of the conduct of any one or more individual Owners;
  - C. The master policy cannot be canceled, invalidated, or suspended on account of the conduct of any officer or employee of the Board of Directors or Manager without prior demand in writing that the Board of Directors or Manager cure the defect; and
  - D. That any "no other insurance" clause in the master policy exclude individual Owner's policies from consideration.
8. The annual insurance review the Board of Directors is required to conduct as provided in Article VI, Paragraph 2(A) of the Bylaws shall include a review of all coverages included in the Master Policy.
9. The Master Policy shall cover all parts of the Common Area, including structures thereon, under fire and multi-peril policies issued in this State.
10. All notices, changes or modification must be sent to all Owners, in a manner determined by the Board of Directors, prior to their implementation.

## **ARTICLE V** **ASSOCIATION**

The operation of the Condominium shall be by an incorporated or unincorporated Association. The Association shall have all of the powers and duties as set forth in the Condominium Act except as limited by this Declaration and the Bylaws, and all of the powers and duties reasonably necessary to operate the Condominium as set forth in this Declaration and the Bylaws and as they may be amended from time to time.

1. Membership in the Association.
- A. Qualifications. The members of the Association shall consist of all the record Owners of the Units.
  - B. Change of Membership and Mortgages. Change of membership in the Association shall be established by recording in the Registry of Deeds for Belknap County, State of New Hampshire a deed establishing record title to a Unit in the Condominium. The Buyer shall immediately deliver to the Board of Directors of the Association a copy of the deed showing the Volume and Page of same. Should the Owner fail to do so within thirty (30) days of the date of the filing of said Deed (or within thirty days of the passage of this provision), the Board of Directors shall

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acquire one. The Board of Directors shall keep such copy on file as evidence of the Grantee's membership in the Association for all purposes, rights, and obligations as set forth in this Declaration and Bylaws. The Unit Owner designated by such instrument shall thereby become a member of the Association. At such time, the membership of the prior Unit Owner shall be thereby terminated.

All costs, including Registry and attorney's fees, incurred to enforce this Paragraph, shall be assessed to the Unit and shall act as a lien against the Unit until paid in full.

C. Voting Rights. A member of the Association shall be entitled to cast one (1) vote for each Unit owned. All votes shall be weighted according to the Unit's Percentage of Undivided Interest as noted in Appendix B. When there is more than one Owner of a Unit, any of such persons may attend any meeting of the Association and cast the vote of such Unit, but if more than one (1) such Owner shall attend, it shall be necessary for those present to act unanimously in order to cast any vote(s) to which they are entitled.

D. Restraint Upon Assignment of Shares in the Association. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Unit.

E. Members may vote at all Association meetings by written proxy as provided by the Act and as properly delivered to the Board of Directors. Members of the Board of Directors may neither vote, nor participate in Board meetings by proxy.

2. Board of Directors. The affairs of the Association shall be conducted by a Board of Directors the members of which shall be designated in the manner provided in the Bylaws.

3. Limitations upon Liability of the Association. Notwithstanding the duty of the Association to maintain and repair parts of the Property, the Association shall not be liable for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association.

4. Bylaws. The Bylaws of the Association shall be in the form attached hereto as Appendix C.

5. Property in Trust. All funds and title to all properties acquired by the Association and the proceeds thereof shall be held in trust for the membership in accordance with the provisions of this Declaration and the Bylaws.

## **ARTICLE VI** **RIGHTS OF FIRST MORTGAGEE**

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1. The Holder, insurer or guarantor of the mortgage on any Unit in the Association is entitled, upon written request or upon decision of the Board of Directors, to timely written notice of:

(a) Any condemnation or casualty loss that affects either a material portion of the Property or the Unit securing its mortgage;

(b) Any delinquency of sixty (60) days or more in the payment of assessments or other charges owed by the Owner of any Unit on which it holds the mortgage;

(c) A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Owners' Association; and

(d) Any proposed action that requires by law the consent of a specified percentage of institutional first mortgage holders.

2. Any holder, insurer or guarantor of a first mortgage has the right to inspect the Association's legal documents during reasonable business hours and as further restricted in the Bylaws attached hereto as Appendix C. Any such mortgage holder shall be permitted to have an audited statement prepared at its own expense.

3. Notwithstanding any other provision of this Declaration or its Bylaws, the Board of Directors shall, upon the request of any institutional first mortgagee of a Unit, or their assigns, render the following written warranties which shall be binding upon the Association:

A. That as far as is known to the Association, the Condominium has been created and exists in full compliance with the applicable laws of the State of New Hampshire and the Town of Gilford.

B. That any such mortgagee or its assigns may take title to a Unit pursuant to the power of sale contained in its mortgage, or accept a deed or assignment of title in lieu of foreclosure, or sell or lease a Unit so acquired by said mortgagee.

C. That any said mortgagee's obligation upon acquiring or succeeding to title in any said Unit for unpaid assessments or fees accruing prior to said mortgagee's taking or succeeding to a Unit Owner's title is subject to New Hampshire law.

D. That except as provided by the Act, in the case of condemnation or substantial loss of the Units and/or Common Areas, the Association shall not by act or omission seek to abandon or terminate the Condominium other than pursuant to the provisions of RSA 356-B: 34 as amended from time-to-time; nor change the proration of interest or obligations of any Unit for the purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards or determining the pro-rata share of ownership of each Unit in the Common Area; nor partition or subdivide, encumber, sell or transfer the

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Common Area except for easements for public utilities and public services consistent with the intended use of the Common Area; nor use hazard insurance proceeds for losses to the Condominium for other than repair, replacement or reconstruction of the Condominium.

E. That all taxes, assessments and charges that are due and payable have been paid and are assessed on individual Units and not on the Common Areas separate from Units.

F. That all improvements to the Condominium are included within the Common Area and/or the Units, and the first mortgagee of any Unit has an equivalent undivided interest in such Common Area to the Unit so mortgaged and that all improvements have been installed, completed and in operation, if such be true.

G. That Condominium assessments include adequate reserves for repair of Common Area and are payable monthly or as otherwise determined by the Board of Directors.

H. That any management contract or other agreement has a term not exceeding three (3) years and may be terminated by either party without cause or penalty upon ninety (90) days written notice to the other party.

I. That no default of the Unit Owner's obligations to the Association exists with regard to a Unit, or has arisen within the sixty (60) day period prior to the request for such information, which remains uncured as of the date of certification of such fact by the Association; or if any such default exists, the nature and status thereof.

4. Notwithstanding anything to the contrary in this Declaration or the Bylaws or in any mortgage on any Unit in the Association, nothing shall give a mortgagee the right to proceeds from any Master Insurance Policy claim absent the written approval of the Board of Directors.

## **ARTICLE VII** **PARTITION**

There shall be no judicial partition of the Condominium or any part thereof unless the Property has been removed from the provisions of the Condominium Act as provided in the Act; provided, however, that if any Unit shall be owned by two or more co-tenants as tenants in common or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition as between such co-tenants. Such partition shall not affect any other Unit, nor shall it subdivide any Unit.

## **ARTICLE VIII** **INTERPRETATION**

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The provisions of the Declaration shall be liberally construed in accordance with the common law and statutory law of the State of New Hampshire in order to effect its purpose of creating a uniform plan for the development and operation of a Condominium. Failure to enforce any provision of this Declaration, the Bylaws and/or the Rules shall not constitute a waiver of the right to enforce said provision.

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and vice versa, and the use of the singular shall be deemed to refer to the plural and vice versa, whenever the context so requires.

Further, the order of priority between the Declaration, the Bylaws and the Rules, as each are amended and/or changed from time-to-time, shall be that the Declaration presides over conflicting language in either the Bylaws or the Rules and the Bylaws preside over conflicting language in the Rules.

**ARTICLE IX**  
**SEVERABILITY**

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

**ARTICLE XI**  
**EFFECTIVE DATE**

This Amended Declaration shall take effect upon recording at the Belknap County Registry of Deeds.

**APPENDIX A**

*See*, Book, 794, Page 0401 in the Belknap County Registry of Deeds for a legal description of the real property, which description also includes the following surveyor and engineer plan: “Site Plan for Gilford Yacht Club, North of N.H., Rout 11, Gilford, Belknap County, N.H.” by Ronald M. Mitchell & Associates, Inc., dated August 1, 1979, and floor plans entitled “Floor Plan for Gilford Yacht Club, A Condominium, North of Route 11, Gilford, H.H.”, by Ronald M. Mitchell & Associates, Inc., dated November 5, 1979, such plans recorded in the Belknap County Registry of Deeds as Plan 85, Pages 3-8.



September 2019

**APPENDIX B**

Each Unit is accorded an equal Percentage of Undivided Interest in the Common Area for voting and assessments.