



DERBY LOFTS CONDOMINIUM TRUST

AMENDMENTS TO THE RULES AND REGULATIONS

Reference is hereby made to that certain Declaration of Trust dated December 13, 2005, and recorded with the Essex County South Registry of Deeds in Book 25578, Page 250, as amended, which Declaration of Trust established, pursuant to Massachusetts General Laws, Chapter 183A, the Derby Lofts Condominium Trust, the organization of Unit Owners of the Derby Lofts Condominium, a condominium established, pursuant to Massachusetts General Laws, Chapter 183A, by a Master Deed dated March 19, 2003 and recorded with the Essex County South Registry of Deeds in Book 20398, Page 223, as amended by the Amended and Restated Master Deed dated November 15, 2005 and recorded with the Essex County South Registry of Deeds in Book 25079, Page 424, as may be amended.

We, the undersigned, being a majority of the Trustees of said Derby Lofts Condominium Trust, do hereby certify that the Board of Trustees has, in accordance with Sections 1(e) and 7(c)(d) of the By-Laws contained in said Trust, amended the Rules and Regulations of the Derby Lofts Condominium Trust to include the following:

MOVE IN/MOVE OUT POLICY

An administrative move in/out fee of \$150 is required for all tenants of absentee owners. The fee is non-refundable and must be submitted with your schedule request form. The administrative fee of \$150 does not apply to tenants of Derby Lofts LLC, although Derby Lofts LLC and/or its tenants must still schedule all moves with the Building Manger at least five days in advance of the move or delivery.

All unscheduled moves will result in a fine of \$300. An unscheduled move is defined as failing to obtain approval from the Building Manager at least five (5) days prior to the move date. Derby Lofts LLC and/or its tenants are subject to this fine.

BALCONIES

The maintenance, repair and replacement of the balconies is the unit owner's responsibility. Replacement of the balcony structure is the responsibility of the

51-71 Lafayette Street, Salem, MA 01970

Condominium Association. Decks may not be enclosed. There shall be no speakers or artificial plants on the deck. Plants, pots, flowers and the like are not permitted on the balcony ledge. Per Salem fire regulations, no device or item, which has an open flame or creates a dangerous or hazardous condition, which is located within five (5) feet of any combustible surface, may be permitted in use. No grills are allowed on decks.

DRIVE THROUGH AREA

The building contains a drive through area located in the center of the first floor of the building. Its use is for temporary parking (no more than 5 minutes). The drive through is not intended for long-term or on-site parking. If observing the 5 minute rule, you must pull forward and off to the parking area on your left to allow the thoroughfare to remain open. Please park as far back as possible in the parking area, to allow another vehicle to park in front of you, if necessary. Drive through area speed limit is 5 m.p.h.

VIOLATION OF RULES AND REGULATIONS – FINES

With the exception of the fine for unscheduled moves (\$300), each violation of the Rules and Regulations may be assessed a fine of twenty-five dollars (\$25) for the first violation, fifty dollars (\$50) for a second violation and one-hundred dollars (\$100) for each subsequent violation.

DERBY LOFTS OWNERS HANDBOOK – RULES AND REGULATIONS

Attached hereto as Exhibit A is a full and complete copy of the Revised Rules and Regulations for the Derby Lofts Condominium

Sworn and subscribed to this 28th day of July, 2014.

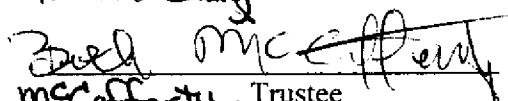
Majority of the Trustees of the
Derby Lofts Condominium Trust
and not individually



Jason Davis Trustee



Krishna Chung Trustee

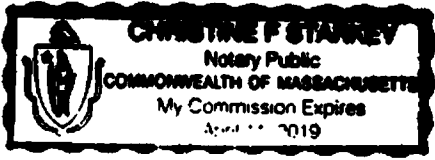


Beth McCafferty, Trustee

COMMONWEALTH OF MASSACHUSETTS

Essex County, ss

On this 28th day of July, 2014 before me, the undersigned notary public, personally appeared DAVID CHAN MCCARTHY proved to me through satisfactory evidence of identification, which were drivers license, to be the person whose name is signed on the preceding or attached document and acknowledged to me that he/she signed it voluntarily for its stated purpose.



Christine Starkey
Notary Public
My Commission Expires: 4-11-2019
Print Notary Public's Name: Christine Starkey
Qualified in the State/Commonwealth of MA

DERBY LOFTS CONDOMINIUMS
Owner's Handbook

Welcome to Derby Lofts. We hope that you enjoy living in this beautiful building in the wonderful City of Salem. The Derby Lofts Board of Trustees has summarized the condominium documents and presents this user-friendly guide to life in the building. We have made every effort to communicate the rules and standards of our condominium documents in a clear and accurate manner so that we may all enjoy our community and preserve the beauty of our building to the fullest extent possible. It is designed to promote safe and comfortable living for all occupants of Derby Lofts.

TABLE OF CONTENTS

Alarms and Other Security Devices	3
Balconies	3
Building Emergencies and Procedures	3
Combustible Materials	3
Common Areas	3
Complaints	4
Condo Fees	4
Deliveries	4
Drive Through Area	4
Extermination/Pest Control	4
Fire Alarms and Safety	5
Heating, Air Conditioning and Hot Water	5
Insurance	5
Keys	6
Mailboxes	6
Maintenance and Repairs	6
Meetings	8
Move In/Out & Delivery Policy.....	8
Noise and Other Disturbances	10
Nondiscrimination	10
Occupancy/Use of Units	10
Parking	11
Pets	11
Renovations and Repairs	12
Renting/Leasing	14
Roof Access	14
Satellite Dishes/Antennas	14
Selling	14
Security	14
Signs	15
Smoking/Alcoholic Beverages	15
Snow Removal	15
Trash and Recycling	15
Trustees/Association	16
Units	17
Violations of Rules and Regulations – Fines.....	18
Voting	18
Windows	18
Salem Neighborhood Services	18
City of Salem Services	19

ALARMS AND OTHER SECURITY DEVICES

Unit owners shall furnish to the Trustees all alarm codes for any alarm or other security device installed by the unit owner, the name, address and telephone number of the company servicing such alarm or device, a copy of the contract between the unit owner and such company, and a copy of the instructions for any such alarm or device.

BALCONIES

The maintenance, repair and replacement of the balconies is the unit owner's responsibility. Replacement of the balcony structure is the responsibility of the Condominium Association. Decks may not be enclosed. There shall be no speakers or artificial plants on the deck. Plants, pots, flowers and the like are not permitted on the balcony ledge. Per Salem fire regulations, no device or item, which has an open flame or creates a dangerous or hazardous condition, which is located within five (5) feet of any combustible surface, may be permitted in use. No grills are allowed on decks.

BUILDING EMERGENCIES AND PROCEDURES

In the event of a building emergency, please notify Harvest Properties, 441 Main Street Melrose, Massachusetts 02176, our property management company. Their telephone number is 781-979-9199, and they will respond 24 hours per day. If the emergency is life threatening, immediately call 911 for police, fire or ambulance.

Harvest Properties will respond by sending an employee or contractor to determine what action is needed. If such action involves work inside a unit and does not pertain to a common area, the property manager is limited to stopping further damage and referring the unit owner to a tradesman or making arrangements for repairs at the unit owner's expense.

COMBUSTIBLE MATERIALS

No unit owner shall permit or suffer the keeping at any time of any flammable, combustible or explosive fluid or substance in or on any portion of the condominium, including but not limited to the unit, except only for such lighting and cleaning fluids as are customary for residential use.

COMMON AREAS

The lobbies, vestibule, front and rear entrances, elevator, hallways and stairways are considered common areas. There shall be no playing or riding in the common areas. There is no smoking in the common areas. Storage in the common areas is not permitted. No furniture, doormats, welcome mats, strollers, bicycles, footwear, packages, waste, decorations, toys etc. are permitted in the common areas. No signs, notices or other communications shall be placed in any common

areas, including the front entrance, without prior approval of the Trustees. Unauthorized signs, notices and other communications will be removed and discarded.

COMPLAINTS

Complaints regarding the management of the condominium or maintenance for the common areas and facilities or regarding actions of other unit owners or occupants shall be made in writing to the Derby Lofts property manager, Rachel Campbell, Harvest Properties, 441 Main Street, Melrose, Massachusetts 02176. No unit owner shall attempt to direct, supervise or in any manner attempt to control or request favors of any employee of the Trust.

CONDO FEES

Condo fees are due on the 1st of each month and should be mailed to Derby Lofts Condominium, c/o Harvest Properties LLC, PO Box 877, Commerce, GA 30529-0017.

Payments received after the 15th of the month will be charged a \$25.00 late fee.

Legal action will be taken if any unit owner has not paid the condo fees for three (3) months. The unit owner will be charged for the full cost of the legal action.

DELIVERIES

No deliveries to or pick-ups from commercial units or to any unit shall be made prior to 7:00 a.m. or after 10:00 p.m. Drivers of delivery trucks and other vehicles shall shut off the engines of their vehicles except when actually maneuvering to and from the commercial unit to which they wish to make a delivery or pick up.

DRIVE THROUGH AREA

The building contains a drive through area located in the center of the first floor of the building. Its use is for temporary parking (no more than 5 minutes). The drive through is not intended for long-term or on-site parking. If observing the 5 minute rule, you must pull forward and off to the parking area on your left to allow the thoroughfare to remain open. Please park as far back as possible in the parking area, to allow another vehicle to park in front of you, if necessary. Drive through area speed limit is 5 m.p.h.

EXTERMINATION/PEST CONTROL

If pests are sighted, please call the Property Manager, Rachel Campbell, at 781-979-9199. If only one residential unit is affected, then it may be the responsibility of that unit owner. Commercial unit owners shall treat their units for pest and vermin (as needed but not less than required in

accordance with City of Salem Board of Health or Licensing Division requirements for food service and other establishments) periodically, at their expense.

FIRE ALARMS AND SAFETY

Always leave the building when the fire alarm sounds. Smoke and fire detectors are located on all floors and in the stairway. Units have their own smoke detectors. Owners are responsible for the maintenance of their life safety devices, such as smoke and CO detectors.

When the fire alarm sounds, the law requires that everyone leave the building via the stairs. Do not use the elevator; you may get trapped if the power fails. Our alarm company will notify the Fire Department automatically when the fire alarm sounds. Dial 911 as a backup.

HEATING, AIR CONDITIONING AND HOT WATER

Each unit is equipped with a separate gas fired heating and electric air conditioning system, with rooftop condenser (HVAC System). Unit owners are responsible for maintaining their own heating/air conditioning, both in their units and on the roof. This includes actual units, pipes, wires, controls, etc., whether located in the unit or on the roof. Unit owners are also responsible for any damage caused to the building or other units by their heating/air conditioning equipment. In the event that a condenser needs to be replaced on the roof, it is the unit owners' responsibility to remove the old condenser from the roof. Unit owners who do not remove the old equipment from the roof will be subject to fines and fees for removal. Unit owners are also responsible for any damage done by contractors hired by the unit owner to work on heating/air conditioning, both in an owner's unit and on the roof.

Each unit is also equipped with a gas fired hot water heater located in the unit. Unit owners are responsible for: the cost of heating and cooling of the unit as established by sub-metering, the maintenance, operation, repair and replacement of and electricity required to operate the HVAC System including all portion of the same whether located within or without the unit, the hot water heater in the unit and all pipes, wires, controls, conduits and equipment appurtenant to the foregoing, whether located within or without the unit. Electricity and gas will be sub-metered directly to each unit, and each unit owner shall be responsible for bills rendered therefore.

The Trustees shall be responsible for the maintenance, operation, repair and replacement of the heating and cooling systems only if they serve common areas of the building.

Each unit shall be heated to a temperature of not less than 50° F.

INSURANCE

Unit owners are strongly encouraged to carry homeowners' insurance for their unit. The condominium association carries a master policy for the building, however; that policy does not

cover personal property or any damage caused by your unit, common areas, or other units (such as water leaks from hot water heaters). Unit owners will be responsible for the total cost of repairs for damage caused by their unit, regardless of whether they are insured.

KEYS/UNIT ACCESS

Each unit owner has been provided with keys to the building and their respective mailbox. If you have not been provided with, or have lost your keys, please notify Derby Lofts Condominiums immediately. Unit owners are responsible for the locks and keys to their own units.

Derby Lofts Condominiums requires unit owners to provide them with current keys for their units in case of emergency. No unit will be entered without authorization from the owner. In the event of an emergency and without authorization to enter the unit, the Police or Fire Department will be called and the unit owner will be responsible for any fees levied for such services and for any damage they cause to enter.

Any manager engaged by the Trustees and any persons authorized by the Trustees or such manager shall have a right of access to all units, 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 or maintenance to either the unit or to another unit or any part of the common areas and facilities.

The Trustees or their designated agent shall retain a non-mastered 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.

The Derby Lofts package policy requires all residents who would like packages delivered to their units to complete an authorization form and submit it to the Onsite Superintendent. This form can also allow staff to grant authorized entry to visitors, contractors, relatives, etc.

MAILBOXES

The US Postal Service will deliver mail to your mailbox. Occupants are responsible for removing mail on a regular basis so that the mailbox is not full, requiring the mail carrier to place mail on the floor. The lock on the mailbox is the responsibility of the unit owner. Locks are expected to be maintained in good working condition.

MAINTENANCE AND REPAIRS

No service personnel, cleaning person, contractor, delivery person, mover, or person other than the unit owner will be admitted to a residential unit by the Trustees unless the unit owner has first signed an authorization form, in form and substance satisfactory to the Trustees.

In the case of an urgent repair that requires immediate attention, Derby Lofts Condominiums can be contacted to provide assistance at the unit owner's expense. No change may be made by a commercial unit owner in any exterior feature, including but not limited to exterior windows and doors and storefronts without the prior written approval of the Trustees of the Derby Lofts Condominium Trust in every instance.

Units on the sixth floor may have skylights. In the instance where a skylight exists in a particular unit, each owner of such a unit will be responsible for maintaining, repairing and replacing the skylight that serves the unit, including both parts of the skylight and its flashing that is located within and without the unit. All of the maintenance, repair and replacement of the exterior skylights may be performed by the Trustees of the Condominium Trust, at their initiative and to the extent and in the manner determined by them, but at the expense of the owners of the unit served by the skylights that is the subject of such maintenance, repair or replacement.

Certain units have direct access to a balcony. Balconies shall not be enclosed. The responsibility to maintain, repair and replace the structure of the balcony shall be that of the Condominium Trust provided that such maintenance, repair or replacement of the structure is not caused by negligence or intentional act of the unit owner or the guests, invitees, or employees, in which case the cost of the same shall be paid by such unit owner. Unit owners whose units have direct access to a balcony shall maintain, repair or replace the balcony (except for the structure) in a neat and orderly condition. Unit owners whose units have direct access to a balcony shall maintain, repair and replace the floor of the terrace.

No open-fired gas, charcoal or electric barbeques and the like shall be permitted on any balcony, terrace or deck. Open pits, outdoor fireplaces or chimneys are not allowed per the City of Salem.

Any lighting installed by a unit owner on a balcony, terrace or deck will be subject to the prior approval of the Trustees and will be limited to incandescent accent lighting only. In no event will any such lighting be moving, flashing or neon and no light on a terrace will have a wattage output greater than 175 watts. No terrace lighting will be directed towards a window or windows of any unit or units. All replacements of lighting fixtures shall conform to the original equipment specifications.

The railings installed by the developer will be maintained or replaced, as appropriate, by the Trustees and at the expense of the unit owners to whose units the use thereof is appurtenant, so as to maintain the intended and initially provided degree of privacy and so as to be of neat appearance. Any variations will be subject to the prior written consent of the Trustees. All planting and other landscaping on a balcony, terrace or deck will be ornamental in nature, but may include herb gardens, and in no event will there be any artificial landscaping.

Any and all furniture and furnishings placed on any terrace will be subject to the prior approval of the Trustees and will be moveable, high quality, outdoor "patio" type furniture of a proper weight to take into account wind and storm conditions.

No flags, windsocks, kites or wind-chimes will be permitted to be hung, displayed, draped or posted to or from any outside windows or placed on the outside or doors of the buildings or on the entrance doors to the units or from a balcony, terrace or deck.

The Trustees shall specify the materials, colors and paint of exterior doors and window frames and sashes to residential units, whether or not such doors are part of the unit.

Harvest Properties works for the Condominium Association, not for individual unit owners. They should be notified regarding any problems such as plumbing leaks or other important problems.

If at any time, the Trustees believe the condition of a unit is adversely affecting the market value of the property, the Trustees may request in writing that the unit owner perform the necessary maintenance or repairs. If the repairs have not been commenced within 15 days (or reasonable shorter period in case of emergencies), the Trustees are entitled to have the necessary repairs made and charged to the unit owner.

MEETINGS

The Trustees shall meet annually on the date of the annual meeting of the unit owners.

There shall be an annual meeting of the unit owners on the first Wednesday in December each year on the Condominium premises or at such other reasonable place and time (not more than 21 days before or after said date) as may be designated by the Trustees by written notice given to the unit owners at least 14 days prior to the date so designated. Trustees may call special meetings of the unit owners 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 Trustees to the unit owners at least 14 days prior to the date so designated. At the annual meeting of the unit owners, the Trustees shall submit reports of the management and finances of the Condominium.

There shall be regularly scheduled meetings of the Trustees, and unit owners wishing to present concerns may do so during the first half hour of these meetings. It is necessary to contact Rachel Campbell (rcampbell@harvestprops.com) least seven days prior to the meeting if you would like to speak during this time period. Each unit owner has approximately ten minutes for a presentation, with a maximum of three unit owners' concerns placed on the agenda at each meeting.

MOVE IN/OUT & DELIVERY POLICY

The Board of Trustees of Derby Lofts Condominium has adopted the following policy for move ins/outs and large or multiple deliveries effective August 1, 2009. Please read the policy carefully. Any moves and/or deliveries not in conformance with this policy are subject to

immediate cancellation/stoppage and the violating owner will be subject to the assessment of fines for non-compliance.

1. Moves in/out and deliveries of large items must take place between the hours of 8:00 a.m. and 4:00 p.m. Monday through Friday. The Onsite Superintendent, who works until 4:00 p.m, must supervise all moves. If a move continues past 4:00 p.m., the extra time will be billed to the unit owner at the On Site Supervisor's hourly rate. Moves in/out are not permitted on weekends, holidays, or on the days before Thanksgiving, New Years' or Christmas.
2. The unit occupant or their agent must be present during any move.
3. All moves and or large deliveries must be scheduled with the Building Manager at least five days in advance of the move or delivery. One morning and one afternoon move are allowed per day. Due to this, moving clearance is on a first come, first serve basis and those planning a move should schedule with the building manager well in advance of the desired arrival/departure date. A move schedule request is available at the Onsite Superintendent's desk.
4. All moves must be completed within 48 hours.
5. If a professional moving company is retained, a Certificate of Insurance naming Derby Lofts Condominium Trust as an additional insured must be obtained from the moving company and submitted along with your schedule request form. The schedule request form can also be faxed or emailed to the Onsite Superintendent at 978-744-4632 or derbylofts@gmail.com. The certificate of insurance must evidence liability insurance in amounts no less than one million dollars.
6. An administrative move in/out fee of \$150 is required for all tenants of absentee owners. The fee is non-refundable and must be submitted with your schedule request form. The administrative fee of \$150 does not apply to tenants of Derby Lofts LLC, although Derby Lofts LLC and/or its tenants must still schedule all moves with the Building Manger at least five days in advance of the move or delivery.

All unscheduled moves will result in a fine of \$300. An unscheduled move is defined as failing to obtain approval from the Building Manager at least five (5) days prior to the move date. Derby Lofts LLC and/or its tenants are subject to this fine.

7. Occupants are required to perform a pre and post move inspection of the common areas with the Building Manager.
8. The designated, padded elevator must be used for all moves. The second elevator is for resident passage only.

9. Care must be taken to avoid damage to all common areas (overhead sprinklers, lighting, walls, elevators, floors, etc.). The unit owner is responsible for the cost of any damage caused to the common area during any move.
10. Delivery vehicles, moving vans, trucks, etc. are prohibited from using the drive through area. They must park on either Lafayette or Central Street and cannot block access to, or egress from, the drive-through.

If you have any questions, please call or email the On-Site Superintendent at 978-745-2566 or derbylofts@gmail.com.

NOISE AND OTHER DISTURBANCES

No radio, phonograph, stereo, television or other device shall incorporate outside terrace, deck or balcony speakers. Please be courteous about noise levels at all times. It is especially important to lower noise levels between 10:00 p.m. and 7:00 a.m. Problems with respect to noise or disturbances should first be brought to the attention of the unit where the disturbance originates, then to Derby Lofts Condominiums. Urgent problems with disturbances should be reported to the police.

NONDISCRIMINATION

Derby Lofts Condominiums shall never prevent, restrict, discourage or hinder in any manner whatsoever the alienation, conveyance, mortgage, purchase, sale, use or occupancy of units or any negotiations in connection therewith because of race, religion, creed, color, national origin, sex, sexual orientation, age, ancestry, marital status, status as a veteran or member of the armed services or any ethnic group, blindness 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 or municipal law.

OCCUPANCY/USE OF UNITS

Residential units are intended only for residential purposes. However, any residential unit may be used as an office/studio, provided that the office is only an accessory part of the unit and is permitted under applicable zoning laws. No one other than the unit resident can be employed in the office, the office cannot be used to meet with clients/customers and no sign can be used in connection with the office.

All draperies, window treatments, etc. shall be off-white, or shall have an off-white lining facing the exterior of the building.

No space heaters may be used within a unit. The Trustees must approve any additional air conditioning or heat, beyond that provided with the unit.

No signs shall be placed in the windows, on the outside walls or doors without the permission of the Trustees.

Any unit owner who changes the locks on his doors must give a copy of that key to the Trustees.

Any unit owner who installs an interior alarm must notify the Trustees of the company, and provide a copy of the contract to the Trustees.

Any significant renovations to be undertaken in a unit owner's residence must be approved by the Trustees.

Unit owners are required to keep their own units in good repair.

There are to be no air conditioners or fans in any unit owner's window.

No waterbeds, hot tubs or Jacuzzis shall be permitted in any unit without the prior written permission of the Trustees, which permission may be withheld in the sole discretion of the Trustees. No waterbeds, hot tubs or Jacuzzis shall be permitted on any balcony, terrace, and deck or in any other common areas or facilities.

Commercial units may be used for any purpose now or hereafter permitted by the zoning ordinance of the City of Salem, specifically including restaurants and bars including pizza restaurants and shops serving pizza and other food items for consumption on and/or off the premises. No Commercial unit may be used for the sale of alcoholic beverages (unless such sales are by a restaurant, bar ancillary to a restaurant or retail food store or retail store selling alcoholic beverages), any form of live entertainment (unless such live entertainment takes place in a restaurant or a bar ancillary to a restaurant), massage parlor, tattoo parlor, so-called adult bookstore, so-called adult cinema, pinball arcade, pet store, discount retail store which is a part of a chain of at least 10 stores, a so-called t-shirt shop or any other use which would detract from the first class ambiance of the Condominium.

PARKING

There is no parking on-site. Each unit owner must renew, annually, the City of Salem Garage pass(es) that are assigned to each unit as stated in the Master Deed. Renewal must be done through the Association.

PETS

Ordinary domestic pets and animals are permitted with prior approval of the Trustees. Unit owners are responsible for any damage to common areas caused by the pets they own, or by those owned by their tenants or guests. Pets in the common areas must be leashed, carried or caged at all times. Dogs must be properly vaccinated and licensed with the City of Salem. Pet

owners are expected to make every effort to restrain the noise from their pets and must clean up after them. Occupants must observe all City and State animal control policies.

The unit owner or person walking such pet or animal shall immediately clean up any and all droppings for which the pet or animal is responsible in or about the Condominium including, without limitation, the sidewalks and exterior landscapes. Any unit owner keeping a pet or animal in violation of the foregoing, or which causes any damage to or requires clean up of any unit, other than the unit of the owner of such pet or animal, or the common areas and facilities or which is offensive or causes or creates any nuisance or unreasonable disturbance or noise, shall be personally liable for the cost and expense of such repair, clean up and/or elimination of such disturbance or nuisance. After due notice and hearing, the Trustees may require any unit owner to permanently remove any pet, which has habitually been guilty of annoying or harassing any unit owner or occupant.

RENOVATIONS AND REPAIRS

No contractor, delivery person, or person other than the unit owner will be admitted to a residential unit by the Trustees unless the unit owner has first signed a permission form, in form and substance satisfactory to the Trustees.

Unit owners may make renovations and repairs to their units. The unit owner shall send written notice to the Trustees and to all unit owners of their intention to perform renovation work and such notice shall be accompanied by a detailed narrative description of the renovation work with respect to work involving structural changes and/or demolition. Such notice shall also be accompanied by sketches of the renovation work (sufficient in the judgment of the Trustees to explain the renovation work in detail), a plan drawn by an architect registered in Massachusetts or by a structural engineer registered in Massachusetts showing the renovation work which the unit owner proposes to perform and written statement by such architect or engineer that the renovation work will not impair the structural integrity of the buildings or fall within the definition of prohibited work. The unit owner will promptly pay all bills for labor and materials.

Trustees may impose a deposit in an amount equal to the greater of 10% of the value of the contemplated work if such work is expected to cost less than \$100,000 or 5% of the value of the contemplated work if such work is expected to cost \$100,000 or more or \$1,000. The deposit for initial work shall be \$5,000 regardless of the expected cost of the initial work.

No renovation work shall commence unless and until the Trustees shall have assented thereto in writing. The Trustees may withhold their consent for the reason that the renovation work is likely, in the sole judgment of the Trustees, to create noise, vibration, dust or odor which will disturb other unit owners and occupants and/or impair the structural integrity of the buildings, or fall within the definition of prohibited work, but for no other reasons.

Building permits from the City of Salem must be obtained for any work involving new electric or

plumbing lines and any structural work. Derby Lofts Condominiums must be notified one week in advance of any renovation or repairs that require a temporary shut down of any building services such as water. Unit owners are required to provide Derby Lofts Condominiums with the name of the contractor and proof of insurance for any major renovation or repair. Work is not to be undertaken without prior approval of the Trustees. Proof of insurance is required to protect the common property. Copies of all permits and the contractors' certificate(s) of insurance for the year work was done, must be given to the Onsite Superintendent and will be kept in the Derby Lofts files.

The Trustees shall have the right at any time and from time to time to order the unit owner performing the cosmetic work or the renovation work to immediately cease such work, if in the sole judgment of the Trustees the work has created, or is about to create noise, vibration, dust or odor which will disturb other unit owners and occupants.

In the event that the work causes noise, vibration, dust or odor, or the unit owner is in violation of a provision of this Section, the Trustees shall have the right at any time and from time to time to order the work to cease as set forth above, and to impose a fine against the unit owner in the amount of \$100.00 per day for each day the violation continues.

The floors in the hallways and elevator must be covered and protected. Moving pads should be installed in the elevator if needed. Unit owners and their contractors are responsible for removal and disposal of all waste material generated by the renovation. The trash room cannot be used for construction waste. The building must be left clean and orderly at the end of each workday. If this waste requires an extra trash pick-up, the unit owner will be billed for the cost.

Renovations and repairs that may cause any excessive noise or disturbances must be done between 8:00 a.m. and 6:00 p.m.

At the completion of the renovation work, the unit owner shall notify the Trustees, in writing, that the renovation work has been completed in all respects and that all bills for labor and materials in connection therewith have been paid in full, and such notice shall be accompanied by a written verification of such architect or engineer that the renovation work has been completed in all respects and that the performance of the renovation work has not impaired the structural integrity of the buildings or fallen within the definition of the prohibited work. The deposit, less any amount applied by the Trustees under the provisions of this Section, shall be refunded to the unit owner after the work has been completed and the Trustees have received the above-mentioned architect's or engineer's verification.

RENTING/LEASING

Each unit is intended to be used for residential purposes. Unit owners must contact Derby Lofts Condominiums with the lessee/renter's name(s), contact information and the length of the lease/rental agreement. If a lease/rental agreement is renewed, the owner must inform the management company of the new dates. Unit owners are responsible for any damage or disturbances caused by their tenants and their tenants' guests, including reasonable attorneys' fees and expenses, relating to any enforcement, eviction or similar proceedings resulting from the failure of the unit owner (or any tenant or occupant claiming by, through or under such unit owner) to comply with all of the applicable provisions and restrictions in the Master Deed, the Trust, these By-Laws and the Rules and Regulations and until any and all of the same incurred by the Trustees are paid by such unit owner the same shall, without limitation, constitute a lien against such unit owner's unit.

All renters must acknowledge that they know about the rules and regulations.

The Trustees shall have the right to impose a move-in fee of \$150.00 and a move-out fee of \$150.00 on the unit owner (other than the developer) of a residential unit whenever a tenant moves into or out of, respectively, a residential unit. The Trustees shall have the right to change the amount of the move-in and move-out fees at their discretion. Any moves extending beyond the 48-hour limit may be considered an additional move, and an additional moving fee may be assessed to the unit owner.

ROOF ACCESS

Due to insurance restrictions, there is no roof access. If owners need to have repairs done to the air conditioning/heating compressor, unit owners must first contact the Onsite Superintendent at 978-745-2566. Please remind any contracted workers of the fragility of the roof membrane. Any damages to the roof will be billed to the unit owner who commissioned the work.

In the case of leaks or other suspected roof damage, please contact the Onsite Superintendent at 978-745-2566, from 8:00 a.m. – 5:00 p.m. After 5 p.m., contact Harvest Properties @ 781-979-9199.

SATELLITE DISHES/ANTENNAS

Satellite dishes and antennas are not permitted on the roof, on the exterior of the building, or from any unit window. Comcast has wired the building for cable television and high-speed cable internet service. Any satellite dishes or antennas installed on the building exterior, roof or windows will be removed, and unit owners will be responsible for removal fees. Satellite dishes that are installed within the boundaries of the owner's balcony or deck, and do not encroach on the exterior of the building, are permitted. A southwest facing direction is necessary.

SELLING

Unit owners who are selling their units must be clear of all debt to the condominium association and must not be in violation of any of the rules and regulations in order to receive a Certificate of Common Expenses (6-D). Unit owners should notify Derby Lofts Condominiums of all pending sales and provide contact information for new owners.

SECURITY

Every occupant is responsible for the safety and security of the building. Do not let anyone in who is not known to you. Make sure that exterior doors are closed and locked at all times. Report any suspicious activity to the management company or to the police if the activity may present an immediate danger. If the front or back doors do not close properly, please notify the management company immediately. Entrance codes are strictly confidential and should not be disclosed to anyone.

SIGNS

Except for signs erected and maintained by owners of the commercial units on the first floor level of the building, 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," "for rent" or "for lease" sign be permitted thereon except by the declarant during such time as the declarant owns one or more units or one or more parking easements 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 square feet. Owners of commercial units shall have the right to erect and maintain signs on the exterior of commercial units so long as such signs comply with all relevant laws, ordinances and codes, are professionally designed and constructed, are dignified and in keeping with a first-class mixed use condominium and, if lighted, do not contain intermittent or flashing lights.

SMOKING/ALCOHOLIC BEVERAGES

Smoking or consumption of alcoholic beverages is not permitted in the common areas, including the lobby, vestibule, elevator, facilities, hallways, stairways, deck and balcony. Do not dispose of cigarette butts on condo property; this includes the front entrance and vestibule of the building. Smoking is permitted within individual units at the unit owner's discretion.

SNOW REMOVAL

A contractor chosen by the Trustees will clear snow and ice from the sidewalks around the building. In the event that snow or ice is not adequately cleared from the sidewalks, contact Harvest Properties at 781-979-9199.

TRASH AND RECYCLING

All garbage and trash must be placed in the proper receptacles designed for refuse collection in designated trash rooms, and no garbage or trash shall be placed elsewhere upon any of the common areas and facilities.

Please place trash and recycling in the proper bin. Each bin is marked accordingly.

All residents must break down and flatten all boxes before placing them in the recycling bin. If you are unable to flatten your boxes, please see the Onsite Superintendent; otherwise there are no exceptions. Residents will be fined \$25 for each box that is not flattened.

Special Trash Collection:

Many large household items cannot be disposed of into the bins in the trash room. This would include: furniture such as a couch or chair, hot water heater, household appliances, rugs (must be cut in widths no bigger than 3'), mattress and box spring. If you wish to dispose of such an item, contact Harvest Property Management or the Onsite Superintendent. They will arrange for pick-up, bill Derby Lofts Association, and collect the fee from the unit owner.

Unacceptable Materials for Trash Collection (save for Household Hazardous Waste Collection Day. Call 978-741-1800 for additional information.)

- Car batteries
- Chemicals
- Computers
- Construction waste
- Demolition debris
- Oils
- Paints
- Propane tanks
- Televisions
- Tires

TRUSTEES/ASSOCIATION

Derby Lofts Condominiums shall maintain a Board of Trustees of not less than 5 and not more than 7 natural persons at all times. At least one Trustee shall be the designee of an owner of a commercial unit. The Trustees need not be unit owners. Any Trustee may hold more than one office.

The Trustees are responsible for the management and maintenance of the property. Each person elected to serve as Trustee subsequent to the term of the initial board who wishes to so serve shall promptly file with the Secretary of the Trust written acceptance of election and upon receipt of such acceptance, the Secretary shall sign and record with the Essex South District Registry of Deeds a certificate of election setting forth the names of the new Trustees and reciting that they have been duly elected by the requisite vote of the unit owners and have filed their written acceptances of election with the Secretary, and upon the recording of such certificate of election,

the election of the Trustees named therein shall become effective and each such person named therein as a Trustee shall then be and become such Trustee and shall be vested with the title to the Trust property, jointly with the remaining or surviving Trustee or Trustees without the necessity of any act of transfer or conveyance. Trustees may serve an indefinite term. Trustees may resign at any time in writing and a majority of the unit owners may remove any trustee in writing, with or without cause.

The Trustees shall receive no compensation for their services as Trustees, but with the prior written approval in each instance of the other Trustees and upon presentation of proper vouchers, each Trustee may be reimbursed for actual out-of-pocket expenses paid or incurred by them pursuant to their duties as such Trustee, and such reimbursement shall be a Common Expense of the Condominium.

UNITS

Each unit owner shall keep their unit in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown from the doors or windows thereof any dirt or other substance.

All radio, television and other electrical equipment of any kind or nature installed or used in any unit shall fully comply with all rules, regulations, requirements or recommendations of the Fire Insurance Rating board and the public authorities having jurisdiction, and the unit owner shall be liable for any damage or injury caused by any radio, television or other electrical equipment in their unit and the Trustees may assess such unit owner therefore.

No wood stoves, coal stoves, kerosene heaters, space heaters or similar devices shall be permitted in any unit. No unit owner shall install any heating or air conditioning device in any unit without the prior written consent of the Trustees.

All draperies, as well as any other window treatments and hanging material, must be fire resistant and in compliance with standards set by the New England Fire Insurance Rating Board, and may not be closer than one inch to heating units. All draperies, window treatments and window coverings in every unit visible from the exterior of the buildings shall be lined with an off-white material or shall be off-white on the facing side, visible from the exterior, such that when closed or drawn the appearance of the window or door from the exterior of the buildings shall be off-white. This paragraph shall not apply to the commercial units.

Unit owners shall not cause or permit anything to be hung or displayed on the outside of windows of residential units or placed on the outside walls or doors of the buildings or on the entrance doors to the units. No sign, awning, canopy, shutter or radio or television antenna shall be affixed to or placed upon the exterior walls or doors, roof or any part thereof or exposed or at any window without the prior written approval of the Trustees.

No doorknockers or other ornamentation shall be placed upon doors of residential units.

VIOLATION OF RULES AND REGULATIONS – FINES

With the exception of the fine for unscheduled moves (\$300), each violation of the Rules and Regulations may be assessed a fine of twenty-five dollars (\$25) for the first violation, fifty dollars (\$50) for a second violation and one-hundred dollars (\$100) for each subsequent violation.

VOTING

The voting location for the residents at 51-71 Lafayette Street is at the Bentley School located at 25 Memorial Drive, Salem. For more information about voter registration, contact the Salem City Clerk's Office at 978-745-9595, extension 257 or extension 259.

WINDOWS

Replacement windows may be purchased. They must be the same size, shape and color as the original windows. No exterior shades, awnings, canopy, shutter or window guards can be added to the units and no sign, notice or advertisement can be placed on any window or door.

No aerials, antennas, clothesline, clothes rack, satellite dishes or umbrellas shall be placed, attached or hung from the exterior of the units. No object including air conditioners and satellite dishes shall be projected out of any window.

Sheets, blankets or any other improper window treatment cannot be used to cover any part of or be placed in front of the windows. Your window covering must not detract from the aesthetic appearance of the building. No clothing, sheets, blankets, laundry or other article shall be hung out of any unit.

SALEM NEIGHBORHOOD SERVICES

Legends of Salem, 7 Lynde Street, Salem, 978-825-0222

The House of Seven Gables, 54 Turner Street, Salem, 978-744-0991

Peabody Essex Museum, East India Square, Salem, 978-745-9500

North Shore Music Theatre, Route 128N/Exit 19, 62 Dunham Road, Beverly, 978-745-0525

Salem Maritime National Historic Site, 193 Derby Street, Salem, 978-740-1660

Salem State College Center for the Arts, 352 Lafayette Street, Salem, 978-542-6999

Salem Willows Park, 171-185 Fort Avenue, Salem, 978-745-0251
Stephen Phillips Memorial Trust, 34 Chestnut Street, Salem 978-744-0440
Ye Olde Pepper Candy Companie, 122 Derby Street, Salem, 978-745-2744
Cry Innocent/History Alive, 32 Derby Square, Salem, 978-867-4747
The Salem Witch Museum, Washington Square, Salem, 978-744-1692
Witch Dungeon, 16 Lynde Street, Salem, 978-741-3570
Witch History Museum, 197-201 Essex Salem, 978-741-7770
The Witch House, 310 Essex Street, Salem, 978-744-0180
The North Shore Children's Museum, 209R Essex Street, Salem, 978-741-1811
New England Pirate Museum, 274 Derby Street, Salem, 978-741-2800
Spellbound Museum, 190 Essex Street, Salem, 978-745-0138

CITY OF SALEM SERVICES

Animal Control, City Hall, 978-744-0171 x121
Assessor, City Hall, 978-744-9595 x261
Auditor/Director of Finance, City Hall, 978-745-9595 x211
Cemetery/Shade Tree/Open Space, 978-745-0195
City Clerk, 978-745-9595 x251
Council on Aging, 978-744-0924
Collector's Office, 978-745-9595 x270
Fire Department, 978-744-6990
Library, 978-744-0860

Mayor's Office, 978-745-9595 x202

Parking Department, 978-745-8120

Police Department, 978-744-0171

Public Works, 978-745-9595 x321

Voting, 978-745-9595 x 257 or x259

Water and Sewer Department, 978-745-9595 x390