

DECLARATION OF COVENANTS,
RESTRICTIONS AND PARTY FACILITIES

OF

LINCOLN STATION, PHASE I

THIS DECLARATION OF COVENANTS, RESTRICTIONS AND PARTY FACILITIES made this 25th day of February, 1983 by LINCOLN STATION, a Joint Venture among LINCOLN STATION DEVELOPMENT CORPORATION, a Florida Corporation qualified to do business in the State of New Hampshire having its principal office at 2330 South Congress Avenue, West Palm Beach, Florida, and SAVER'S REAL ESTATE INVESTMENTS, INC., a New Hampshire corporation having its principal office at 85 Main Street in Littleton, New Hampshire.

WITNESSETH:

WHEREAS, the Declarant, on the date hereof, is or is to become the owner of certain real property located in Lincoln, Grafton County, State of New Hampshire, hereinafter referred to as the Subdivision, more particularly described as follows:

A certain tract or parcel of land with the buildings and improvements thereon, if any, and being shown on a plan entitled "Lincoln Station Phase I, prepared for Lincoln Station, Scale 1"=40 dated December 15, 1982 and recorded in the Grafton County Registry of Deeds as Plan # _____, (the "Plan") being more particularly described in Exhibit A attached hereto and incorporated herein by this reference (hereinafter referred to as the "Real Property").

WHEREAS, Declarant intends to convey all or part of said Real Property, subject to certain protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth;

NOW, THEREFORE, Declarant hereby declares that all of the Real Property as hereinabove described shall be held, sold, conveyed, leased, mortgaged and otherwise dealt with subject to those easements, covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Subdivision. These easements, covenants, conditions, restrictions, reservations, liens and charges shall run with the Real Property and shall be binding upon all parties having and/or acquiring any right, title or interest in the Subdivision or any part thereof, and shall inure to the benefit of each and every person or entity, from time to time, owning or holding an interest in the Real Property.

ARTICLE I

Definitions

1.1. General. The terms used in this Declaration of Covenants, Restrictions and Party Facilities, in the Articles of Incorporation and the By-laws of LINCOLN STATION PHASE I HOMEOWNERS' ASSOCIATION, INC., a New Hampshire corporation not-for-profit, shall have the meaning stated as follows, unless the context otherwise requires:

1.2. Assessment shall mean a share of the funds required and which are to be assessed against a Unit Owner and Unit for the payment of the costs incurred by the Association for and including, but not limited to, the operation, maintenance and protection of the Common Areas, recreational facilities, Dwelling Units, easements for ingress and egress and other areas subject to and under the control and administration of the Association. Assessment shall also mean a share of the funds required and which are to be assessed against a member of Lincoln Station Property Owners' Association, Inc. in accordance with its Articles of Association and By-Laws.

1.3. Homeowners' Association or Association shall mean and refer to LINCOLN STATION PHASE I HOMEOWNERS' ASSOCIATION, INC., a New Hampshire corporation not-for-profit, its successors and assigns.

1.4. Property Owners' Association shall mean Lincoln Station Property Owners' Association, Inc., a New Hampshire corporation not for profit, its successors and assigns.

1.5. Homeowners' Board or Board shall mean the Board of Directors of the Homeowner's Association.

1.6. Property Owner's Board shall mean the Board of Directors of the Property Owners' Association.

1.7. Homeowners' By-Laws or By-Laws shall mean the By-laws of LINCOLN STATION PHASE I HOMEOWNERS' ASSOCIATION, INC., established for the government of the Association, as said By-laws may exist from time to time.

1.8. Property Owners' By-Laws shall mean the By-Laws of LINCOLN STATION PROPERTY OWNERS' ASSOCIATION, INC. as said By-Laws may exist from time to time.

1.9. Common Areas shall mean all that certain real property owned by the Homeowners' Association and held for the benefit, use and enjoyment of the members of the Homeowners' Association, the same being the streets, and the recreation areas

as those terms are used on the Plan and any other real property designated as common areas on any other Plan of any other phase of LINCOLN STATION, when recorded in the Grafton County Registry of Deeds.

1.10. Common Expenses shall mean the expenses for which the Unit Owner is liable, which shall include but not be limited to the following:

(a) Expenses of administration and management of the common areas and recreational facilities.

(b) Expenses of maintenance, operation, repair or replacement of the Association property, not otherwise covered by insurance.

(c) Expenses declared Common Expenses by the provisions of this Declaration of Covenants and Restrictions and Party Facilities or by the By-laws.

(d) Any valid charge against the Association, common areas and/or recreational facilities, and

(e) Any expenses of, charges of, or assessment by the Association as provided for in this Declaration of Covenants, Restrictions and Party Facilities, the Articles of Incorporation and/or the By-laws.

1.11. Common Surplus shall mean the excess of all receipts of the Association, including, but not limited to, assessments, rents, profits and revenues on account of the common areas and recreational facilities, over the amount of the Common Expenses.

1.12. Declarant shall mean and refer to LINCOLN STATION, a New Hampshire Joint Venture, its successors and/or assigns.

1.13. Declaration shall mean the Declaration of Covenants, Restrictions and Party Facilities of LINCOLN STATION, Phase I and include the same as it may be from time to time amended.

1.14. Dwelling shall mean all of the improvement or improvements constructed and established on Lots as said Lots are described on the Plan, including parking facilities.

1.15. Institutional Lender shall mean the owner and holder of a mortgage encumbering a Lot or Unit, which owner and holder of said mortgage shall either be a bank, life insurance company, federal or state savings and loan association, real estate or mortgage investment trust, or a lender generally recognized in the community as an institutional-type lender.

1.16. Improvement Association shall mean LINCOLN STATION PHASE I HOMEOWNERS' ASSOCIATION, INC, a New Hampshire corporation, not-for-profit.

1.17. Lot shall mean a Lot as shown and described on the Plan of Lincoln Station, Phase I.

1.18. Owner shall mean the holder or holders of the fee title to any Lot or Unit in the Subdivision as herein defined.

1.19. Member shall mean and refer to every person or entity who holds membership in the Association.

1.20. Operation shall mean and include the administration and management of the common areas and recreational facilities.

1.21. Person shall mean a person, firm, association, corporation, or other entity.

1.22. Subdivision shall mean all of the lands comprising that subdivision known as LINCOLN STATION, Phase I as shown on the Plan.

1.23. Unit shall mean a Lot and the dwelling constructed thereon as herein defined.

1.24. Interpretation. Whenever the context so permits, the use of the singular shall include the plural and the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

ARTICLE II

Title to Common Areas

The title to the common areas as they are set forth, defined and delineated upon the Subdivision shall be conveyed in fee simple to the Association for the benefit of the Association and its members, their guests, invitees, and their respective successors and assigns, at such time as the Declarant has sold one hundred percent (100%) of the Dwelling Units in LINCOLN STATION PHASE I or at any earlier date the Declarant may have elected. In the event of the Association's dissolution, title to the Common Areas shall vest in the Unit Owners, as tenants in common, in the same percentage as their liability for Common Expenses, subject to easements for ingress and egress and utilities in favor of all other unit owners as laid out and in use at the time of such dissolution.

ARTICLE III

Easements

3.1. Applicability. Each of the following easements over, under and across the entire Subdivision is a covenant running with the land, and notwithstanding any of the other provisions of this Declaration, may not be substantially amended or revoked in such a way as to unreasonably interfere with its proper and intended use and purpose.

3.2. Utilities. Any and all easements as may be required for utility services to adequately serve the Subdivision shall be covenants running with the land as provided for immediately above; however, such easements over, under and/or across a Lot and/or Dwelling Unit shall be exercised according to the plans and specifications for the Lot and/or Dwelling Unit in question or according to the Lot as developed and/or the Dwelling Unit as constructed in a manner which will not unreasonably interfere with the intended purpose and use, unless approved in writing by the Owner.

3.3. Pedestrian and Vehicular Traffic. There shall exist easements for pedestrian traffic over, upon, through and across sidewalks, paths, lanes and walks, as the same may from time to time exist, upon the common areas; and for the vehicular traffic over, upon, and through and across such portions of the common areas as may from time to time be paved and intended for such purposes, the same being for the use and benefit of only the Owners, their respective successors, guests and invitees.

3.4. Perpetual Non-Exclusive Easement in Common Areas. The common areas shall be, and the same are hereby declared to be subject to a perpetual non-exclusive easement in favor of all the Owners for their use and the use of their immediate families, guests, and invitees for all proper and normal purposes, and for the furnishing of services and facilities for which the same are reasonably intended, for the enjoyment of said Owners, subject to rules and regulations as promulgated by the Association.

3.5. Easements for Overhanging Troughs, Gutters and Downspouts. There shall exist an easement for overhanging, troughs, gutters, and downspouts and the discharge therefrom of rain water and the subsequent flow thereof over the common area.

3.6. Easement for Unintentional and Non-Negligent Encroachments. In the event that any Dwelling Unit shall encroach upon any common area for any reason not caused by the purposeful and negligent act of the Owner or Owners or agents of such Owner or Owners, then an easement appurtenant to each

Dwelling Unit shall exist for the continuance of such encroachments on and to the common areas for so long as such encroachments shall naturally exist; and in the event that any portion of the common areas shall encroach upon any Dwelling Unit or Lot, then an easement shall exist for the continuance of such encroachment of the common areas into any Dwelling Unit or Lot for so long as such encroachments shall naturally exist.

3.7. Easements and Cross-Easements. There are hereby created easements in favor of all Owners within the Subdivision and the members of the Association, their immediate families, guests and invitees, for ingress, egress and utilities, including, but not limited to those necessary to provide power, electricity, telephone, sewer, water, lighting facilities, irrigation, drainage, television transmission facilities, security services, electronic and other facilities in connection therewith, and the like. Declarant, for itself, its successors, nominees, and assigns, and the Association reserves the right to impose upon the common areas, henceforth and from time to time, such easements and cross-easements for any of the foregoing purposes as it deems to be in the best interest of, and necessary and proper for the Subdivision or for any adjacent real estate owned by Declarant.

3.8. Association. Easements are reserved in favor of the Association, its agents and employees, successors and assigns to enter upon the Units for the purpose of conducting inspections and carrying out the responsibilities of the Association as set forth herein and as may be authorized from time to time by the Association.

3.9. Easements of Record. It is recognized that the Subdivision is subject to restrictions, reservations, and easements which have been placed of record by the filing of the Plan. The existing restrictions, reservations and easements of record include, but are not limited to, certain easements for ingress and egress across, upon and through the Subdivision and, therefore, the Subdivision property shall continue at all times to be subject to said easements.

ARTICLE IV

Ownership

4.1. Type of Ownership. Ownership of each Unit shall be in fee simple, subject to this Declaration of Covenants, Restrictions and Party Facilities of LINCOLN STATION PHASE I, and, any exhibits and/or amendments thereto, reservations, restrictions, conditions and limitations of record.

4.2. Association Membership. The Owners of record of the Units shall be members of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit. Voting shall be in accordance with the Association's Articles and By-laws, provided, however, the owners of each Unit shall be entitled to at least one vote.

4.3. Unit Owners' Rghts. The Owner of a Unit is entitled to the exclusive possession of his Unit. He shall be entitled to use the common areas in accordance with the purposes for which they are intended, and the rules and regulations promulgated from time to time by the Association; but no such use shall hinder or encroach upon the lawful rights of the Owners of other Units.

ARTICLE V

Common Expense and Common Surplus

5.1. Common Expenses are to be borne by each Unit Owner and shall be a portion of the total expenses and costs of the Association. The share to be assessed against each unit owner shall be computed as follows, where

"x" = total dollar amount of common expenses:
90

- a) owner of two (2) bedroom unit pays x
- b) owner of three (3) bedroom unit pays 120% x
- c) owner of four (4) bedroom unit pay 140% x

and where the Total Annual Budget is determined by the following formula, where a = the total of all two (2) bedroom units, b = the total of all three (3) bedroom units and c = the total of all four (4) bedroom units: $TOTAL\ ANNUAL\ BUDGET = a \cdot x + 1.2 \cdot b \cdot x + 1.4 \cdot c \cdot x$.

The maximum liability of the Declarant for its share of common expenses shall be the total dollar amount of current expenses less all sums assessed to Unit owners other than the Declarant.

5.2. Common Surplus. Any common surplus of the Association shall be owned by each of the Unit Owners in the same proportion as their percentage liability for common expenses.

5.3. Modification. Declarant prior to the sale of the last Unit reserves the right to modify the manner in which common expenses are assessed based upon the actual sales of two (2), three (3) and four (4) bedroom units.

5.4. Property Owners' Association. The manner of determination and allocation of the common expense and common surplus of the Property Owners' Association shall be determined by its Board of Directors.

ARTICLE VI

Maintenance

6.1. General. Responsibility for the maintenance of the Subdivision shall be as follows:

6.2. By the Association. The Association shall maintain, repair and replace, at the Association's expense:

(a) Landscaping. The Association shall maintain and care for all landscaped areas within the Subdivision including the common areas, recreation area, and Lots and shall be responsible for lawns, trees and shrubbery. Such maintenance shall be limited to mowing, trimming, pruning, edging, fertilizing and spraying of lawns, trees and shrubs. The Association in its sole discretion, shall determine the need for replacement and/or improvement of landscaping, lawns, shrubbery and trees.

(b) Private Roads, Driveways, Walkways and Paths. The Association shall maintain and repair all private roadways, parking areas, driveways, walkways and paths throughout the Subdivision.

(c) Recreation Area. The Association shall maintain, repair, replace and improve the recreation area and any improvements thereof.

(d) Other Services. The Association shall maintain, repair, replace, improve and protect the common areas and recreational facilities of the Subdivision and provide such other services and functions as the Board of Directors may, in its sole discretion, determine from time to time.

6.3. By the Unit Owners. The responsibility of the Unit Owner shall be as follows: to keep and maintain his Dwelling Unit, its equipment and appurtenances in good order, condition and repair, and to perform promptly all maintenance and repair work as to keep his Dwelling Unit in a good state of repair and in conformity with the aesthetic standards required from time to time by the Association.

6.4. Limitations. No Owner shall in any way maintain, modify or improve any areas for which the Association has the responsibility for maintenance without the prior written consent of the Association.

6.5. Cost of Maintenance. The cost of maintaining those areas which are the responsibility of the Association shall be paid for by the Association, acting for and on behalf of all Owners. All Unit Owners, by virtue of the responsibility in accordance with the provisions of Article 5.1 for assessments as elsewhere herein provided, are hereby liable in accordance with the provisions of Article 5.1 for the cost of maintenance; except that in the event the need for maintenance or repair is caused through the willful or negligent act of a Unit Owner, his family, guests or invitees, the cost of such maintenance or repairs shall be the responsibility of said Unit Owner and may be added to or become a part of the assessment to which said Unit Owner is subject.

ARTICLE VII

Party Walls

7.1. General. Each wall which is constructed and located on the line dividing each of the Lots into separate and distinct Dwelling Units shall constitute party walls for the perpetual benefit of and use by the Unit Owner.

7.2. Maintenance and Repair. In the event it should become necessary or desirable to perform maintenance thereon or to rebuild or repair the whole or any part of any party wall, such expense shall be shared equally by the Owners of the adjoining Dwelling Units to the extent that such costs are not satisfied from insurance proceeds carried by the Association. Whenever any such party wall, or any part thereof, shall be rebuilt, it shall initially be constructed, and shall be of the same size and of the same or similar materials and like quality. All repairs, maintenance and replacements of party walls shall be approved by the Board of Directors of the Association as to scope of work, specifications of materials, and reliability of contractor. Provided, that if such maintenance, repair or construction is brought about solely by the neglect or the willful misconduct of a particular Owner, any expense incidental thereto shall be borne solely by such Owner.

7.3. Use. An Owner shall have the right to the full use of said party walls for whatever purpose such Owner may choose to employ, subject to the limitations that such use shall not infringe on the right of the Owner of the adjacent Dwelling Unit or his enjoyment of said party wall or in any manner impair

the value of said party wall. No openings shall be made in any party wall, for any purpose, without the written consent of both Owners and the Association.

7.4. Benefit. Each common wall constructed on the subject real property is to be and remain a party wall for the perpetual use and benefit of the respective Owners thereof, and their heirs, assigns, successors and grantees, said real property being conveyed subject to this condition, and this condition shall be construed to be a covenant running with the land. Each Owner shall have a permanent easement to permit repair of the common wall and roof areas, subject to the provisions of Article 7.2. The rights of repair created by this Article refer not only to repair of interior, but also exterior portions of a party wall. A mortgagee of an Owner shall have all rights of an Owner created by this Article.

7.5. Lien. An Owner repairing a common wall and who shall pay for the same, shall have a right of lien against the other party wall owner for repairs needed for the party wall or roof, as such right of lien is created for contractors under the laws of the State of New Hampshire, to the extent said lien is legally enforceable, but in no event shall said lien have priority over the lien of any mortgagee.

ARTICLE VIII

Party Roofs

8.1. General. As the roofs of each Dwelling Unit cover two (2) or more Dwelling Units prior to the occurrence of a continuous break in the roofing material and waterproof membranes, the common roofs shared by the Dwelling Units shall be party roofs for the perpetual benefit of and use by the Owners thereof, including their heirs, assigns, successors and grantees of each Dwelling Unit.

8.2. Maintenance and Repair. In the event it should become necessary or desirable to perform maintenance thereon or to rebuild or repair the whole or any part of any party roof, such expense shall be shared equally by all Owners of Dwelling Units which are covered by a portion of such party roof to the extent that such costs are not satisfied from insurance proceeds carried by the Association. All repairs, maintenance and replacements of party roofs shall be approved by the Board of Directors of the Association as to scope of work, specifications of materials and reliability of contractor. Whenever any such party roof or any part thereof shall be rebuilt, it shall be erected in the same manner and at the same time and in the same

location where it shall initially be constructed, and shall be of the same size and of the same or similar materials and like quality. Provided, that if such maintenance, repair or replacement is brought about solely by the neglect or willful misconduct of a particular Owner, any expense incidental thereto shall be borne solely by such Owner.

8.3. Use. An Owner shall have the right to full use of said party roof for whatever purposes such Owner may choose to employ subject to the limitations that such use shall not infringe on the rights of other Owners whose Dwelling Units are covered by a portion of such roof, or in any manner impair the value of such party roof. No openings shall be made in any party roof, for any purpose without the written consent of the Association.

8.4. Benefit. Each common roof is to be and remain a party roof for the perpetual use and benefit of the respective Owners thereof, and their heirs, assigns, successors and grantees, said real property being conveyed subject to this condition, and this condition shall be construed to be a covenant running with the land. Each Owner shall have a permanent easement to permit repair of the common roof areas, subject to the provisions of Article 8.1. The rights of repair created by this Article refer not only to repair of interior, but also exterior portions of a party roof. A mortgagee of an Owner shall have all rights of an Owner created by this Article.

8.5. Lien. An Owner repairing a common roof and who shall pay for the same, shall have a right of lien against the other party roof owners for repairs needed for the party roof, as such right of lien is created for contractors under the laws of the State of New Hampshire, to the extent said lien is legally enforceable, but in no event shall said lien have priority over the lien of any mortgagee.

ARTICLE IX

Assessments

9.1. General. The making and collecting of assessments against Dwelling Unit Owners for common expenses shall be pursuant to the By-laws of the Association and subject to the following provisions:

9.2. Share of the Common Expenses. Each Unit Owner shall be liable for a proportionate share of the common expenses and shall share in the common surplus, such shares being heretofore set forth in Article 5.1. A Unit Owner, regardless of how title is acquired, including, without limitation, a purchaser at

a judicial or foreclosure sale, shall be liable for all assessments coming due while he is the Owner of the Unit. In a voluntary conveyance the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his share of common expenses up to the time of such voluntary conveyance, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor.

9.3. Specific Dwelling Unit Use Assessment. The Association by and through its Board of Directors may from time to time make a Specific Unit Use Assessment to a single unit, and without respect to other Units within the Subdivision, when it appears in the discretion of the Board of Directors that the costs of maintenance, repair, replacement and/or protection of such Units are in excess of that generally required of other Units within the Subdivision.

9.4. Non-waiver. The liability for assessments may not be avoided by waiver of the use or enjoyment of any common areas or recreation areas or by the abandoning of a Unit for which assessment is made.

9.5. Interest, Application of Payment. Assessments and installments on such assessments paid on or before fifteen (15) days after date when due shall not bear interest, but all sums not paid on or before fifteen (15) days after date when due shall bear interest at the rate of eighteen percent (18%) per annum from the date when due until paid. All payments on accounts shall be first applied to interest and then to the assessment first due.

9.6. Lien for Assessments. The Association shall have a lien on each Unit for any unpaid assessments, together with interest thereon against the Owner of such Unit, together with a lien on all real property, improvements and tangible personal property located upon said Unit, except that such lien upon the aforesaid tangible personal property shall be subordinated to prior bona fide liens of record. Reasonable attorneys' fees incurred by the Association, to the extent allowable by law, incident to the collection of such assessments or the enforcement of such lien, together with all sums advanced and paid by the Association in order to preserve and protect its lien shall be payable by the Unit Owner and secured by such lien. The Association's lien shall also include those sums advanced on behalf of each Unit Owner in payment of his obligation for use, charges and operation costs likewise referred to as common expenses.

9.7. Subordination of the Lien to Mortgages. The lien for assessments as hereinabove provided for shall be subordinated to and inferior to the lien of any institutional mortgage or mortgages. Sale or transfer shall not affect the assessment

lien. However, the sale or transfer of any Unit which is subject to the mortgage of any institutional lender, pursuant to foreclosure proceedings under such mortgage or any proceeding or deed in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof, which became due prior to such sale or transfer.

9.8. Collection and Foreclosures. The Board of Directors may take such actions as they deem necessary to collect assessments of the Association by personal action, or by enforcing the foreclosing interests of the Association.

ARTICLE X

Lincoln Station Phase I Homeowners' Association, Inc.

10.1. Association. In order to provide for the proficient and effective administration of the Subdivision by the Owners of Units, a nonprofit corporation known and designated as LINCOLN STATION PHASE I HOMEOWNERS' ASSOCIATION, INC. has been organized under the laws of the State of New Hampshire, and said corporation shall administer the operation and management of the Subdivision and undertake and perform all actions and duties incident thereto and in accordance with the terms, provisions and conditions of this Declaration and in accordance with the terms of the Articles of Incorporation of the Association, its By-Laws and Rules and Regulations promulgated by the Association from time to time.

10.2. Articles of Incorporation. A copy of the Articles of Association of the Association is attached hereto as Exhibit B.

10.3. By-Laws. A copy of the initial By-Laws of the Association is attached hereto as Exhibit C.

10.4. Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain or repair portions of the Subdivision, the Association shall not be liable to Unit Owners 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, or caused by the elements or other owners or persons.

10.5. Restraint Upon Assignment of Shares and Assets. 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 his Unit.

10.6. Approval or Disapproval of Matters. Whenever the decision of a Unit Owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed in accordance with the By-Laws of the Association.

10.7. Membership. The record Owners of Units in the Subdivision shall be members of the Association and no other persons or entities except for Declarant shall be entitled to membership except for subscribers to the Articles of Association. Membership shall be established by acquisition of ownership of fee title to or fee interest in a Unit, whether by conveyance, devise, judicial decree, foreclosure or otherwise, subject to the provision of this Declaration of Covenants, Restrictions and Party Facilities of LINCOLN STATION PHASE I and by the recording in the Grafton County Registry of Deeds of the deed or other instrument establishing the acquisition and designating the Dwelling Unit affected thereby and by the delivery to the Association of a true copy of such recorded deed or other instrument. The new Owner designated in such deed or other instrument shall thereupon become a member of the Association, and the membership of the prior Owner as to the Unit designated shall be irrevocably and automatically terminated. Further, all members of the Association shall automatically become members of Lincoln Station Property Owners' Association, Inc. A copy of the Articles of Association of the Property Owners' Association is attached hereto as Exhibit D and a copy of the Property Owners' Association's By-Laws is attached hereto as Exhibit E.

10.8. Voting. Except as otherwise set forth in the Articles of Association or By-Laws recording Declarant's voting rights, on all matters to which the membership shall be entitled to vote, there shall be only one vote for each Unit.

ARTICLE XI

Notice of Lien or Suit

11.1. Notice of Lien. A Unit Owner shall give notice to the Association of every lien upon his Unit other than for permitted mortgages, taxes and special assessments within five (5) days after the attaching of the lien.

11.2. Notice of Suit. A Unit Owner shall give notice to the Association of every suit or other proceeding which may affect the title to his Unit; such notice to be given within five (5) days after the Dwelling Unit Owner receives knowledge thereof.

11.3. Failure to Comply. Failure to comply with this Article XI will not affect the validity of any judicial sale or foreclosure proceedings or deed in lieu of foreclosure.

ARTICLE XII

Use Restrictions

- 12.1. Residential Use. Units are restricted to residential use.
- 12.2. Commercial Activity. No commercial activity, trade or business shall be maintained upon any Unit.
- 12.3. Fences. No fence shall be erected, maintained or permitted upon a Unit or any portion of the Subdivision without the prior written approval of the Association.
- 12.4. Garbage. All garbage and trash containers must be placed and maintained below ground level or in walled-in areas so constructed as to render the contents thereof hidden from view from adjoining properties.
- 12.5. Signs. Except for signs of customary size and design for the resale of real estate, no sign of any kind shall be displayed to the public view from any Lot or any portion of the Subdivision, provided, however, that signs used by Declarant to advertise the property during construction and/or sales period are hereby expressly permitted. The Association shall have the right to approve all sale signs.
- 12.6. Parking. The parking and storage of automobiles, except upon designated paved areas, is prohibited.
- 12.7. Vehicle Limitation. Each unit owner shall be assigned two (2) parking spaces and shall have available to him, his invitees or overnight guests one (1) unassigned guest parking space. No commercial vehicles in excess of one-half ton rated capacity shall be permitted upon any portion of the Subdivision for overnight parking or storage.
- 12.8. Common Area Parking. The overnight parking of vehicles of any kind upon the common areas is prohibited.
- 12.9. Boats, Trailers, and Campers. The parking and storage of boats and boat trailers, campers or trailers for more than fourteen (14) consecutive days, is prohibited without the prior written consent of the Association.
- 12.10. Antennas. No exterior radio, television or electronic antenna or aerial shall be erected or maintained without the prior written consent of the Association.

12.11. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose nor do such permitted animals constitute a nuisance to other owners.

12.12. Tents. No tents and no temporary or accessory building or structure shall be erected without the prior written consent of the Association.

12.13. Landscaped Areas. Portions of Lots not improved by a building or driveway shall be maintained as a landscaped area.

12.14. Nuisances. No nuisances shall be allowed within or upon the Subdivision nor any use or practice which is the source of annoyances to residents or Owners or which interfere with the peaceful possession and proper use of the Subdivision by its residents. All parts of the Subdivision shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage shall be allowed to accumulate or any fire hazard allowed to exist.

12.15. Unlawful Use. No immoral, improper, offensive or unlawful use shall be made of the Subdivision or any part thereof; and all laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

12.16. Rules and Regulations. Reasonable Rules and Regulations concerning the use of the Subdivision properties may be made and amended from time to time by the Board of Directors of the Association. Copies of such Rules and Regulations and amendments shall be furnished by the Association to all Owners and residents of the Subdivision upon request.

ARTICLE XIII

Architectural Control

No building, fence, wall or other structure shall be erected or maintained upon the properties within the Subdivision, nor shall any exterior addition to or change or alteration thereon be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Association or by an architectural committee of no less than three (3) or more than five (5)

representatives appointed by the Association. In the event the Association or its designated committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it in writing, approval will not be required and this paragraph will be deemed to have been fully complied with. In the event any Owner shall proceed with construction using disapproved plans the Association may seek to enjoin such action and demolish any construction not done in accordance with approved plans, all at the expense of the Owner. The Association shall be permitted to employ aesthetic grounds. The provisions of this paragraph shall not apply to or be operative against any Lot or Dwelling Unit, the title to which is in the Declarant.

ARTICLE XIV

Lot Improvement and Landscape Control

Any Owner of a Unit who, subsequent to the purchase and transfer of the Unit from the Declarant is desirous of improving said Unit by construction or landscaping shall do so only after obtaining the written consent from the Association as to the desired change; provided, however, that this restriction shall not apply to the Declarant during such time as the Declarant is improving the Units of the Subdivision.

ARTICLE XV

Taxes and Insurance

15.1. Unit Owners Insurance. The insurance, other than title insurance, which shall be carried upon the common areas and units, "the property", shall be governed by the following provisions:

(a) Authority to Purchase. All insurance policies upon the property shall be purchased by the Association for the benefit of the Association and the Unit Owners and their mortgagees, as their interest may appear, and provisions shall be made for the issuance of certificates or mortgagee endorsements to the mortgagees of Unit Owners. Such policies and endorsements shall be deposited with the Insurance Trustee. Unit Owners may obtain insurance coverage at their own expense upon their personal property and for their personal liability and living expense. All policies purchased by the Association must be written by insurance companies authorized to do business in the State of New Hampshire, and with offices or agents in New Hampshire with a rating of a plus or better.

(b) Coverage.

(b)(1) Casualty. All Buildings and improvements upon the land, including Dwelling Units and all personal property of the Association included in the common area, are to be insured in an amount equal to one hundred (100%) percent of the insurable replacement value, as determined annually by the Board of Directors of the Association, and all such insurance must be obtained, if possible, from the same company. Such coverage shall provide protection against:

(b)(1)a. Loss or damage by fire and other hazards covered by a standard all risk endorsement, and flood disaster insurance.

(b)(1)b. Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use, including, but not limited to, vandalism and malicious mischief.

(b)(2) Public Liability. Public liability insurance in such amounts and with such coverage as shall be required by the Board of Directors of the Association with cross liability endorsements to cover liability of the Unit Owners as a group to a Dwelling Unit Owner, provided however, such coverage shall be for at least \$1,000,000.00 for bodily injury, including deaths of persons and property damage arising out of a single occurrence.

(b)(3) Workmen's Compensation. As shall be required to meet the requirements of law.

(b)(4) Fidelity Bonds. Fidelity bonds for officers and Directors, naming the Association as the Obligee in amounts to be determined by the Association.

(b)(5) Association Insurance. Such other insurance as the Board of Directors of the Association, in its discretion, may determine from time to time to be in the best interests of the Association and the Unit Owners, including Directors' Liability Insurance, or other insurance that an institutional mortgagee may reasonably require, as long as it is the owner of a mortgage on any Dwelling Unit.

(c) Premiums. Premiums for insurance policies purchased by the Association shall be paid by the Association.

(d) Assured. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees as their interest may appear, and shall provide that all proceeds covering casualty

losses shall be paid to any savings and loan or mutual savings bank or national bank in Grafton County, New Hampshire, with trust powers, as may be approved and designated insurance trustee by the Board of Directors of the Association, which trustee is herein referred to as the "Insurance Trustee". All insurance policies shall require written notification to each institutional mortgagee not less than ten (10) days in advance of cancellation of any insurance policy insuring the subject property. The Insurance Trustee shall not be liable for payments of premiums, nor for the renewal or sufficiency of the policies, nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as they are paid, and hold the same in trust for the purposes elsewhere stated herein and for the benefit of the Unit Owners and their mortgagees in the following shares, but which shares need not be set forth in the records of the Insurance Trustee:

(d) (1) Common Areas. Proceeds on account of common areas shall be held in as many undivided shares as there are Units, the shares of each Unit Owner being the same as his share in the common expenses, as same are hereinabove stated in Article 5.1.

(d) (2)a. Partial Destruction. When a Unit or Units are to be restored, for the owners of damaged Units in proportion to the cost of repairing the damage suffered by each Unit Owner.

(d) (2)b. Total Destruction. When the Unit or Units are to be restored, for the owners of all Units in the Subdivision in proportion to their share of the Common Expenses as same are hereinabove stated in Article 5.1.

(d) (2)c. Mortgagee. In the event a mortgagee endorsement has been issued to a Unit, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their interest appear. In no event shall any mortgagee have the right to demand the application of insurance proceeds to any mortgage or mortgages which it may hold against Units, except to such extent as said insurance proceeds may exceed the actual cost of repair or restoration of the damaged Unit, and no mortgagee shall have any right to participate in the determination as to whether or not improvements will be restored after casualty.

(e) Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners in the following manner:

(e)(1) Expense of the Trust. All expenses of the Insurance Trustee shall be first paid or provisions made therefor.

(e)(2) Reconstruction or Repair. The remaining proceeds shall be paid to defray the costs thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.

(e)(3) Certificate. In making distribution to Unit Owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association as to the names of the Unit Owners and their respective shares of the distribution.

(e)(4) Association as Agent. The Association is hereby irrevocably appointed agent for each Unit Owner to adjust all claims arising under insurance policies purchased by the Association.

15.2. Repair After Casualty.

(a) Procedure. If any part of the Subdivision shall be damaged by casualty, it shall be reconstructed in the following manner:

(a)(1) Common Area. If the damaged improvement is a common area, the damaged property shall be reconstructed or repaired.

(a)(2) Dwelling Unit. If the damaged improvement is a part of a Unit, the damaged property shall be reconstructed or repaired.

(b) Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original building, or, if not, then according to plans and specifications approved by the Board of Directors of the Association, and by the owners of not less than seventy-five percent (75%) of the Dwelling Units, which approval shall not be unreasonably withheld. Provided, however, any unit so constructed shall be of at least similar size and type not exceeding the dimensions of the previous unit.

(c) Responsibility. If the damage is only to those parts of one (1) Dwelling Unit for which the responsibility of maintenance and repair is that of the Unit Owner, then the Unit Owner shall be responsible for reconstruction and repair

after casualty. In all other instances, the responsibility of construction or repair after casualty shall be that of the Association.

(d) Estimates of Cost. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

(e) Assessments. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction and repair by the Association, or if at any time during the reconstruction and repair the funds for the payment of the costs hereof are insufficient, assessments shall be made against the Unit Owners who own the damaged Units, and against all Unit Owners in the case of damage to common areas, in sufficient amounts to provide funds to pay the estimated costs. Such assessments against the Unit Owners for damage to Units shall be in proportion to the cost of reconstruction and repair of their respective Units. Such assessments on account of damage to common areas shall be in proportion to the Unit Owner's share in the common expense.

(f) Construction Funds. The funds for payment of costs of reconstruction and repair after casualty which shall consist of proceeds of insurance held by the Insurance Trustee and funds collected by the Association from assessments against Unit Owners, shall be disbursed in payment of such costs in the following manner:

(f)(1) Association. If costs of reconstruction and repair which are the responsibility of the Association, are more than Five Thousand Dollars (\$5,000.00), then the sums paid upon assessments to meet such costs shall be deposited by the Association with the Insurance Trustee. In all other cases, the Association shall hold the sums paid upon such assessments and disburse the same in payment of the costs of reconstruction and repair.

(f)(2) Insurance Trustee. The proceeds of insurance collected on account of a casualty, and sums deposited with the Insurance Trustee by the Association from the collections of assessments against Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

(f)(2)a. Unit Owner. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with the Unit Owner shall be

paid by the Insurance Trustee to the Unit Owner, or if there is a mortgage endorsement, then to the Unit Owner and the mortgagee jointly.

(f)(2)b. Association - Lesser Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is less than Five Thousand Dollars (\$5,000.00), then the construction fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request to the Insurance Trustee by a mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

(f)(2)c. Association - Major Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is more than Five Thousand Dollars (\$5,000.00), the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association and upon approval of an architect qualified to practice in the State of New Hampshire and employed by the Association to supervise the work.

(f)(2)d. Surplus. It shall be presumed that the first moneys disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; except, however, that the part of a distribution to a beneficial owner which is not in excess of assessments paid by such owner into the construction fund shall not be made payable to any mortgagee.

(f)(2)e. Certificate. Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by Unit Owners upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund nor to determine the payee nor the amount to be paid, nor to determine whether surplus funds to be distributed are less than the assessments paid by owners. Instead, the Insurance Trustee may rely upon a Certificate of the Association made by its President and Secretary as to any or all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the

amount to be paid; provided, however, that when a mortgagee is herein required to be named as payee, the Insurance Trustee shall also name the mortgagee as payee of any distribution of insurance proceeds to a Unit Owner and further provided that when the Association or a mortgagee which is the beneficiary of an insurance policy, the proceeds of which are included in the construction fund, so requires, the approval of an architect named by the Association shall first be obtained by the Association upon disbursements in payment of costs of reconstruction and repair.

15.3. Dwelling Unit Owners Taxes. All real estate and personal property taxes assessed against a Dwelling Unit shall be the responsibility of that Dwelling Unit Owner.

15.4. Association Taxes and Insurance. The Association shall be responsible for real property and personal property taxes assessed against common areas, the recreation area and personal property owned by and/or the responsibility of the Association. Further, the Association shall be responsible for the cost of all insurance deemed necessary from time to time by the Association to afford protection against loss. Such responsibility for taxes and insurance shall be considered common expenses of the Association.

ARTICLE XVI

Term of Covenants and Restriction

All of the foregoing covenants, conditions, reservations and restrictions shall continue and remain in full force and effect at all times as against the Owner of any Unit in the Subdivision, regardless of how said Owner acquired title, until the commencement of the calendar year 2033, on which date these covenants, conditions, reservations, and restrictions shall terminate and end, and thereafter be of no further legal or equitable effect on the lands of the Subdivision or any Owner thereof; provided, however, that these covenants, conditions, reservations and restrictions shall be automatically extended for a period of ten (10) years, and thereafter in successive ten-year periods, unless on or before the end of one such extension period or the base period the owners of seventy five percent (75%) of the Units in the Subdivision shall, by written instrument duly recorded, declare a termination of same.

ARTICLE XVII

Amendments

17.1. General. The Declarant shall have the right to amend this Declaration until the Declarant no longer owns any lots or units in Lincoln Station, Phase I, or until the

Declarant, by written notice to the Board of Directors of the Association, relinquishes voting control of the Association whichever event shall first occur. Subject to the rights of the Declarant as set forth in this Declaration, the covenants, conditions, reservations and restrictions of this Declaration may be amended from time to time, but only by an instrument signed by not less than seventy-five percent (75%) of the Unit Owners. However, until the Declarant has completed all of the contemplated improvements and closed the sales of all Dwelling Units within the Subdivision, no amendment(s) to this Declaration shall be effective, unless joined by the Declarant. It is further provided that in order to be effective any amendment to this Declaration must be recorded in the Grafton County Registry of Deeds.

17.2. Declarant's Rights. Notwithstanding anything herein to the contrary, the Declarant reserves the right to alter and amend this Declaration, as it deems necessary and/or appropriate for the protection and enhancement of the Subdivision or of any adjacent land owned by the Declarant, and the Declarant shall not require or need the joinder of any Unit Owners, prior to such time as the Declarant conveys the last Unit of the Subdivision or elects to terminate its control over the Association, whichever shall first occur. Provided, however, that all such amendments shall be in compliance with the applicable laws of the State of New Hampshire.

17.3. Restricted Amendments. No amendment shall discriminate against any Unit Owner or against any Unit, or class or group of Units, unless the Unit Owners so affected and their institutional Lenders shall consent; and no amendment may change the percentage by which the Unit Owner shares the common expenses and owns the common surplus, unless the Unit Owner and all record owners of liens on it join in the execution of the amendment except as otherwise provided herein. No amendment shall make any change in Articles XV and XVII hereof unless the record owner of all mortgages held by institutional lenders upon all Dwelling Units shall join in the execution of such amendment. No amendment shall impair the rights or priority of any institutional lender without the consent of such mortgagee.

ARTICLE XVIII

Sales Office

For so long as Declarant owns any portion of the property as shown on the plan the Declarant shall have the right to transact any business necessary to effectuate sales, on any Lots therein, including, but not limited to, the right to maintain model Dwelling Units, have signs, employees in the offices, use

the common areas and display Dwelling Units. Sales offices, signs and all sales and promotional items shall remain the property of Declarant.

ARTICLE XIX

Severability

19.1. General. The invalidation in whole or in part of any section, subsection, sentence, clause, phrase, word or other provision of this Declaration of Covenants, Restrictions and Party Facilities of Lincoln Station Phase I shall not affect the validity of the remaining portions which shall remain in full force and effect.

19.2. Rule Against Perpetuities. In the event any court shall hereafter determine that any provisions as originally drafted herein shall violate the rule against perpetuities, the period specified in this Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rules of law.

19.3. Arbitration. Any dispute hereunder shall be submitted to arbitration under the rules of the American Arbitration Association or its successor in effect at the time a demand for arbitration is made. Any decision in arbitration may be filed in the Office of the Clerk, Grafton County Superior Court as a judgment, and shall be exclusive, final and binding on the parties to the arbitration.

ARTICLE XX

Rights Afforded Unit Owners and Institutional Lenders

20.1. Availability of Documents. The Association shall be required to make available to unit owners and institutional lenders, and to holders, insurers or guarantors of any first mortgage, current copies of the Declaration, By-Laws, or other rules concerning the project and the books, records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.

20.2. Notice of Action. Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the unit estate number or address, any such eligible mortgage holder or eligible insurer or guarantor will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects 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;

(b) Any delinquency in the payment of assessments or charges owed by an owner of a unit subject to a first mortgage held, insured or guaranteed by such eligible holder or eligible insurer or guarantor, which remains uncured for a period of sixty (60) days;

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


20.3. Rights of Mortgagees. A first mortgagee, upon request, is entitled to written notification from the Association of any default in the performance by the individual Unit Owner of any obligation under the Declaration which is not cured within sixty (60) days. In addition, first mortgagees of units may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any common property and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such common property and first mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 25 day of February, 1983.

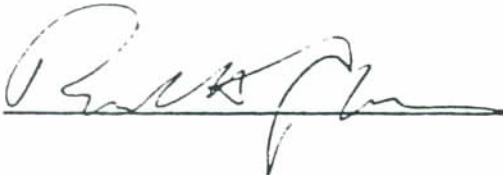
WITNESSETH:

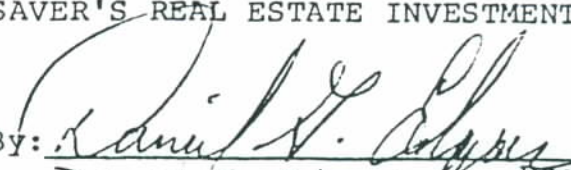
LINCOLN STATION,
A Joint Venture
LINCOLN STATION DEVELOPMENT
CORPORATION



By: 
ROBERT A. SATTER, President

SAVER'S REAL ESTATE INVESTMENTS, INC.



By: 
DANIEL G. EDGAR, President

STATE OF New Hampshire
COUNTY OF Essex

On this the 25th day of February, 1983, before me, the undersigned officer, personally appeared Daniel G. Egan, who acknowledged himself to be the President of Saver's Real Estate Investments, Inc., a corporation, and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

Before me,

Robert E. Pabod

Notary Public

Commission expires 1/4/87

STATE OF New Hampshire
COUNTY OF Essex

On this the 25th day of February, 1983, before me, the undersigned officer, personally appeared Robert Sattler, who acknowledged himself to be the President of Lincoln Station Development Corporation, a corporation, and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

Before me,

Robert E. Pabod

Notary Public

Commission expires 1/4/87