

EASTFIELD CROSSING

DECLARATION OF COVENANTS, RESTRICTIONS, EASEMENTS,
CHARGES AND LIENS FOR EASTFIELD CROSSING

This Declaration made this ___ day of _____, 19__ by Eastfield Development Corporation, a New Hampshire corporation with a principal place of business at 69A Island Street, Keene, Cheshire County, New Hampshire, (hereinafter "Declarant"); Dana C. Pinney, of Swanzey, Cheshire County, New Hampshire; Customized Structures, Inc., also known as Customized Structures, Incorporated, a New Hampshire Corporation, with an address of P.O. Box 884, Claremont, Sullivan County, New Hampshire; Joseph E. Stevens and Adele L. Stevens, of Swanzey, Cheshire County, New Hampshire; Paul A. Hudgik and Barbara J. Hudgik, of Swanzey, Cheshire County, New Hampshire; and Frederick A. Wolfe and Dolores E. Wolfe, of Swanzey, Cheshire County, New Hampshire (collectively, "the Parties").

WHEREAS Dana C. Pinney d/b/a Pinney Development Company executed and recorded a Declaration of Union Village dated March 22, 1988, recorded March 23, 1988 at Vol. 1235, Page 259 of the Cheshire County Registry of Deeds, and created on the premises described at Exhibit A hereof a residential community (hereinafter "the Community"), formerly known as Union Village, shown on plans entitled "Eastfield Crossing", prepared by David A. Mann Associates, dated July 17, 1989, recorded September 27, 1989, at Cab. 11, Drawer 4, Slides 263 and 264 of the Cheshire County Registry of Deeds;

WHEREAS Lot 37 of the Community is owned by Dana C. Pinney, being a portion of the premises conveyed by a Warranty Deed dated June 23, 1987, recorded June 24, 1987 at Vol. 1198, Page 165 of the Cheshire County Registry of Deeds;

WHEREAS Lot 42 of the Community is owned by Customized Structures, Inc. by virtue of a Warranty Deed dated and recorded December 21, 1988 at Vol. 1273, Page 674 of the Cheshire County Registry of Deeds;

WHEREAS Lot 43 of the Community is owned by Joseph E. Stevens and Adele L. Stevens by virtue of a Warranty Deed dated and recorded July 1, 1988 at vol. 1249, Page 668 of the Cheshire County Registry of Deeds;

WHEREAS Lot 44 of the Community is owned by Paul A. Hudgik and Barbara J. Hudgik by virtue of a Warranty Deed dated November 15, 1989, recorded November 17, 1989 at Vol. 1313, Page 66 of the Cheshire County Registry of Deeds;

WHEREAS Lot 45 of the Community is owned by Frederick A. Wolfe and Dolores E. Wolfe by virtue of a Warranty Deed dated May 26, 1988, recorded June 14, 1988 at Vol. 1246, Page 524 of the Cheshire County Registry of Deeds. (See also Deed dated September 25, 1989,

recorded September 27, 1989, at Vol. 1306, Page 123 of the Cheshire County Registry of Deeds);

WHEREAS Declarant is the owner of the remainder of the real property described at Exhibit A hereto, consisting in all of 15 lots, intended for single-family residency, together with improvements and amenities, including roadways and open spaces, and Additional Land by virtue of a Warranty deed dated and recorded June 28, 1989 at Vol. 1295, Page 326 of the Cheshire county Registry of Deeds and a Warranty Deed dated October 6, 1989, recorded October 10, 1989 at Vol. 1307, Page 608 of the Cheshire County Registry of Deeds, as shown on plans entitled "Eastfield Crossing", prepared by David A. Mann Associates, dated July 17, 1989, recorded September 27, 1989 at Cab. 11, Drawer 4, Slides 263 and 264 of the Cheshire County Registry of Deeds;

WHEREAS the Parties are the sole owners, in fee simple, of the premises described at Exhibit A hereto;

WHEREAS all of the premises described in Exhibit A are subject to the Declaration of Union Village (hereafter Union Village Declaration) dated March 22, 1988, recorded March 23, 1988 at Vol. 1235, page 259 of the Cheshire County Registry of Deeds;

WHEREAS the Parties desire to forever release, discharge and remise the premises described at Exhibit A from the Union Village Declaration and simultaneously desire to submit said premises to this Declaration of Covenants, restrictions, Easements, Charges and Liens for Eastfield Crossing;

WHEREAS the Premises described at Exhibit A will hereafter be known as the Submitted Land, encompassing 20 lots intended for single-family residency, other improvements and amenities, roadways, open spaces, and Additional Land;

WHEREAS the Parties desire to provide for the preservation of the values and amenities in the Community and for the maintenance of said improvements and amenities, and all other common facilities, and to this end, desire to subject the real property described at Exhibit A to the covenants, restrictions, easements, charges and liens hereinafter set forth, each, every, and all of which is and are hereby declared to be for the benefit of said property and each and every present and future owner of any and all parts thereof;

WHEREAS the Parties deem it advisable for the preservation of the values and amenities in the Community to create a homeowner's association to which shall be delegated and assigned the power and authority to administer and enforce the covenants and restrictions governing the Community, and to collect and disburse all assessments and charges necessary for such maintenance, administration, and enforcement, as are hereinafter provided; and

WHEREAS the Parties have caused to be incorporated under the laws of the State of new Hampshire a voluntary corporation known and designated as the Eastfield Crossing Association to perform the functions aforesaid, which are hereinafter more fully set forth.

NOW THEREFORE, the Parties, as the sole owners of the premises described at Exhibit A, and pursuant to Section 7(a) of the Union Village Declaration, agree to terminate the covenants, restrictions and easements contained within the Union Village Declaration, to release, discharge and remise the premises described at Exhibit A from the Union Village Declaration, and to terminate the Union Village Association, and declare that the real property described in Exhibit A is and shall be held, transferred, sold, conveyed, leased, occupied and used subject to the covenants, restrictions, conditions, easements, charges, assessments, obligations, and liens hereinafter set forth under the name "Eastfield Crossing".

ARTICLE I

Definitions

A. Additional land means all of the land upon which, subject to the provisions of this Declaration, may be created additional lots, and which is more particularly described in Exhibit D.

B. Architectural Control Committee shall mean the Board of Directors of the Association or a committee appointed by the Board of Directors of the Association for the purposes set forth in Article VIII of this Declaration.

C. Articles shall mean the Articles of Incorporation, including any amendments thereto, of the Association.

D. Assessment shall mean the amount assessed from time to time by the Association against each Owner per lot owned, in accordance with the Declaration.

E. Association shall mean the Eastfield Crossing Association, a New Hampshire voluntary corporation.

F. Board or Board of Directors shall mean the Board of Directors of the Association.

G. By-Laws shall mean the By-Laws, including any amendments thereto, of the Association, which are attached hereto as Exhibit E.

H. Common Expenses shall mean all lawful expenditures made or incurred by or on behalf of the Association, together with all lawful assessments for the creation and maintenance of reserves pursuant to the provisions of the Declaration and By-Laws.

I. Common Property or Common Properties shall mean the real property, exclusive of the lots, and all improvements and amenities thereon, and the water system, septic systems

and drainage system serving the Community, and as described in Exhibit B, or any future property, both real or personal, acquired by the Association by purchase, gift, lease or otherwise to be devoted to the common use and enjoyment of the Owners.

J. Community shall mean the residential community which Declarant intends to create hereby and any additions thereto, to be known in its entirety as Eastfield Crossing or, where the context so requires, the land on which the Community is to be located.

K. Declarant shall refer to Eastfield Development Corporation and its expressly so designated successors and assigns as owner of any portion of the Premises.

L. Declaration shall mean this document and all exhibits thereto, as amended from time to time.

M. Eligible Holder shall mean any holder of a first mortgage on a lot which holder has requested in writing that the Association notify it with respect to Material Amendments.

N. Institutional, as used in conjunction with "Lender," "Holder," "Mortgagee," or "First Mortgagee," shall mean a commercial or savings bank, a savings and loan association, a trust company, an established mortgage company, a private mortgage insurance company, an insurance company, a pension fund, any corporation, including a corporation of, or affiliated with, the United States government, or any agency thereof, the Veterans' Administration (VA), the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), federal credit union, and any other lender authorized to do business in the United States of America and the State of new Hampshire, and generally recognized in the area as an institution-type lender.

O. Lot shall mean a parcel of real property intended for single-family residency within the Community and any improvements erected thereon.

P. Manager, Management Agent or Managing Agent shall mean a professional management agent employed by the Association to perform such duties and services as the Board of Directors shall authorize in conformance with this Declaration.

Q. Material Amendment is defined in Exhibit F hereto.

R. Member shall mean each and every Owner of a lot who belongs to the Association as provided in Article V.

S. Owner shall mean the record owner(s), whether one or more persons or entities, of the fee simple title to any lot but, notwithstanding any applicable theory of a mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure proceedings or any procedure in lieu of foreclosure. Owners expressly shall include Dana C. Pinney, his heirs, successors and/or assigns as owner of Lot 37; Customized Structures,

Inc., its successors and/or assigns as owner of Lot 42; Joseph E. Stevens and Adele L. Stevens, their heirs, successors and/or assigns as owner of Lot 43; Paul A. Hudgik and Barbara J. Hudgik, their heirs, successors and/or assigns as owner of Lot 44; and Frederick A. Wolfe and Dolores E. Wolfe, their heirs, successors and/or assigns as owner of Lot 45. The term "Owner" shall not refer to any lessee or tenant of an Owner.

T. Plans shall mean subdivision plats of the Community consisting of two sheets entitled "Eastfield Crossing", prepared by David A. Mann Associates dated July 17, 1989, recorded September 27, 1989 at Cab. 11, Drawer 4, Slides 263 and 264 of the Cheshire County Registry of Deeds, and any duly recorded revisions to said plans.

U. Premises or Submitted Land shall mean the real estate described in Exhibit A attached hereto, being the land submitted to the terms of this Declaration immediately upon recording hereof.

V. Rules and Regulations shall mean the provisions and limitations promulgated from time to time by the board governing the use of the Common Property and lots in accordance with the By-Laws.

W. Surplus shall mean the excess of all receipts of the Association from members, plus any other income, over and above the expenses of the Association. Surplus shall be calculated annually, at the conclusion of the Association's calendar or other fiscal year.

ARTICLE II

The Development Plan

A. Overview

Declarant intends to develop the Eastfield Crossing Community in five phases. Phases I and V, consisting of 20 lots (Lots 1-8 and Lots 34-35, respectively) shall be developed initially. Five lots within Phase V are owned by others, being Lot 37 (Dana C. Pinney); Lot 42 (Customized Structures, Inc.); Lot 43 (Joseph E. Stevens and Adele L. Stevens); Lot 44 (Paul A. Hudgik and Barbara J. Hudgik); and Lot 45 (Frederick A. Wolfe and Dolores E. Wolfe). These five lots will not be developed by Declarant. Phases II, III and IV (Lots 9-17, Lots 18-24, and Lots 25-33, respectively) are Additional Land which will be brought into the Community as development proceeds. Until such time as Additional Land is brought into the Community, Declarant shall be the owner thereof. A maximum of 25 lots will be created on the Additional Land (Phases II, III and IV). If Declarant fully exercises its right to create additional lots upon Phases II, III and IV, the Eastfield Crossing Community will consist of a maximum of 45 lots intended for single-family residency, together with other improvements and amenities, including roadways and open spaces. The residences in the Community may include a wide diversity of housing styles.

The roads serving the Community, known as Bellview Drive and Barden Circle, have been accepted, and will be maintained, by the Town of Swanzey.

The Common Property consists of a water system, septic systems, a drainage system and open spaces within and serving the Community, and is more specifically described at Exhibit B.

The Declarant intends to convey the lots directly to residential purchasers, but may sell lots to commercial builders who will build houses thereon for resale or sell unimproved lots directly to residential purchasers.

Declarant reserves the right, in the reasonable exercise of its discretion, to develop the Community as it deems in the best interests of the Community, without regard to the relative location of any portion within the overall plan. Declarant shall not be required to follow a predetermined sequence or order of improvement and development.

B. Procedure for Expansion

The procedure for creation of additional lots upon the Additional Land is as follows:

1. The purchase of a lot or acceptance of a mortgage thereon shall constitute consent to the creation of additional lots upon any future phase of Eastfield Crossing and amendment of this Declaration in furtherance of the expansion for a period of five (5) years from the date of recordation of the Declaration. A legal description of the Additional Land is set forth at Exhibit D attached hereto. The Additional Land (Phases II, III and IV) consists of 8.389 acres, more or less, and will contain a maximum of 25 lots intended for single-family residency.

2. Prior to the creation of additional lots, Declarant shall substantially complete all site improvements upon Common Properties specifically serving the lots to be created upon the Additional Land, and shall deliver mechanic's lien affidavits or waivers to the Association evidencing that no person who has rendered services or provided materials in regard to the construction of the improvements on the Common Properties serving the lots to be created upon the Additional Land has any claim which may constitute a lien on any portion of the Community; or a title insurance policy shall be delivered to the Association insuring against such liens.

3. The Declarant shall be responsible for preparing and recording the amendment bringing the additional lots into the Community and paying the recording fees therefor.

4. No provision of this Declaration shall be construed to require the Declarant or any other person or entity to create additional lots within the

community. Nothing herein shall bind the Declarant to develop any or all of the Additional Land, nor shall the Declarant be required to obtain the consent of the Association or any other party for any actions relative thereto.

5. Any structures created on the Additional Land will be compatible with the structures on other portions of the sub mitted Land, in terms of quality of construction. There is no assurance, however, that any structure created on the Additional Land will be substantially identical to the structures on other portions of the Submitted Land in terms of layout, design, location, size, the principal materials to be used, or architectural style.

6. In the event that the VA, FNMA or FHLMC, or any other agency or corporation of the United States initially insures or guarantees any lot mortgage or provides funds to finance any lot, and the regulation or procedures of such agency require approval of expansion by such agency or determination by such agency that such expansion is consistent with the development plan, then such approval or determination shall be a prerequisite to expansion.

7. A form of amendment to the Declaration is attached hereto as Exhibit G, for use by the person(s) and/or entity(ies) sponsoring the expansion ("Sponsor"). It shall be adapted to the particular expansion as follows:

(a) The amendment shall describe the real property to be added to the Community;

(b) The amendment shall amend Exhibit A by adding a legal description of the Additional Land to be brought into the community, shall amend Exhibit C by adding a legal description of the residential portion of the Additional Land, and shall amend Exhibit B by adding a legal description of the Common Area portion of the Additional Land.

(c) A plan or plans of the land to be added to the Community, certified as accurate by a registered surveyor or a registered engineer, will be recorded with the Cheshire County Registry of Deeds simultaneously with the amendment and appropriately referenced therein;

(d) The amendment shall contain a certification that all prerequisites to expansion of the Community as herein provided have been met;

(e) The amendment shall be signed by the sponsor and/or any other owners of the land to be added and by all individuals or entities whose approval is required under the appropriate prerequisites to expansion; and

(f) The amendment shall state the number of lot being added.

8. Owners of lots upon Additional Land, upon recordation of the amendment, shall have a right and non-exclusive easement of enjoyment in and to the Common Property and an obligation to contribute to the Common Expenses, and shall be full members of the Eastfield Crossing Association.

9. Any amendment recorded in accordance with the terms hereof shall be conclusive in favor of all persons who rely thereon in good faith. The real property described therein shall be subject to the provisions of this Declaration and all other applicable Eastfield Crossing documents and the jurisdiction of the Association pursuant to the terms of this Declaration, the By-Laws and the Articles.

10. Declarant covenants on behalf of itself, its successors and assigns, that in the event Declarant, within five (5) years of recordation of this Declaration, does not exercise its right to create additional lots upon the Additional Land, or in the event this right is not fully exercised, Declarant will convey all of the Additional Land, or the remaining Additional Land, to the Eastfield Crossing Association as common property.

ARTICLE III

Common Properties

A. Declarant, by recordation of various subdivision plans, deeds, and other instruments, shall convey to the Association Common Properties, as set forth in Exhibit B, dedicated to the Association as set forth in said instruments. Declarant covenants for itself, its successors and assigns, that any and all of said Common Properties shall be subject to and bound by the terms of this Declaration, as amended. Use and enjoyment of the common Properties shall be subject to this Declaration, the Articles and By-Laws of the Association, and rules and regulations adopted thereunder. Notwithstanding anything to the contrary, nothing herein shall be construed to diminish Declarant's rights with respect to the Additional Land.

B. Declarant shall retain legal title to portions of the common Properties until such time as it substantially has completed initial improvements thereon and/or until such time as, in its judgment, the Association is able to maintain the same. Declarant, however, notwithstanding

any provisions herein, covenants for itself, its successors and assigns that it shall substantially complete the improvements on and convey to the Association and all Common Properties designated on the final Plans of the Community not later than the earlier of the date on which Declarant has conveyed three-fourths of the lots in the community to individual residential buyers, including those lots to be created upon Additional Land, or three (3) years from date of recordation of this Declaration. Notwithstanding anything to the contrary, nothing herein shall be construed to diminish Declarant's rights with respect to the Additional Land.

ARTICLE IV

Members' Property Rights in the Common Properties

Subject to the provisions of the Declaration, By-Laws, and rules and regulations of the Association, every member shall have a right and easement of enjoyment in and to the Common Properties, which easement shall be appurtenant to and pass with the title to every lot, subject to the following:

1. The right of the Association, as provided in its By-Laws, to suspend the enjoyment rights of any member for any period during which any assessment remains unpaid and/or any infraction of the Association's published rules and regulations continues, it being understood that any suspension or a breach of the Association's rules and regulations shall not constitute a waiver or discharge of the member's obligation to pay assessments; and
2. The absolute right of Declarant and/or the Association to dedicate or transfer utilities within the Premises to the Town of Swanzey and/or any other county, state, federal, or other public agency, or a public or private utility.

So limited, a member's right and easement in and to the Common Property may be enjoyed by such member's family in residence, guests, invitees and licensees.

ARTICLE V

Membership and Voting Rights in the Association; Declarant's Superseding Voting Rights

A. All Owners of lots, upon becoming such, shall be deemed automatically to have become members of the Association, and there shall be no other qualification for membership. Membership shall be appurtenant to, and may not be separated from, ownership of a lot. Transfer of lot ownership either voluntarily or by operation of law shall terminate the transferor's membership in the Association, and vest the same in the transferee.

Upon acquiring title to a lot, each new Owner shall, within thirty (30) days, give written notice to the Secretary of the Association stating the name and address of such Owner and the number and address of the lot.

B. Each Owner shall have one vote for each lot owned, to be exercised in accordance with the By-Laws.

C. Notwithstanding the foregoing or anything contained in this Declaration to the contrary, Declarant shall have sole and exclusive control over all the affairs and other matters of the Association and shall have sole and exclusive right to appoint all directors and officers of the Association, until the earliest to occur of the following:

1. Four months after the Declarant conveys out 75% or more of the lots, exclusive of conveyances to entities related to or affiliated with Declarant, provided that for purposes of this sentence, "75% of the lots" means 75% of the lots which would exist if Declarant should exercise to the maximum degree possible its election to create additional lots by expansion upon the Additional Land.

2. Three (3) years after recordation of this Declaration; or

3. Declarant's election to transfer control to the Association.

During the period of control as set forth herein, members of the Association shall have the right to vote with respect to any Material Amendment, but shall have non-voting membership with respect to any other issue that arises, unless the provisions of this sentence expressly are waived relative to said issue by a writing signed by Declarant. Upon Declarant turning control of the association over to the members as provided herein, it shall file appropriate documents in the Cheshire County registry of Deeds. Thereafter, for as long as Declarant has any ownership interest in the Community it shall continue to have the right to appoint one member of the Board of Directors.

D. Declarant shall be deemed to be the Owner of any unsold lot and may cast the vote appurtenant thereto.

ARTICLE VI

Covenants of Declarant, Association, and Owners for Improvements and Annual and/or Special Assessments; Liens Created Therefor

A. Each Owner of any lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay any assessment due thereon to the Association, such assessments to be established and collected as provided herein and in the By-Laws. The covenant in this Article shall not constitute a guaranty or promise of any kind by Declarant to pay any owner's assessment or other obligation, other than Declarant's obligations if

any, as an individual Lot owner. Assessments, together with interest, costs and reasonable attorney's fees for collection, if any, shall be a charge and continuing lien upon the lot against which each such assessment is made. The same shall be the personal obligation of the Owner of such lot at the time each such assessment falls due. The personal obligation for delinquent assessments shall not pass to an Owner's successors in title unless expressly assumed by them, but shall remain a lien against the lot involved until paid. Notwithstanding anything herein to the contrary, however, an lien on a lot for delinquent assessments or other charges owed to the Association will be subordinate to a first mortgage on the lot which was recorded before the delinquent assessment was due, and any sale or transfer of a lot pursuant to a foreclosure of a first mortgage shall extinguish a subordinate lien for assessments or charges against the mortgaged lot which accrued prior to such sale or transfer.

B. Any assessments levied by the Association shall be used exclusively for promoting the health, safety, pleasure and welfare of members, and costs and expenses incident to operation of the Association, including, without limitation, maintenance and repair of the Common Property, repair and replacement of improvements on the Common Property, management fees, and payment of all taxes and insurance premiums on the Common Property.

C. The Board of Directors shall fix and determine from time to time the sums necessary to pay Common Expenses and shall provide for the allocation of assessments therefor and the collection thereof in the manner set forth in the by-Laws. Notwithstanding the foregoing, however, nothing in this Declaration or the by-Laws of the Association shall be construed to obligate the association or the board to make any assessments if it appears during any budget period that the Association will have no expenses.

D. The Association shall, within 10 days of the request therefor of any Owner, or of an Owner's mortgagee, furnish to such Owner or mortgagee a certificate in writing, signed by an officer of the Association, setting forth whether or not an Owner is delinquent in payment of any assessments. Such certificate shall constitute conclusive evidence of the payment of any assessments therein stated to have been paid.

E. Declarant shall be responsible for all initial improvements on Common Property prior to conveying the same to the Association which may include construction and/or installation costs of streets or roadways; street lighting; landscaping of common areas; utilities; a drainage system; and any other initial improvements to the Common Property, provided, however, that nothing herein shall be construed to diminish Declarant's rights with respect to the Additional Land, and Declarant shall continue to have any and all rights as set forth in Article II, hereof. Notwithstanding anything to the contrary, Declarant shall take no action to create special assessments or otherwise make the Association responsible for such initial construction and/or installation costs, and/or costs of maintenance of the foregoing attributable to construction of improvements within the Community.

F. The following properties described in this Declaration shall be exempt from assessments, charges, and liens created herein:

1. All Common Property; and
2. All property which cannot be devoted to dwelling use because of municipal, state, and /or federal prohibitions.

ARTICLE VII

Board of Directors

The Association shall be governed by a Board of Directors as provided herein and in the By-Laws. Until the Declarant has transferred control of the Association as provided in Article V, the Board shall consist of three Directors appointed by the Declarant. After such transfer of control, the Board shall consist of three Directors. For so long as Declarant retains any ownership interest in the Community, one Director shall be appointed by the Declarant.

ARTICLE VIII

Architectural Control Committee

A. Pursuant to the Association Articles and By-Laws, the Board of Directors shall either act as or appoint an Architectural Control Committee.

B. No building, wall, fence, or other structure shall be commenced, erected or maintained upon the Premises, nor shall any exterior addition to any existing structure or exterior change or alteration therein be made, until the plans and specifications therefor showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing by the Architectural Control Committee.

C. No substantial change in the landscaping of individual lots shall be made by any Owner until a proposal therefor shall have been submitted to and approved by the Architectural Control Committee. Such proposal shall include, at a minimum, a sketch plan of the lots showing the proposed changes, with identification of plants, shrubs, and trees proposed to be added and/or replaced.

D. In rendering its decisions, the Architectural Control Committee reasonably shall evaluate the harmony and compatibility of proposed improvements, changes and/or alterations with the surrounding structures and topography, whether the proposed addition or change in landscaping will adversely affect the solar access of, or view from, another lot and shall act in accordance with other standards set forth in this Declaration, and the By-Laws, rules and regulations of the Association. In no event shall the Architectural Control Committee authorize the erection of any structure within 30 feet of the roadway abutting the lot in question.

E. In the event the Architectural Control Committee fails to approve or disapprove any design and location within 45 days after complete plans and specifications have been fully submitted to it, approval will not be required and the provisions of this section shall be deemed to have been waived with respect to such structure, addition, alteration or change; except that no such failure to approve shall be deemed approval of any structure proposed to be built within 30 feet of the roadway abutting the lot in question.

F. No new trees or shrubbery shall be planted or maintained on any portion of the Premises which abuts a roadway or other Common Property unless or until the plans shall have been submitted to the Architectural Control Committee, showing the location, area and height of the proposed planting and the materials to be used. In approving or disapproving a proposal, the Architectural Control committee shall employ general rules which take into consideration:

1. The nature of the proposed material (e.g., evergreen or deciduous);
2. Its potential height and breadth at maturity, including whether it would block any neighbor's solar apparatus;
3. Its shape (e.g., low spreading, bushy, pyramidal, etc.);
4. Its rate of growth;
5. The potential effect of such planting upon such problems as leaf removal from streets, root growth into sanitary and storm sewer facilities, etc.; and
6. Most importantly, visibility for vehicular traffic.

G. No living tree having a diameter in excess of five inches measured five feet above ground level shall be removed for any reason by any Owner without prior written consent from the Architectural Control Committee, which consent shall not be granted unless it shall be clearly established that the tree in question is diseased, poorly formed, or damaged by the elements beyond reasonable repair or salvage; of such nature or kind as to harbor the breeding of tent caterpillars or other noxious insects; will constitute a hazard by reason of proximity to a building, driveway, street or utility service line; constitutes a nuisance because of excessive seeds, pods, leaves, nuts, bark or other undesirable characteristics; or blocks the view and/or solar access of a lot and no compelling objection to removal thereof has been raised by neighboring Owners.

H. The provisions of this Article shall not apply to Declarant in the building of new structures or with respect to initial clearing, grading and landscaping of such land; nevertheless, Declarant covenants for itself, its successors and assigns, that it will not erect any structure within 30 feet of the roadway abutting the lot in question.

I. Nothing herein shall be construed to relieve any Owner from the obligation to obtain any required governmental approvals.

ARTICLE IX

Maintenance of Lots; Necessary Exterior Repairs by Association Occasioned by Neglect of Member

Every Owner of a lot, by acceptance of title to the same, covenants that he, she, or it will not permit the exterior of the improvements and the landscaping on the lot to be maintained other than in good repair and in a safe, neat and attractive condition. The exterior of improvements shall be repainted or otherwise appropriately maintained at the Lot Owner's expense on a regular basis.

Any member who fails to maintain the exterior of the improvements and the landscaping on the lot in accordance herewith, to the point where, in the judgment of the board of Directors, a condition has arisen constituting a hazard to persons or property or unsightliness tending adversely to affect the value or enjoyment of neighboring lots, shall receive written notice from the Board specifying all conditions which violate the member's covenants as set forth herein, and grant the member a period of not less than 21 days to correct each condition (provided, however, that the period allowed for correction shall be subject to reasonable extension of the conditions complained of can be corrected but the correction requires more time than provided in the notice, and the member begins to cure promptly within such period and thereafter diligently pursues completion). Notwithstanding the foregoing, such advance notice and grace period shall not be necessary in case of emergencies involving a reasonable perception of danger to life or property. If a member so notified has not rectified the condition or conditions cited within the time which the notice allows for the same, the Board shall have the right, but not the obligation, through its agents, employees or designees, to enter upon said lot for the purpose of painting, repairing, maintaining, and/or restoring the improvements and landscaping thereon. Costs of such work shall be assessed against the member for whom the services have been performed. The assessment, in the case of a member, shall be due in addition to all other assessments and charges to which the member and the member's lot are subject under Article VI, and shall be both a personal obligation of the member and a lien against the member's lot as provided in Article VI. Full payment from the member shall be due within 30 days of presentation of an invoice for the work performed, and if the invoice or any portion thereof remains in default thereafter, it shall carry interest at the rate of 18 percent per annum from the date of the invoice. In the event the Association has to take legal action to collect the sums due, the prevailing party shall be entitled to its reasonable costs and attorney's fees.

ARTICLE X

General Restrictions

- A. Each lot shall be used for single-family residential purposes only.
- B. No lot shall be further subdivided.
- C. No lot shall be cleared, improved, or used except in accordance with the provisions of the subdivision approval, the Swanzey Zoning Ordinance, Swanzey Building Codes, (including any conditions set forth in any building permit), and all other federal, state, or local statutes, regulations or ordinances, and the provisions of this Declaration. In any case where this Declaration is more restrictive than applicable law, the Declaration shall govern.
- D. The road to the firepond will be maintained at all times, pursuant to the subdivision approval by the Swanzey Planning Board.
- E. As far as is practicable, the northwest bank bordering the south branch of the Ashuelot River will be left in its natural state. Where soil loss exceeds "T" (as determined by applying Soil Conservation service methods for estimating soil losses) one or more of the following land treatments may be required (according to recommendations of the Soil Conservation Service): re-seeding, applying lime and/or fertilizer, introducing additional plants into existing cover, and/or installing structural practices for erosion control.
- F. No trade, business or commercial activity of any visibility shall be conducted from any lot or house thereon, but this restriction shall not prevent a Lot Owner from maintaining an office or other facility within his or her house provided that there is no ongoing traffic of clients, customers and/or business associates.
- G. No shacks, abandoned cars, temporary structures, standing excavations, or standing basements shall be permitted on any lot except as may be necessary in the course of residential construction.
- H. No trailer, unlicensed vehicles, commercial vehicles or manufactured homes or the like shall be allowed on any lot at any time, except for storage of recreational vehicles.
- I. The use of registered and unregistered off-road vehicles such as ATV's, snowmobiles, off-road motorcycles and the like is prohibited within the Community.
- J. Any construction shall have a completed exterior within nine (9) months of the date construction is commenced.
- K. No lot shall contain more than one single-family residence. A Lot Owner shall be allowed to have an attached or detached garage, a shed, in-ground swimming pool, walls, fences, and other permanent accessory structures consistent with single-family residential use.
- L. No single-family residence constructed on any lot shall have less than 1,100 square feet of living area, exclusive of garage and basement.

M. All surface areas disturbed by construction shall promptly be returned to their natural condition and repaired in such manner as may be practicable or consistent with the soil and terrain.

N. No portion of the Community shall be used or maintained as a dumping ground for rubbish. Trash, garage and the like shall not be kept except in sanitary containers. All equipment for the storage and disposal of the same shall be kept in clean and sanitary condition.

O. No obnoxious or offensive activity shall be permitted or carried out on any lot nor anything done or permitted which shall constitute a nuisance.

P. No clothes lines or other laundry facilities shall be located on any lot unless screened from public view.

Q. No animals, livestock or poultry of any kind shall be raised, bred or kept on any portion of the premises other than common household pets, provided that the latter are not kept, bred or maintained for any commercial purpose. Where pets are permitted they shall be leashed or otherwise under control at all times when outdoors.

R. No fuel storage tank shall be maintained on any lot unless buried, contained in a building, or screened from public view.

S. If any individual Lot Owner makes use of solar energy, no abutting Lot Owner thereafter shall construct, install or plant any improvements which interfere with such use of solar energy.

T. Each member shall maintain, clean and keep free from unsightly objects the entry, portico, patio, deck, driveway, front yard, and back or side yards of his lot, as applicable.

U. No Lot owner may lease less than the entire lot. Any lease agreement for a lot shall be in writing and shall provide that the terms of the lease are subject in all respects to the provisions of the declaration, the By-Laws, and the rules and regulations pursuant hereto, and that any noncompliance therewith by the lessee shall constitute a default under the lease. Other than the foregoing, no restriction is placed upon the right of a Lot Owner to lease his lot.

V. No individual sewer or water system may be maintained upon any lot.

ARTICLE XI

Miscellaneous Services Authorized

A. The Association shall, at its expense, properly maintain the Common Property. Such maintenance and services may include, without limitation, to the extent the Board of Directors deems necessary:

1. General maintenance of landscaping on Common Property, including mowing, spraying, trimming, protection, planting and replanting of trees and shrubbery on the common Property;

2. Maintenance of the water system and septic systems which shall serve the Community, except for those portions thereof which are contained solely within the individual lots, and exclusively serve said lots;

the exception of the drainage within the rights of way of the roadways.

4. Maintenance of a firepond and the roadway thereto, including removal of snow, ice, leaves and debris therefrom;

5. Maintenance and operation of any lighting and lighting fixtures along the roadways, any parking areas and pedestrian ways, where lighting may be deemed advisable by the Association and not provided by a municipality;

6. Provision and/or maintenance, where deemed necessary by the Association, of signs for making streets, giving directions, or warning of safety hazards.

B. In addition to the foregoing, the Association may, but shall not be required to, furnish such services as the Board, from time to time, by resolution, may propose, but not until such proposed additional services are authorized by vote, in person, or proxy, of a majority of all votes cast by members of the Association at a meeting duly called for that purpose, written notice of which shall be sent to all members at least 30 days in advance, which notice shall set forth the purpose of the meeting and the proposed additional services(s) to be authorized.

ARTICLE XII

Easements

The Premises are subject to prior easements, covenants, conditions and restrictions of record including without limitation those which are set forth at Exhibit A hereto, and as set forth on the Plans, and to the following additional easements:

A. The Premises are subject to an easement for encroachments created by construction, settling and overhands, of the homes or other improvements upon the lots or Common Property, as designed or constructed.

B. Declarant expressly reserves, on behalf of itself and the Association, its successors and assigns, any and all easements necessary or desirable over, across and under the Premises, for ingress, egress, installation, replacing, repairing, and maintaining roadways, walkways, landscaping, drainage and all utilities, including, but not limited to, water, sewer, telephone, electricity, and cable television system, as applicable. Declarant, the Association, any

governmental entity and/or any company providing any of said services shall have the right to install, erect and maintain all necessary cables, wires, pipes, and other conduits underground and other necessary equipment at or below grade and to affix and maintain electrical, cable television and/or telephone wires, circuits, and other conduits on, above, across and under the roofs and exterior walls of any homes, and meters and shut offs at or inside said homes, provided such rights shall be exercised without unreasonable interference with lot use and provided all such work undertaken is completed and any resulting damage promptly repaired. Notwithstanding anything to the contrary contained in this paragraph, no sewer lines, electrical lines, water lines, or other utilities may be installed or relocated on the Common Property except as approved by Declarant or the board of Directors.

Declarant covenants, on behalf of itself, its successors and assigns, including the Association, that no building, improvement or roadway of any kind shall be erected or maintained in the Community which shall unreasonably interfere with the maintenance, repair, operation or inspection of such utility services.

C. An easement is granted to all police, fire protection, ambulance, and similar persons, companies or agencies performing emergency services to enter upon the Premises in the performance of their duties.

D. Declarant expressly reserves on behalf of itself and the Association, its successors and assigns, including authorized representatives, employees, and agents of either, an easement to enter upon the individual lot of any Owner who has failed properly to maintain his lot, including all improvements thereon, or otherwise permits the lot to be in violation of the Declaration, By-Laws, and/or rules and regulations, to perform such emergency and other maintenance and otherwise correct such violations in accordance with Article IX hereof.

E. For slope control purposes, Declarant and/or the Association reserves the right to grade and plant slopes and prevent the doing of any activity which might interfere with slope ratios approved and/or created by Declarant, or which might create erosion or sliding problems or change, constrict or retard drainage flow.

F. The Declarant reserves to itself and its successors and assigns, and the Association shall have, the right to grant such easements to the Town of Swanzey for slopes, embankments, or other purposes as the Town of Swanzey may require in connection with the maintenance of Bellview Drive and Barden Circle as public ways, and any such easements shall have the same priority as if recorded in the Cheshire County Registry of Deeds contemporaneously with the Declaration. The granting of such easements to the Town of Swanzey shall not require the assent of the Lot Owners, any mortgagee, or the Association, as the case may be.

G. There is reserved to the Declarant until it shall have sold all lots contained in the community, including all those created on the Additional land: (i) an easement over and through

all parts of the Common Property to use the same in any manner in aid of sales, provided that such use does not interfere unreasonably with the rights of Owners; and (ii) the right to use any and all lots of any size in any location owned by the Declarant as model lots or sales offices with the right to relocate the same from time to time. The Declarant expressly reserves the right to remove all improvements which are used by the Declarant as sales offices or model homes.

H. The Declarant expressly reserves, until it shall have sold all lots contained in the Community, including all those created on the Additional Land, a transferable easement without limitation or restriction to facilitate the development of the Community, including development of the Additional Land. Said easement shall consist of the right to use the roadways, utilities, walkways and all other parts of the Community in connection with the construction of improvements and for necessary access to any part of the Premises. The Declarant specifically reserves the right and easement to make connection to such roadways, utilities, walkways and other parts of the community as are necessary for such purposes.

I. Subject to applicable provisions of the Declaration, By-Laws, and rules and regulations of the Association, each member and his or her family in residence, guests, invitees, and licensees, shall have a right and easement of enjoyment in and to the common Properties of the community.

J. In addition to all the other rights reserved herein, Declarant reserves the right to execute, acknowledge, deliver and record, on behalf of itself and the Association, and their successors and assignees, easements, rights-of-way, licenses and similar interests affecting the Community, including the Additional Land, and to accept easements, rights-of-way, licenses and similar interests affecting the Community, including the Additional Land, and to accept easements, rights-of-way, licenses and similar interests benefiting the Community, including the Additional Land, so long as such easements, rights-of-way, licenses and similar interests do not unreasonably interfere with the use and enjoyment of the Community, including the individual lots, by a Lot Owner.

ARTICLE XIII

Amendments to Declaration and By-Laws

A. Proposal of Amendments: Amendments to the Declaration and By-Laws may be proposed only by the Board or by petition signed by Lot Owners owning at least 25% of the lots. A description of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment is to be voted upon.

B. Method of Amendment: Except in cases for which the Declaration provides different methods of amendment or requires a larger majority, the Declaration and By-Laws may be amended only by the agreement of the Owners of 67% of the lots. No Material Amendment shall become effective without the written approval of the number of eligible holders required by Article XV hereof. Notwithstanding the foregoing, no amendment which alters any exterior

boundary of any lot, permanently revokes a Lot Owner's right of enjoyment of the Common Properties, and or permanently affects a Lot owner's right to vote, shall be effective without the written assent of that Lot Owner and any eligible holder of a mortgage on his or her lot (except in the case of termination of the legal status of the Association); and no amendment shall become effective which limits the rights granted to the Declarant by this Declaration or by the By-Laws, and in particular, the right to create lots on Additional Land, without the concurrence of the Declarant to such amendment.

C. Approval of Amendments Required by FNMA, FHLMC, PMIs and VA: The Declaration and By-Laws may be amended by the affirmative vote of a majority of the Board of directors of the Association at any regular or special meeting without further action of the Lot Owners or mortgagees where such amendment is not a Material Amendment and is necessary in order to comply with the requirements of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, private mortgage insurers, and/or the Veterans' Administration. The Board of Directors is hereby designated as attorney-in-fact for all of the Lot Owners and mortgagees to adopt such amendments and to authorize one or more of the officers of the Association to execute any and all documents necessary and proper to accomplish such amendment.

PROVIDED, HOWEVER, that where such an amendment in any way reduces the rights granted to the Declarant by the Declaration or the by-Laws, the concurrence of the Declarant to such amendment shall be required.

ARTICLE XIV

Termination of the Community

A. Requirements for Termination: The Community may be terminated only by the recorded agreement of the percentage of Lot Owners and eligible holders required by Article XV.

B. Distribution of Proceeds Upon Termination: Subsequent to termination, the entire Common Property shall be deemed to be owned in common by all of the Lot Owners in equal shares per lot. The Common Property shall be subject to an action for partition at the suit of any Lot Owner or the holder of any lien thereon, in which event the net proceeds of the sale, together with the net proceeds of any insurance paid to the Association or to the Lot Owners in common, shall be considered as one fund and shall be divided among all of the Lot Owners in proportion to lots owned with any necessary adjustments for unpaid assessments which accrued prior to termination.

ARTICLE XV

Rights Related to Mortgagees

A. Any holder, insurer, or guarantor of a mortgage on a lot, upon written request to the board or the Association identifying its name and address and the lot number or address, will be entitled to timely written notice of:

1. Any condemnation or casualty loss which affects a material portion of the Community or any lot securing its mortgage;

2. Any delinquency in the payment of assessments or charges owed by an Owner of a lot securing its mortgage which remains uncured for a period of sixty (60) days;

3. Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;

4. Any proposed Material Amendment.

B. Unless a higher percentage is required elsewhere in this Declaration, the consent of at least sixty-seven percent (67%) of Lot Owners, and the approval of at least fifty-one percent (51%) of eligible holders, shall be required to approve any Material Amendment, except that any termination, by act or omission, of the legal status of the Association in the absence of substantial destruction or a substantial taking in condemnation must be approved by at least seventy-five percent (75%) of the Lot Owners and by at least sixty-seven percent (67%) of eligible holders.

An eligible holder who receives a written request to approve an amendment who does not deliver or post to the requesting party a negative response within thirty (30) days shall be deemed to have approved such request.

C. All taxes, assessments, and charges which may become liens prior to a first mortgage on any lot under local law shall relate only to the individual lot and not to the Common Property.

ARTICLE XVI

General Provisions

A. Duration: The covenants and restrictions of this Declaration shall run with and bind the Premises and shall inure to the benefit of and be enforceable by Declarant, the Association, and/or Owner of any lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, until the Community is terminated in accordance with Article XIV whereupon such covenants and restrictions shall cease to apply.

B. Notices: Unless another form of notice is specifically authorized elsewhere in the Declaration or By-Laws, any notice required to be sent any member under provisions of this Declaration and the By-Laws shall be deemed to have been properly given when hand delivered or three days after mailing, post paid, to the last known address of the person appearing as Lot Owner at the time of such mailing. Unless the Association has written notice of a member's change of address, any notice delivered or sent to the lot as identified on a member's deed as recorded in the Cheshire County Registry of Deeds shall be deemed sufficient.

C. Enforcement: Enforcement of this Declaration and the Articles, By-Laws, rules and regulations of the Association shall be by any appropriate proceeding in law or equity in any court or administrative tribunal having jurisdiction against any person, persons, firm or corporation violating or attempting to violate or circumvent any covenant, restriction, by-law, rule or regulation, either to restrain a violation or to recover damages, or both. Any appropriate proceeding in law or equity also may be brought against any applicable lot to enforce any lien created by this Declaration. Declarant, the Association, or any aggrieved Lot Owner, as the case may be, shall have the rights of enforcement set forth herein, but failure by any of the same to

enforce any covenant or restriction shall in no event be deemed a waiver of the right to do so thereafter. In the event of litigation or administrative proceedings to enforce these covenants and restrictions, and/or the Articles, By-Laws, and/or rules and regulations of the Association, or to recover damages, or to enforce any lien created hereunder, the prevailing party shall be entitled to recover court costs and reasonable attorney's fees.

D. Severability: Invalidation of any portion of this Declaration or the By-Laws by judgment or court order shall not affect any other provisions hereof, which shall remain in full force and effect.

E. Gender and Plural: Use in this Declaration of male gender shall include the female gender, and use of the singular shall include the plural, and vice versa.

F. All Rights Vested Upon Conveyance: No covenant or restriction herein shall be construed as a condition subsequent or as creating any possibility of reverter.

IN WITNESS WHEREOF, Eastfield Development Corporation; Dana C. Pinney; Customized Structures, Inc., Joseph E. Stevens and Adele L. Stevens; Paul A Hudgik and Barbara J. Hudgik; and Frederick A. Wolfe and Dolores E. Wolfe, have caused this instrument to be executed the day and year first above written.

EASTFIELD DEVELOPMENT CORPORATION

By: _____
Duly Authorized (Declarant)

STATE OF NEW HAMPSHIRE
CHESHIRE, SS.

On this ___ day of _____, 1989, personally appeared before me, _____, _____ of Eastfield Development Corporation, known to me, or satisfactorily proven to be, the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same on behalf of the corporation, being authorized so to do, for the purpose of terminating Union Village, creating Eastfield Crossing, and subjecting Eastfield Crossing to this Declaration of Covenants, Restrictions, Easements, Charges and Liens, all as set forth herein.

Notary Public/Justice of the Peace

Dana C. Pinney

STATE OF NEW HAMPSHIRE
CHESHIRE, SS.

On this ___ day of _____, 1989, personally appeared before me, _____, _____ of Eastfield Development Corporation, known to me, or satisfactorily proven to be, the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same for the purpose of terminating Union Village, creating Eastfield Crossing, and subjecting Eastfield Crossing to this Declaration of Covenants, Restrictions, Easements, Charges and Liens, all as set forth herein.

Notary Public/Justice of the Peace

CUSTOMIZED STRUCTURES, INC.

By: _____
Duly Authorized

STATE OF NEW HAMPSHIRE
CHESHIRE, SS.

On this ___ day of _____, 1989, personally appeared before me, _____, _____ Duly Authorized, on behalf of Customized Structures, Inc., known to me, or satisfactorily proven to be, the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same on behalf of the corporation, being authorized so to do, for the purpose of terminating Union Village, creating Eastfield Crossing, and subjecting Eastfield Crossing to this Declaration of Covenants, Restrictions, Easements, Charges and Liens, all as set forth herein.

Notary Public/Justice of the Peace

Joseph E. Stevens

Adele L. Stevens

STATE OF NEW HAMPSHIRE
CHESHIRE, SS.

On this ___ day of _____, 1989, personally appeared before me, Joseph E. Stevens and Adele L. Stevens, known to me, or satisfactorily proven to be, the persons whose names are subscribed to the foregoing instrument and acknowledged that they executed the same for the purpose of terminating Union Village, creating Eastfield Crossing, and subjecting Eastfield Crossing to this Declaration of Covenants, Restrictions, Easements, Charges and Liens, all as set forth herein.

Notary Public/Justice of the Peace

Paul A. Hudgik

Barbara J. Hudgik

STATE OF NEW HAMPSHIRE
CHESHIRE, SS.

On this ___ day of _____, 1989, personally appeared before me, Paul A. Hudgik and Barbara J. Hudgik, known to me, or satisfactorily proven to be, the persons whose names are subscribed to the foregoing instrument and acknowledged that they executed the same for the purpose of terminating Union Village, creating Eastfield Crossing, and subjecting Eastfield Crossing to this Declaration of Covenants, Restrictions, Easements, Charges and Liens, all as set forth herein.

Notary Public/Justice of the Peace

Frederick A. Wolfe

Dolores E. Wolfe

STATE OF NEW HAMPSHIRE
CHESHIRE, SS.

On this ___ day of _____, 1989, personally appeared before me, Frederick A. Wolfe and Dolores E. Wolfe, known to me, or satisfactorily proven to be, the persons whose names are subscribed to the foregoing instrument and acknowledged that they executed the same for the purpose of terminating Union Village, creating Eastfield Crossing, and subjecting Eastfield Crossing to this Declaration of Covenants, Restrictions, Easements, Charges and Liens, all as set forth herein.

Notary Public/Justice of the Peace

MORTGAGEE'S APPROVAL

GRANITE BANK OF KEENE, a New Hampshire banking corporation, of 122 West Street, Keene, New Hampshire, 03431, holder of mortgages from:

1. Eastfield Development Corporation to itself dated and recorded June 28, 1989 at Vol. 1295, Page 329 of the Cheshire County Registry of Deeds;
2. Eastfield Development Corporation to itself dated October 6, 1989, recorded October 10, 1989 at Vol. 1307, Page 575 of the Cheshire County Registry of Deeds;
3. Eastfield Development Corporation to itself dated October 6, 1989, recorded October 10, 1989 at Vol. 1307, Page 610 of the Cheshire County Registry of Deeds;
4. Customized Structures, Inc. to itself dated and recorded December 21, 1988 at Vol. 1273, Page 681 of the Cheshire County Registry of Deeds;
5. Customized Structures, Inc. to itself dated and recorded December 21, 1988 at Vol. 1273, Page 676 of the Cheshire County Registry of Deeds;

hereby agrees to the termination of Union Village, the creation of the Eastfield Crossing Community, to the subject the Eastfield Crossing Community to this Declaration of Covenants, Restrictions, Easements, Charges and Liens, and to subordinate its mortgages to the Eastfield Crossing Declaration.

IN WITNESS WHEREOF, I hereunto set my hand and seal, on behalf of Granite Bank of Keene, this ____ day of _____, 19__.

GRANITE BANK OF KEENE

By: _____
Duly Authorized

STATE OF NEW HAMPSHIRE
CHESHIRE, SS.

On this ___ day of _____, 19__, personally appeared before me, _____, known to me, or satisfactorily proven to be, the persons whose names are subscribed to the

foregoing instrument and acknowledged that he/she executed the same on behalf of the corporation, being authorized so to do, for the purposes therein contained.

Notary Public/Justice of the Peace

MORTGAGEE'S APPROVAL

FIRST NORTHERN BANK, formerly known as First Northern Co-Operative Bank, of 100 Main Street, Keene, New Hampshire, 03431, holder of a mortgage from DANA C. PINNEY to First Northern Co-Operative Bank, dated July 1, 1988, recorded September 22, 1989 at Vol. 1262, Page 741 of the Cheshire County Registry of Deeds, hereby agrees to the termination of Union Village, the creation of the Eastfield Crossing Community, to subject the Eastfield Crossing community to this Declaration of Covenants, Restrictions, Easements, Charges and Liens, and to subordinate its mortgage to the Eastfield Crossing Declaration.

IN WITNESS WHEREOF I hereunto set my hand and seal, on behalf of First Northern Bank, this ___ day of _____, 19__.

FIRST NORTHERN BANK

By: _____
Duly Authorized

STATE OF NEW HAMPSHIRE
CHESHIRE, SS.

On this ___ day of _____, 19__, personally appeared before me, _____, known to me, or satisfactorily proven to be, the person(s) whose names are subscribed to the foregoing instrument and acknowledged that he/she executed the same on behalf of the corporation, being authorized so to do, for the purposes therein contained.

Notary Public/Justice of the Peace

MORTGAGEE'S APPROVAL

PERKINS LUMBER CO., INC., also known as Perkins Lumber Company, Inc., of 29 Ralston Street, Keene, New Hampshire, 03431, holder of a mortgage from DANA C. PINNEY to itself, dated September 29, 1988, recorded September 30, 1989 at Vol. 1263, Page 115 of the Cheshire County Registry of Deeds, hereby agrees to the termination of Union Village, the creation of the Eastfield Crossing Community, to subject the Eastfield Crossing community to this Declaration of Covenants, Restrictions, Easements, Charges and Liens, and to subordinate its mortgage to the Eastfield Crossing Declaration.

IN WITNESS WHEREOF I hereunto set my hand and seal, on behalf of Perkins Lumber Co., Inc., this ___ day of _____, 19__.

PERKINS LUMBER CO., INC.

By: _____
Duly Authorized

STATE OF NEW HAMPSHIRE
CHESHIRE, SS.

On this ___ day of _____, 19__, personally appeared before me, _____, known to me, or satisfactorily proven to be, the person(s) whose names are subscribed to the foregoing instrument and acknowledged that he/she executed the same on behalf of the corporation, being authorized so to do, for the purposes therein contained.

Notary Public/Justice of the Peace

MORTGAGEE'S APPROVAL

GRANITE STATE BANKSHARES, INC., formerly known as GSBI Mortgage Corporation, of 122 West Street, Keene, New Hampshire, 03431, holder of a mortgage from JOSEPH E. STEVENS and ADELE L. STEVENS to GSBI Mortgage Corporation, dated and recorded July 1, 1989 at Vol. 1249, Page 670 of the Cheshire County Registry of Deeds, hereby agrees to the termination of Union Village, the creation of the Eastfield Crossing Community, to subject the Eastfield Crossing community to this Declaration of Covenants, Restrictions, Easements, Charges and Liens, and to subordinate its mortgage to the Eastfield Crossing Declaration.

IN WITNESS WHEREOF I hereunto set my hand and seal, on behalf of Granite State Bankshares, Inc., this ___ day of _____, 19__.

GRANITE STATE BANKSHARES, INC.

By: _____
Duly Authorized

STATE OF NEW HAMPSHIRE
CHESHIRE, SS.

On this ___ day of _____, 19__, personally appeared before me, _____, known to me, or satisfactorily proven to be, the person(s) whose names are subscribed to the foregoing instrument and acknowledged that he/she executed the same on behalf of the corporation, being authorized so to do, for the purposes therein contained.

Notary Public/Justice of the Peace

MORTGAGEE'S APPROVAL

FIRST N.H. MORTGAGE CORP., of 28 West River Road, Hooksett, New Hampshire, 03106, holder of a mortgage from PAUL A. HUDGIK and BARBARA J. HUDGIK to itself, dated November 15, 1989, recorded November 17, 1989 at Vol. 1313, Page 68 of the Cheshire County Registry of Deeds, hereby agrees to the termination of Union Village, the creation of the Eastfield Crossing Community, to subject the Eastfield Crossing community to this Declaration of Covenants, Restrictions, Easements, Charges and Liens, and to subordinate its mortgage to the Eastfield Crossing Declaration.

IN WITNESS WHEREOF I hereunto set my hand and seal, on behalf of First N.H. Mortgage Corp., this ___ day of _____, 19__.

FIRST N.H. MORTGAGE CORP.

By: _____
Duly Authorized

STATE OF NEW HAMPSHIRE
CHESHIRE, SS.

On this ___ day of _____, 19__, personally appeared before me, _____, known to me, or satisfactorily proven to be, the person(s) whose names are subscribed to the foregoing instrument and acknowledged that he/she executed the same on behalf of the corporation, being authorized so to do, for the purposes therein contained.

Notary Public/Justice of the Peace

MORTGAGEE'S APPROVAL

DONALD J. PHILBRICK., of P.O. Box 5005, Portsmouth, New Hampshire, 03801, holder of a mortgage from FREDERICK A. WOLFE and DOLORES E. WOLFE to Oakes Financial Services, Inc., dated October 4, 1988 recorded October 5, 1988 at Vol. 1263, Page 788 of the Cheshire County Registry of Deeds, as assigned by instrument dated October 4, 1988, recorded October 28, 1988 at Vol. 1267, Page 317 of the Cheshire County Registry of Deeds, hereby agrees to the termination of Union Village, the creation of the Eastfield Crossing Community, to subject the Eastfield Crossing community to this Declaration of Covenants, Restrictions, Easements, Charges and Liens, and to subordinate its mortgage to the Eastfield Crossing Declaration.

IN WITNESS WHEREOF I hereunto set my hand and seal, this ___ day of _____, 19__.

GRANITE STATE BANKSHARES, INC.

By: _____
Donald J. Philbrick

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ___ day of _____, 19__, by Donald J. Philbrick, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same for the purposes therein contained.

Notary Public/Justice of the Peace

MORTGAGEE'S APPROVAL

FEDERAL HOME LOAN MORTGAGE CORPORATION, of 2231 Crystal Drive, Suite 900, P.O. Box 2408, Arlington, Virginia, 22202-3798, holder of a mortgage from FREDERICK A. WOLFE and DOLORERS E. WOLFE, to Northeastern Mortgage Company, Inc., dated April 28, 1989, recorded May 1, 1989 at Vol. 1288, Page 119 of the Cheshire County Registry of Deeds, as assigned by instrument dated June 7, 1989, recorded August 24, 1989 at Vol. 1301, Page 678 of the Cheshire County Registry of Deeds, hereby agrees to the termination of Union Village, the creation of the Eastfield Crossing Community, to subject the Eastfield Crossing community to this Declaration of Covenants, Restrictions, Easements, Charges and Liens, and to subordinate its mortgage to the Eastfield Crossing Declaration.

IN WITNESS WHEREOF I hereunto set my hand and seal, on behalf of Federal Home Loan Mortgage Corporation this ___ day of _____, 19__.

FEDERAL HOME LOAN MORTGAGE CORP.

By: _____
Duly Authorized

STATE OF NEW HAMPSHIRE
CHESHIRE, SS.

On this ___ day of _____, 19__, personally appeared before me, _____, known to me, or satisfactorily proven to be, the person(s) whose name is subscribed to the foregoing instrument and acknowledged that he/she executed the same on behalf of the corporation, being authorized so to do, for the purposes therein contained.

Notary Public/Justice of the Peace

APPROVAL AND ACCEPTANCE

Pursuant to an authorizing resolution, duly and unanimously adopted by the incorporators of Eastfield Crossing Association, a voluntary corporation organized and existing under the laws of the State of New Hampshire, the foregoing Declaration of Covenants, Restrictions, Easements, Charges and Liens for Eastfield Crossing is hereby approved and accepted as binding upon Eastfield Crossing Association, its successors and assigns.

IN WITNESS WHEREOF, Eastfield Crossing Association has caused this instrument to be executed this ___ day of _____, 1989.

Eastfield Crossing Association

By: _____

Its President

STATE OF NEW HAMPSHIRE
CHESHIRE, SS.

The foregoing instrument was acknowledged before me this ___ day of _____, 1989, by _____, duly authorized, on behalf of the Eastfield Crossing Association.

Notary Public/Justice of the Peace

INDEX TO EXHIBITS

- Exhibit A: Real Property Submitted to Declaration of Covenants, Restrictions, Easements, Charges and Liens for Eastfield Crossing (the Premises)
- Exhibit B: Common Property
- Exhibit C: Residential Portion of the Premises
- Exhibit D: Phases II, III and IV of Eastfield Crossing (Additional Land)
- Exhibit E: By-Laws
- Exhibit F: Material Amendments
- Exhibit G: Amendment (Additional Land)

EXHIBIT A

THE PREMISES

A certain tract of land with buildings thereon situated in Swanzey, Cheshire County, New Hampshire, more particularly shown on a plan entitled "Eastfield Crossing," prepared for Eastfield Development Corporation, dated July 17, 1989, recorded September 27, 1989 at Cab. 11, Drawer 4, Slides 263 and 264 of the Cheshire County Registry of Deeds, bounded and described as follows:

Beginning at a monument to be set at the southwest corner of Bellview Drive and Old Richmond Road, so-called;

Thence South 08d 55' West a distance of 88.56 feet, more or less, along Old Richmond Road to an iron pin in a stone wall;

Thence South 04d 27' West a distance of 123.40 feet, more or less, along said stone wall along Old Richmond Road to an iron pin to be set at the corner of land now or formerly of Frederick A. and Lisa B. Wolfe;

Thence North 80d 35' West a distance of 461.62 feet, more or less, along said Wolfe property to an iron pin;

Thence South 20d 01' West a distance of 471.87 feet, more or less, to an iron pin;

Thence South 74d 44' East a distance of 82.11 feet, more or less, along said Wolfe property and along Lot 44 to an iron pin;

Thence southeasterly on a curve to the right, having a radius of 290.10 feet, a distance of 19.63 feet, more or less, to an iron pin to be set;

Thence South 67d 57' East a distance of 180.48 feet, more or less, along said Wolfe property to an iron pin to be set in a stone wall;

Thence South 25d 06' West a distance of 47.98 feet, more or less, along a stone wall to an iron pin;

Thence South 26d 08' West a distance of 468.28 feet, more or less, mostly along a stone wall to an iron pin to be set;

Thence North 75d 10' West a distance of 726 feet, more or less, along a wire fence to an iron pin in Lot 45;

Thence South 08d 09' West a distance of 345.42 feet, more or less, along said Lot 45 to an iron pin;

Thence South 07d 49' West a distance of 333.95 feet, more or less, to an iron pin;

Thence North 75d 16' West a distance of 132.00 feet, more or less, to an iron pin to be set;

Thence South 88d 14' West a distance of 668.25 feet, more or less, to an iron pin to be set;

Thence North 16d 46' West a distance of 396.00 feet, more or less, to an iron pin to be set;

Thence South 80d 44' West a distance of 544.50 feet, more or less, to an iron pin to be set;

Thence North 09d 14' East a distance of 272.25 feet, more or less, to an iron pin to be set;

Thence North 83d 46' West a distance of 413.82 feet, more or less, to a point;

Thence a distance of 3,275 feet, more or less, along the east bank of the Ashuelot River to an iron pin;

Thence South 73d 10' East a distance of 459.46 feet, more or less, to an iron pin;

Thence South 74d 26' East a distance of 269.75 feet, more or less, to an intersection of wire fences;

Thence South 73d 45' East a distance of 371.60 feet, more or less, to an iron pin to be set in the line of Old Richmond Road;

Thence South 24d 26' West a distance of 147.02 feet, more or less, to an iron pin to be set;

Thence South 16d 36' West a distance of 180.70 feet, more or less, to an iron pin;

Thence South 14d 00' West a distance of 144.02 feet, more or less, to an iron pin to be set;

Thence South 08d 55' West a distance of 202.17 feet, more or less, to the monument at the point of beginning, the last four bounds running along Old Richmond Road.

Being all of those premises depicted on the Plans, with the exception of the roadways known as Bellview Drive and Barden Circle, consisting of 7.08 acres, more or less, and Phase II (Lots 9-17), Phase III (Lots 18-24) and Phase V (Lots 25-33).

Subject to, and with the benefit of:

1. Rights which the present mill owners have of maintaining the dams on the east bank of the Ashuelot River, as reserved in a warranty deed from Charles A. Barden to Donald A. Barden dated and recorded December 31, 1934 at Vol. 464, Page 28 of the Cheshire County Registry of Deeds.

2. Easement to New England Telephone and Telegraph Company and Public Service Company of New Hampshire dated September 10, 1987, recorded September 17, 1987 at Vol. 1212, Page 11 of the Cheshire County Registry of Deeds.

3. Any and all matters as reflected on plans entitled "Union Village Community Development Proposed Final Plat East Swanzey New Hampshire" prepared by Richard M. Hitchcock, dated August 5, 1987, recorded December 8, 1987 at Cab. 9, Slides 101-107 of the Cheshire County Registry of Deeds.

4. Any and all matters as reflected on plans entitled "Eastfield Crossing" prepared by David A. Mann Associates, dated July 17, 1989, recorded September 27, 1989 at Cab. 11, Drawer 4, Slides 263 and 264 of the Cheshire County Registry of Deeds.

Subject to the following encumbrances, until the same are removed:

1. Notice of Current use Taxation recorded by the Town of Swanzey on June 17, 1978 at Vol. 984, Page 881 of the Cheshire County Registry of Deeds. A portion of the Common Area, consisting of 20 acres, more or less, shall remain in current use, pursuant to R.S.A. 79-A. Declarant cannot guarantee that this portion of the Premises shall remain in current use.

2. Rights, if any, of Granite Bank of Keene, under a mortgage in the principal amount of \$1,287,000.00 dated and recorded June 28, 1989, at Vol. 1295, Page 329 of the Cheshire County Registry of Deeds.

3. Rights, if any, of Granite Bank of Keene, under a mortgage in the principal amount of \$825,000.00 dated October 6, 1989, recorded October 10, 1989 at Vol. 1307, Page 575 of the Cheshire County Registry of Deeds.

EXHIBIT B

COMMON PROPERTY

1. Common Area

The real property described in Exhibit A, and shown on the Plans, exclusive of Lots 1-8 and Lots 34-45 and the roadways, consisting of the "Common Land," and all improvements and amenities thereto, including a firepond, all as shown on the Plans. The Plans further indicate Additional Land, being Phase II (Lots 9-17), Phase III (Lots 18-24) and Phase IV (Lots 25-33). These areas are owned by Declarant. Declarant has reserved the right to create additional lots on the Additional land. All Additional Land upon which additional lots are not created, shall be deeded to the Association, and shall be common property.

2. Roads, Lighting and Landscaping

The Town of Swanzev has accepted the roadways, known as Bellview Drive and Barden Circle, as public ways, and shall maintain and operate these roadways, the landscaping contained within the rights-of-way appurtenant thereto, and the drainage from the roadway. The Association shall maintain the lighting contained within these roadways to the extent that the Town of Swanzev is not or does not become responsible for the same. The Association shall further maintain the roadway to the firepond serving the Community.

3. Water System

Eastfield Crossing is served by a single community public water system. The system is similar to a municipal water system; however, it supplies water only for domestic use. Water for fire flows is supplied from several other sources including the small firepond, a 10,000 gallon storage tank and the nearby Ashuelot River. The water source for Eastfield Crossing is located in the level area alongside the South Branch of the Ashuelot River. Water is pumped from the wellfield through a pump control building to two buried gravity storage tanks. Water is drawn from the two gravity storage tanks and pressurized by a booster pump system contained in the pump control building. The water distribution system is constructed of 4" PVC pipe, which has been looped to reduce pressure losses and valved to permit isolation of portions of the system without shutting down water to all the residents. Individual lots are served by 1" service lines. Each Lot Owner is responsible for the 1" line located on the individual lot, and exclusively serving that lot.

4. Septic Systems

Each of the five clusters of housing (including those on the Additional Land) is served by a separate gravity collection and subsurface disposal system. In the event all forty-five lots are developed, there will be five such systems. The systems, known as community disposal systems, are a combination of municipal style collection systems and residential style leaching systems. Each system consists of individual house service lines which tie into gravity sewer lines, pre-cast concrete manholes at intervals of 300 feet or less along the gravity sewer lines; a pre-cast concrete septic tank; a pumping system; and a leaching field.

A regular operation and maintenance program of the septic systems is necessary.

Each Lot Owner will be responsible for the individual lines located upon the Lot, and exclusively serving that Lot.

5. Drainage

The drainage system consists of road-side ditches paralleling the road slopes and provided with stone paving in areas of potential erosion, with cross culverts under roads where the roads interrupt the natural drainage. Ditches and culverts are designed to discharge through treatment swales, level spreaders and existing drainage swales. Much of the site drainage flows to a retention basin which discharges to an existing drainage ditch which empties into the South Branch of the Ashuelot River.

EXHIBIT C

RESIDENTIAL PORTION OF THE PREMISES

Lots 1-8 and Lots 34-45, as shown on the Plans.

EXHIBIT D

PHASES II, III AND IV OF EASTFIELD CROSSING
(ADDITIONAL LAND)

Phase II	Lots 9-17
Phase III	Lots 18-24
Phase IV	Lots 25-33

EXHIBIT E

EASTFIELD CROSSING ASSOCIATION
BY-LAWS

ARTICLE I

General

1.1 Eastfield Crossing. The property in the Town of Swanzev, Cheshire County, New Hampshire, described in the Declaration of Covenants, Restrictions, Easements, Charges and Liens for Eastfield Crossing ("the Declaration") dated _____, 19__, recorded herewith in the Cheshire County Registry of Deeds by Eastfield Development Corporation (the "Declarant"), and the remaining owners of the Premises.

1.2 Definitions and Conflicts. The words and phrases defined in the Declaration shall have the same meaning when used herein. In the event any of the provisions of these By-Laws conflict with the Declaration, the provisions of the Declaration shall control.

1.3 The Association. The Eastfield Crossing Association ("the Association") is a voluntary corporation formed by certain Articles of Agreement ("Articles") filed under Chapter 292 of the New Hampshire Revised Statutes Annotated for the purpose of maintaining, and/or improving the Common Property and governing their use, and in general administering and enforcing the Declaration, these By-Laws, and the rules and regulations promulgated pursuant thereto.

1.4 Members. An owner of record of a lot ("Lot Owner") shall automatically become a member of the Association, and the membership of an Owner shall terminate when he, she, or it ceases to be an Owner, with such membership automatically transferred to such member's successor in interest. All present and future Owners, mortgagees, lessees and occupants of lots, their employees, and any other persons who may use the Common Property in any manner, are subject to these By-Laws, the declaration, the Articles, and the rules and regulations referred to in Section 5.11. The acceptance of a deed, and/or the conveyance, letting, or occupancy of a lot, shall constitute an agreement that these By-Laws, the Declaration, the Articles, and the rules and regulations, as they may be amended from time to time, are accepted.

ARTICLE II

Board of Directors

2.1 Number and Term. Except as provided in Section 2.4, the Board of Directors (the "Board") shall be composed of three persons elected by the Lot Owners. Except as provided in Section 2.4, Director shall be an individual who, alone or with other persons, is an Owner of record of a lot or lots, or an officer of or partner in an entity which is such an Owner, and shall serve for a term of one year and until his or her successor is elected or appointed.

2.2 Powers and Duties. The Board shall act for and on behalf of the Association in all matters, unless otherwise required by the Declaration, Articles, or these By-Laws, to be decided by the Lot Owners. The Board shall have the powers and duties necessary for the administration of the affairs of the Association, and may do all things related thereto except those specifically restricted by law or by the Declaration, Articles, or by these By-Laws. Such powers and duties of the board shall include, but shall not be limited to, the following:

- (a) Operation, care, upkeep, repair, and maintenance of the Common Property;
- (b) Exercising a right of entry upon any lot to make emergency repairs and upon reasonable notice to do other work reasonably necessary for the proper maintenance or operation of the community pursuant to Article IX of the Declaration;
- (c) Collection of assessments from the Owners;
- (d) Employment and dismissal of personnel and firms appropriate to the operation and affairs of the Community;
- (e) Obtaining insurance and bonds for the Association and Common Property as provided in Section 5.8;
- (f) Making replacements, additions, improvements or alterations to the Common Property as provided herein;
- (g) Granting and accepting easements, rights of way, licenses and other interests over the Community as consistent with the Declaration and these By-Laws.
- (h) Determining the common Expenses appropriate to the affairs of the Community including, without limitation, the equitable apportionment of expenses incurred with respect to the Common Property and other property, and allocating items of income and expense;

(i) Adoption, amendment, and administration (including waiver) of reasonable rules and regulations covering the operation and use of the Common Property, and levying or abating fines against Owners for violation thereof, which fines shall be additional Assessments constituting a lien on the lot as provided in Section 5.5. No fine of more than \$5 may be levied for any one violation, but each day a violation continues after notice shall constitute a separate violation;

(j) Opening of bank accounts on behalf of the Association and designating the signatories required therefor;

(k) Purchasing, owning, conveying, mortgaging, encumbering, leasing, and otherwise dealing with lots;

(l) Incurring indebtedness to meet operating expenses;

(m) Bringing or compromising claims or conducting litigation as to any course of action involving the Association or lots owned by the Association, or involving the Common Property, or arising out of the enforcement of the By-Laws, rules and regulation or restrictions in the declaration; and

(n) Altering the layout, location, nature, and use of any Common Property, making installations therein, and moving and removing the same.

2.3 Managing Agent. The Board may employ for the Association a Managing Agent at a compensation established by the Board, to perform such duties and services as the Board shall authorize, including but not limited to those duties described in subparagraphs (a) through (f) of Section 2.2. The Board may delegate to the Managing Agent those powers granted to it by these By-Laws other than the powers set forth in subparagraphs (g) through (n) of Section 2.2.

Any management agreement of the Association may not exceed three (3) years, but may be renewable by agreement of the parties for successive periods of up to three years. Any such agreement must provide for termination by either party without cause and without payment of a termination fee upon not more than ninety (90) days written notice.

2.4 Original Board of Directors. Notwithstanding Section 2.1, the first board of Directors shall be designated by the Declarant and shall consist of three Directors. Until such time as the Declarant transfers control to the Lot owners in accordance with Article III of the Declaration, the Declarant may from time to time change the designation of the persons who shall serve on the Board of Directors. Within a reasonable time after an event triggering transfer of control pursuant to Article III has occurred, the Board shall resign and the signed and acknowledged resignation of the Directors shall be recorded in the Cheshire County Registry of Deeds. Thereupon, Directors elected in accordance with Section 2.1 shall take office and serve with one person designated by the Declarant. Within 30 days after the Declarant shall have conveyed all

lots, the Director designated by the Declarant shall resign. For purposes of this Section, conveyance of "all lots" shall refer to all those lots which would exist should Declarant exercise to the maximum degree possible the right to create lots upon Additional land.

Prior to transfer of control pursuant to this Section, any contract or lease entered into by the Declarant or the Board of Directors on behalf of the Association shall provide for a right of termination without cause or penalty upon no more than 90 days notice to the other party to such contract or lease.

2.5 Removal. At any regular or special meeting of the association, a Director (other than Directors appointed by the Declarant pursuant to Section 2.4) may be removed for cause by an affirmative of a majority of Lot Owners, and a successor or successors shall thereafter be elected by the Lot Owners. The term of any Director, other than a Director designated by the Declarant under Section 2.4, shall automatically come to an end if, during his or term of office, he or she shall cease to be an Owner of a lot as provided in Section 2.1.

2.6 Vacancies. Vacancies in the Board caused by reason other than removal of a member by vote of the Lot Owners shall be filled by vote of a majority of the remaining Directors at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum. Each person so elected shall become a member of the Board for the remainder of the term being filled and until a successor is elected.

2.7 Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the members of the Board, but at least two such meetings of the Board shall be held during each fiscal year. Notice of regular meetings of the board shall be given to each member of the Board by the Secretary, by mail, telegraph, or telephone, at least three business days prior to the day named for such meeting. Special meetings of the board may be called by the President on twenty-four (24) hours notice to each member of the board, given by mail, telegraph, or telephone, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner, and on like notice, on the written request of any two members of the board. Any member of the board may at any time waive notice of any meeting of the board in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the board at any meeting of the board shall constitute a waiver of notice by him or her of the time and place thereof. Members of the board may participate in a meeting of the board by means of a conference telephone or similar communications equipment which enables all persons participating in the meeting to hear each other at the same time, and participation by such means shall constitute presence in person at such meeting. If all the members of the board are present at any meeting of the board, no notice shall be required and any business may be transacted.

2.8 Quorum and voting. At all meetings of the Board, a majority of the members thereof shall constitute a quorum for the transaction of business. Each Director shall have one vote. A majority of the votes cast by members of the board present and voting at a meeting at which a quorum is present shall constitute the decision of the board. Any action which might be taken at a meeting of the Board may be taken without a meeting if a written consent to the action is signed by all the directors. Such consent shall be treated for all purposes as a unanimous vote of the Board. If at any meeting there is less than a quorum present, a majority of Directors present may adjourn the meeting from time to time; and at any adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be then transacted without further notice.

Notwithstanding the foregoing, prior to the transfer of control by the Declarant to the Association pursuant to Article VII of the Declaration, each Director appointed by the Declarant shall have one vote; thereafter, for so long as the Declarant is entitled to appoint one Director pursuant to Article VII of the Declaration, that Director shall not vote except in the event of a tie.

2.9 Compensation. No member of the Board of Directors shall receive any compensation from the Association for acting as such.

2.10 Liability of Board of Directors. The members of the Board of Directors shall not be liable to the Lot Owners for any mistaken judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association, and the Lot Owners shall indemnify and hold harmless each of the members of the Board of Directors against all contractual liability to others arising out of contracts made by the board of directors on behalf of the Association, unless any such contracts shall have been made in bad faith or contrary to the provisions of these By-laws. It shall be permissible for the original Board of Directors, some members of which are stockholders or partners of or employed by the Declarant, to contract with the Declarant and affiliated corporations without liability for self-dealing. The liability of the Lot Owners arising out of any act or neglect of the Board, or of any Director, or out of the aforesaid indemnity in favor of the members of the Board of Directors, shall be a Common Expense. Every agreement made by the Board of Directors or by a Managing Agent, or by a Director on behalf of the Association, shall provide that the party so contracting is acting only as agent for the Lot Owners and shall have no personal liability thereunder.

ARTICLE III

Lot Owners

3.1 Annual Meetings. Annual meetings shall be held on the second Tuesday in February of each year. At such meetings the Lot Owners shall transact such business of the Association as may properly come before them.

3.2 Place of Meetings. Meetings of the Lot Owners shall be held at the principal office of the Association, or at such other suitable place convenient to the Lot Owners as may be designated by the Board of Directors.

3.3 Special Meetings. It shall be the duty of the President to call a special meeting of the Lot Owners when so directed by the Board of Directors, or upon presentation to the Secretary of a petition signed by Owners of at least one-third of the lots.

3.4 Notice of Meetings. It shall be the duty of the Secretary to give notice by mail, hand-delivery, telegraph, or telephone of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Lot owner of record at least ten but not more than thirty business days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

3.5 Adjournment of Meetings. If any meeting of Lot Owners cannot be held because a quorum (as defined in Section 3.10) has not attended, a majority of the Lot Owners who are present at such meeting, either in person or by proxy, shall adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called; and at any adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may then be transacted without further notice.

3.6 Consent in Lieu of Meeting. Any action to be taken by the Lot Owners may be taken without a meeting if all Lot Owners entitled to vote on the matter consent to the action by a writing filed with the records of meetings of Lot Owners. Such consent shall be treated for all purposes as a vote at a meeting.

3.7 Title to Lots. Title to lots may be taken in the name of an individual, or in the names of two or more persons as tenants in common or as joint tenants, or in the name of a corporation or partnership, or in the name of a fiduciary.

3.8 Voting. Each member who has paid all Assessments due on his or her lot by ten (10) days prior to a meeting of the Lot owners, and who is otherwise qualified under the Declaration and these By-Laws, shall be entitled to vote on each matter submitted to a vote at that meeting of members. When any lot is owned by more than one person or entity in joint tenancy, tenancy in common, or any other manner of joint or common ownership or interest, such persons or entities collectively shall be entitled to cast only one (1) vote, and if such persons or entities cannot jointly agree as to how such vote shall be cast, no vote shall be allowed with respect to such lot. Unless notified in writing to the contrary, the Association shall be allowed to assume that the vote of any one Owner is authorized by the other Owner(s). An owner may designate some other person to act as proxy on his or her behalf. The designation of any such proxy shall be made in writing to the Secretary, and shall be revocable at any time prior to the vote by written notice to the Secretary by the Owner or Owners so designating. In the case of lots owned by more than one person or entity, the vote of such lot may be cast, or the proxy

therefor executed, by any single Owner (or duly authorized fiduciary of an Owner), and in such case the Association shall be entitled to assume that such vote or proxy represents the unanimous vote of the Owners of such lot. Except as specifically provided in Section 2.4, the Declarant shall be deemed the Lot Owner of any lot or lots then unsold and may vote accordingly. Any lot or lots owned by the Board of Directors or its designee shall not be entitled to a vote.

3.9 Majority of Lot Owners. The vote of a majority of Lot Owners as a meeting at which a quorum shall be present shall be binding upon all Lot Owners for all purposes except where in the Declaration or these By-Laws, or by law, a higher percentage vote is required.

3.10 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Owners of one-fourth (1/4) of lots shall constitute a quorum at all meetings of the Lot Owners.

ARTICLE IV

Officers

4.1 Designation. The principal officers of the Association shall be the President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Directors from among its membership. The Board of Directors may appoint an assistant treasurer, and/or an assistant secretary, and these other officers need not be members of the Board of Directors.

4.2 Election of Officers. The officers of the Association shall be elected annually by the Board of Directors and shall hold office at the pleasure of the Board of Directors and until their successors are elected.

4.3 Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board, or at any special meeting called for such purpose.

4.4 President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Lot Owners and of the Board of Directors. He shall have all of the general powers and duties which are incident to the office of President of a stock corporation organized under the New Hampshire Business Corporation Act, including, but not limited to, the power to appoint committees from among the Lot Owners from time to time, as he may in his discretion decide are appropriate, to assist in the conduct of the affairs of the Association.

4.5 Secretary. The Secretary shall keep the minutes of all meetings of the Lot Owners and of the Board of Directors; shall have charge of such books and papers as the Board

of Directors may direct; and shall, in general, perform all the duties incident to the office of Secretary of a stock corporation organized under the New Hampshire Business Corporation Act.

4.6 Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Association, or the Managing Agent, in such depositories as may from time to time be designated by the Board of Directors, and he shall, in general, perform all the duties incident to the office of Treasurer of a stock corporation organized under the New Hampshire Business Corporation Act.

4.7 Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, or other instruments of the Association, and all checks for amounts in excess of \$1,000, shall be executed by any two officers of the Association, or by any one officer and such other person or persons as may be designated by the Board of Directors.

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

4.9 Certification. It shall be the duty of the Board of Directors, or any officer or Director, as the case may be, when so requested by any Lot Owner, or any mortgagee of a lot, to certify to matters relating to the Association. Any instrument signed by members of the Board, as they appear of record, representing a majority of the votes on the Board, and duly attested as the act of the Association, may be relied on as conclusively establishing that such instrument was the free act of the Association, and shall bind the Association. No purchaser, mortgagee, lender or other person dealing with the Board, as they appear of record, shall be bound to ascertain or inquire further as to the persons who are then members of the Board nor be affected by any notice, implied or actual, relative thereto, other than a recorded certificate thereof, and such recorded certificate shall be conclusive evidence of the members of the Board and of any changes therein.

4.10 Liability of Officers. The provisions of Article II, Section 2.10, with respect to liability of Directors shall apply equally to Officers of the Association.

ARTICLE V

Operation of the Association

5.1 Determination of Common Expenses and Fixing of Common Charges. The fiscal year of the Association shall be a calendar year. The Board of Directors shall from time to time prepare a budget for the Association, determine the amount of the Common Expenses payable by the Owners to meet the expenses of the Association and, by majority vote, assess

such Common Expenses among the Owners in equal shares. The Common Expenses shall include such amounts as the Board of Directors may deem proper for the operation and maintenance of the Common Property including, without limitation, an amount for the operating reserve fund of the Association, for a capital reserve fund for replacements of Common Property, to pay any taxes or special assessments assessed against the Common Property, to pay insurance premiums and to cover deductible amounts in any insurance policy, and to make up any deficit in the Common Expenses for any prior year. If during the course of any year, it appears to the Board that the Common Expenses previously assessed are insufficient, then the Board shall prepare a supplemental budget, and the expenses thereof shall likewise be assessed among the Owners. In the event a surplus exists, it may be refunded *pro rata* to the Owners or applied against future Common Expenses at the discretion of the Board. The Board of Directors shall advise all owners promptly of the amount of the Common Expenses assessed to and payable by each of them, and shall furnish copies of each budget on which such Common Expenses are based to all Owners and to any of their mortgagees who so request in writing. Declarant shall subsidize all deficits during the period of Declarant control.

5.2 Allocation of Common Expenses. To the extent assessments may be necessary, Common Expenses shall be allocated as follows:

- (a) Upon recording the Declaration, the Board of Directors shall determine the budget for the portion of the fiscal year remaining, and divide that amount by the number of months remaining in the fiscal year to determine the monthly Common Expenses;
- (b) Thereafter, the total budgeted Common Expenses for each subsequent fiscal year shall be divided by twelve to determine the monthly Common Expenses;
- (c) The monthly Common Expenses shall be divided by the number of lots to determine the monthly assessments.
- (d) Full assessments shall become payable for unsold lots sixty (60) days after the recording of the Declaration. During the initial sixty (60) day period an unsold lot shall be assessed at such reduced reasonable rate as the Board shall determine, provided, however, Declarant legally obligates itself to pay any deficits which may exist during the period of Declarant control in addition to or in lieu of payment of full assessments.
- (e) The initial budget for the Association is based on the assumption that all forty-five lots have been submitted to the Declaration. Declarant cannot guarantee that all forty-five lots will be submitted to the Declaration. In the event that all forty-five lots are not submitted to the Declaration, the Common Expenses

within the Community will need to be adjusted accordingly upon relinquishment of Declarant control.

5.3 Operating Reserve Fund and Capital Reserve Fund Contributions to the Association. At the time of closing of the initial sale of each lot to an individual Owner, the purchaser thereof shall pay an amount to the Association equal to two months' assessments of Common Expenses for that Association as determined by its Board of Directors for the operating reserve fund for the Association; except that if this sum has earlier been paid by the Declarant then the purchaser shall instead reimburse Declarant therefor. In addition, the purchaser shall pay at closing the sum of \$250.00 for placement in the capital reserve fund for the Association. Declarant shall retain these funds until such time as control of the Association is relinquished. Declarant shall pay these funds to the Association for any and all lots not sold at the time of relinquishment of Declarant control. Declarant may seek reimbursement from purchasers of these remaining lots.

5.4 Payment of Common Expenses. Owners shall pay any assessed Common Expenses monthly in advance, or at such other times as the Board shall determine, without notice other than as provided in Section 5.1, and without any right of set-off or counterclaim. If an Owner fails to pay such assessment when due, the amount thereof, with interest, costs, and reasonable attorney's fees, shall constitute a lien on such Owner's lot. No person shall be liable for the payment of an assessment of Common Expenses made after the person has conveyed his or her lot to a new Owner. Such person shall, however, be personally liable for Common Expenses assessed prior to a conveyance. A conveyance for this purpose shall be deemed to occur when the deed is recorded. A purchaser of a lot shall be liable for the payment of unpaid assessments which constitute a lien against the lot prior to its acquisition by such purchaser; however sale or transfer pursuant to a foreclosure of a first mortgage shall extinguish a subordinate lien for assessments which became payable prior to such sale or transfer. The foregoing limitation shall not prevent the subsequent *pro rata* assessment among all Owners, including a new Owner who takes pursuant to a foreclosure of a first mortgage, of such unpaid assessments.

5.5 Collection of Assessments. The Board shall take prompt action to collect any assessments due from any Owner which remain unpaid for more than 30 days from the due date for payment thereof. If an Owner defaults in paying his or her assessment, he or she shall pay interest at the rate of 1.5% per month on such assessment from the due date thereof, together with all expenses, including reasonable attorney's fees, incurred by the Board in any collection proceeding. The Board may recover such assessment, together with interest thereon, and the expenses of the proceedings, including reasonable attorney's fees, in an action at law or in equity to recover the same brought against such Owner, or by foreclosure of the lien on such lot. A suit to recover a money judgment for unpaid assessments may be maintained without foreclosing or waiving the

lien securing the same. In the event of foreclosure of the Association's lien, the Owner of the foreclosed lot may be required to pay a reasonable rental for the lot, and the Board of Directors shall be entitled to the appointment of a receiver to collect such rental.

5.6 Commencement of Assessments. Assessments shall commence upon recordation of the Declaration for all those lots submitted to the Declaration of the Eastfield Crossing Community, provided, however, the Declarant has legally obligated itself to pay any deficits which may exist during the period of Declarant control in addition to or in lieu of payment of full assessments.

5.7 Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of an Owner's obligation to pay his allocable share of the Common Expenses as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget, each Owner shall continue to pay the monthly charge at the then existing monthly rate established for the previous fiscal period until a new annual or adjusted budget shall have been adopted.

5.8 Insurance and Fidelity Bonds. The Board shall obtain and maintain, to the extent necessary and obtainable, the following policies of insurance covering the interests of the Association, the Board, and all Lot Owners and their mortgagees (provided the Board is given written notice of such mortgagees), as their interests may appear:

(a) Property damage insurance covering: all of the Common Property (except that land, foundation, excavation, and other items normally excluded from coverage need not be covered), utility systems, fixtures, building service equipment, and personal property and supplies belonging to the Association. Such property damage insurance shall cover 100% of the current replacement cost of all items listed herein, and shall, as a minimum, insure against loss or damage by all perils normally covered by the standard "all risk" endorsement. The Board shall redetermine the current replacement cost of such items annually.

The Board shall obtain the following endorsements, or their equivalent, to the extent available and applicable:

- (i) Agreed Amount and Inflation Guard Endorsements;
- (ii) Construction Code Endorsements, if any provision of applicable construction or building codes requires changes to undamaged portions of any insured building even when only a portion of the Community is destroyed by an insured hazard; *e.g.*, Demolition Cost Endorsement, Contingent Liability from

Operation of Building Laws Endorsement, and Increased Cost of Construction Endorsement; and

(iii) Steam Boiler and Machinery Coverage Endorsement, with coverage at least equal to the lesser of \$2,000,000 or the insurable value of the building housing the boiler or machinery coverage.

The maximum deductible for any such policy shall be the lesser of \$10,000 or one percent (1%) of the policy face amount.

(b) Flood Insurance, if any part of the Common Property is in a special flood hazard area as shown on any applicable map issued by the National Flood Insurance Administration. Such flood insurance shall be a "master" or "blanket" policy covering Common Property in an amount at least equal to the lesser of 100% of the insurable value or the maximum coverage available under the appropriate National Flood Insurance program. The maximum deductible amount for such a policy shall be the lesser of \$5,000 or one percent (1%) of the policy face amount.

(c) Workmen's compensation insurance if applicable;

(d) Comprehensive general liability insurance covering all Common Property, public ways, and any other areas that are under the Association's supervision, insuring the Association, the Board, the officers, the managing agent, if any, and the Lot Owners. Such policy shall provide for at least \$1,000,000 of coverage per occurrence for bodily injury, death or property damage, with such higher limits as the Board deems prudent from time to time. Coverage under the policy shall include, without limitation, legal liability of the insureds for property damage, bodily injuries, and death of persons in connection with the operation, maintenance or use of the Common Property, and legal liability arising out of lawsuits related to employment contracts of the Association. The maximum deductible for such policy shall be the lesser of \$10,000 or one percent (1%) of the policy face amount.

(e) A blanket fidelity bond for any officers, agents or employees of the Association handling or responsible for Association funds. The Association shall be named as the obligee on any such bond. If the Association should employ a Managing Agent that handles funds for the Association, the Board shall require that such Managing Agent purchase a fidelity bond naming the Association as an additional obligee, and shall require deposit of a current certificate of coverage with the Board. Any fidelity bond provided in accordance with this Section shall cover the maximum amount of funds that will be in the custody of the Association

or its Managing Agent during the period covered by the Bond, but such coverage shall be for no lesser amount than the sum of three months' assessments on all lots, plus the amount in the Operating reserve Fund, if any. The maximum deductible for such bond shall be the lesser of \$10,000 or one percent (1%) of the policy face amount.

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

The premiums on any policies and bonds listed above shall constitute a Common Expense. Funds sufficient to cover the deductible amounts shall be included in an Association's Operating Reserve. The deductible (if any) on any insurance policy purchased by the Board shall be a Common Expense, provided, however, that the Association may assess any deductible amount necessitated by the misuse or neglect of an Owner, or such Owner's tenant or such Owner's (or tenant's) household or accompanying guests, and employees, customers, agents or invitees against such Owner.

Any such policies or bonds shall show the following named insured: "Eastfield Crossing Association, for the use and benefit of the individual Owners", and shall provide that adjustment of loss shall be made by the Board and that the net proceeds thereof shall be payable to the Association. The Board shall receive, hold, and dispose of any proceeds of insurance in trust for Lot Owners and their mortgagees, as their interests may appear. In the event proceeds are to be distributed pursuant to the provisions of applicable law, the Declaration, or these By-Laws, the Board shall distribute such proceeds to the Lot Owners or their mortgagees, as their interests may appear. Notwithstanding anything to the contrary contained therein, no provision of these By-Laws and rules and regulations hereto, the Declaration or the Lot Deeds shall give any Lot Owner, or any other party, priority over any rights of the first mortgagee of the lot, pursuant to its mortgage, in the case of a distribution to such Lot Owner of insurance proceeds for losses to Lots and/or Common Property.

Any policies of insurance obtained by the Board shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all eligible holders. Certificates of such insurance and all renewals thereof, together with proof of payment of premiums, shall be delivered to Lot Owners and their mortgagees upon request.

All policies of insurance shall be written by reputable companies licensed and qualified to do business in the State of New Hampshire.

In obtaining and maintaining any insurance coverage referred to in this Section, the Board shall be entitled to rely on the advice and/or judgment of any independent insurance broker or agent.

The Board of Directors, the Managing Agent and the Declarant shall not be liable for failure to obtain any coverages required by this Article or for any loss or damage resulting from such failure: (i) if such failure is due to the unavailability of such coverages from reputable insurance companies; or (ii) if such coverages are so available only at demonstrably unreasonable cost.

Owners may carry insurance for their own benefit insuring improvements on their individual lots, furniture, furnishings and other personal property. Nothing shall be done by an Owner which will increase the rate of, or cause the cancellation of insurance on, all or any part of the Common Property, nor shall the liability of the carriers issuing insurance obtained by the Board be affected or diminished by reason of any such insurance carried by any Owner.

Any insurance obtained by the Board with respect to the Common property or occurrences thereon shall include a clause or endorsement denying the insurer rights of subrogation against the Declaration, the Association, the Board and the Lot Owners to the extent rights have been waived by the insured hereunder prior to occurrence of injury and loss. Any insurance obtained by any Lot Owner insuring improvements on his or her lot, furnishings or other personal property shall include a clause or endorsement denying to the insurer rights of subrogation against the Declarant, the Association, the Board and other Lot Owners to the extent rights have been similarly waived hereunder. Notwithstanding any provisions of the Declaration or these By-Laws to the contrary, the Association and each of the Lot Owners hereby waive any rights of recovery that each may have against any other for injury or loss due to hazards covered by such insurance to the extent of the indemnification received thereunder.

5.9 Maintenance and Repairs.

(a) All maintenance and replacement of and repairs to a lot shall be performed by the Lot Owner at the Lot Owner's sole expense.

(b) All maintenance, repairs, and replacements to the Common Property, , including emergency works, shall be performed by the Board and shall be charged to all the Owners as a common expense, except to the extent that the same are necessitated by the negligence, misuse or neglect of a member, in which case such expense shall be charged to such member.

5.10 Improvements.

(a) If fifty percent or more but less than seventy-five percent of the Lot Owners agree to make an improvement to the Common

Property, the cost of such improvement shall be borne solely by the Lot Owners so agreeing.

(b) Seventy-five percent or more of the Lot Owners may agree to make an improvement to the Common Property and assess the cost thereof to all Owners as a common expense.

5.11 Rules and Regulations. The Board of Directors may from time to time adopt Rules and Regulations governing the operation and use of the Common Property and may amend or rescind the same as they deem necessary or desirable. Copies of Rules and Regulations and any amendments thereto shall be furnished to each Owner prior to the time when the same shall become effective.

ARTICLE VI

Transfer

6.1 No Severance of Ownership. No Lot Owner shall execute any deed, mortgage, or other instrument conveying or mortgaging title to his or her lot, without including therein the interest of such Lot Owner in the Common Property and other assets of the Association, it being the intention hereof to prevent any severance of such combined ownership; nor shall any Owner so convey his or her lot without reference to the easements, restrictions, and covenants contained in the Declaration and any amendments thereto.

6.2 Purchase of Lots by Board of Directors. Acquisition of lots by the Board on behalf of the Association may be made from the operating reserve fund or any reserve of the Association, or if such funds are insufficient, the Board may levy an assessment against each Lot Owner as a common expense, or the Board, in its discretion, may borrow money to finance the acquisition of such lot, provided, however, that no financing may be secured by an encumbrance of any property other than the lot, together with its appurtenant interests, so to be acquired by the Board. The decision to acquire any lot shall be by vote of at least seventy-five percent of all Lot Owners at a special meeting called for that purpose, such majority to be calculated by excluding the interest of any lot which the Board is considering for purchase.

Any lot or lots owned by the Association shall not be Common Property, but shall be held of record in the name of the Association, or a nominee. Lots owned by the Association shall not be entitled to vote.

No right of first refusal or similar restriction in favor of the Association shall be imposed upon the right of the Lot Owners to sell, transfer, or otherwise convey their lots.

6.3 Payment of Assessments. No Owner shall sell, mortgage, lease or otherwise convey his lot until he shall have paid in full to the Board all unpaid assessments against his lot.

ARTICLE VII

Condemnation

In the event of a total or partial taking of the Common Property by eminent domain, the Lot Owners shall be represented by the Board of Directors. Any resulting award or proceeds of settlement shall be payable to the Board. The award shall be allocated equally among the respective Lot Owners or their mortgagees, as their interests may appear, except s to any portion or portions of the award attributable to direct or consequential damages suffered by particular lots, which shall be payable to the Owners of such lots or their mortgagees, as their interest may appear. Allocations of such awards to Lot Owners shall be applied first to payment of any outstanding liens of the Association on such Owner's lot prior to disbursement. Notwithstanding anything to the contrary contained herein, no provision of these By-Laws and rules and regulations hereto, the Declaration or the Lot Deeds shall give any Lot Owner, or any other party, priority over any rights of the first mortgagee of the lot, pursuant to its mortgage, in the case of a distribution to such Lot Owner of condemnation awards for taking of lots and/or Common Property.

ARTICLE VIII

Records; Certification Upon Resale

8.1 Records. The Board of Directors shall keep or cause to be kept minutes of the meetings of the Board of Directors, minutes of the meetings of the Lot Owners, and financial records and books of account of the Association, including a chronological listing of receipts and expenditures specifying and itemizing the maintenance and repair expenses relating to the Common Property, and any other expenses incurred, as well as a separate account for each lot, which, among other things, shall contain the amount of each assessment of common charges against such lot, the date when due, the amounts paid thereon, and the balance remaining unpaid. An annual report of the receipts and expenditures of the Association shall be rendered by the Board of Directors to all Lot Owners promptly after the end of each fiscal year. The minute books, financial records, and payment vouchers, as well as copies of the Declaration, these By-Laws, and any rules and regulations hereunder, as the same may be amended from time to time, shall be maintained at the office of the Board of Directors and shall be available for inspection by Lot Owners, the holder, insurer, or guarantor of any first mortgage on a lot, and the authorized against of any of them during business hours. If any such holder,

insurer, or guarantor so requests in writing, the Board of Directors shall provide it with an audited financial statement for the Association for the preceding fiscal year.

8.2 Certification Upon Resale. In the event of any resale of a lot by any person other than the Declarant, the prospective purchaser shall have a right to obtain from the Association within 10 days of a written request therefor the following;

(a) a statement of any capital expenditures and major maintenance expenditures anticipated by the Association within the current or succeeding 2 fiscal years;

(b) a statement of the status and amount of any reserve for the major maintenance or replacement fund and any portion of such fund earmarked for any specified project by the Board;

(D) A copy of the income statement and balance sheet of the Association for the last fiscal year for which such statement is available;

(d) a statement of the status of any pending suits or judgments in which the Association is a party defendant;

(e) a statement setting forth what insurance coverage is provided for all Lot Owners by the Association and what additional insurance coverage would normally be secured by each individual Lot Owner; and

(f) a statement that any improvements or alterations made to the lot by the prior Lot Owner are not known to be in violation of any restrictions or covenants imposed on the Premises.

EXHIBIT F

MATERIAL AMENDMENTS

A Material Amendment is any addition, deletion, or other change to the Declaration, By-Laws, or Rules and Regulations which would materially affect or alter, or add additional provisions relative to or resulting in, any of the following:

- (a) Voting rights;
- (b) Assessments, assessment liens, or subordination of such liens;
- © Reserves for maintenance, repair, and replacement of Common Property;
- ((d) Responsibility for maintenance and repairs;
- (e) Allocation of interests in Common Property, or rights to its use;
- (f) Boundaries of any lot;
- (g) Convertibility of lots into Common Property or of Common Property into lots;
- (h) Expansion or contraction of the Community or the addition, annexation, or withdrawal of property to or from the Community other than as provided in the Declaration as originally recorded;
- (i) Insurance or fidelity bonds;
- (j) Leasing of lots;
- (k) The imposition of any restriction on the right of a Lot Owner to sell or transfer his or her lot;
- (l) Reestablishment of self-management by the Association when professional management had been required previously by an eligible holder;
- (m) Restoration or repair of the Common Property after a hazard damage or partial condemnation in a manner other than that specified in the Declaration and/or these By-Laws;
- (n) Any action to terminate the legal status of the Association or the Community;
- (o) Any provisions which expressly benefit mortgage holders, insurers, or guarantors.

An addition or amendment to such documents shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only.

EXHIBIT G
AMENDMENT

Amendment made this ____ day of _____, 19__, by Eastfield Development Corporation, hereinafter called "Sponsor," to Declaration of Covenants, Restrictions, Easements, Charges and Liens for Eastfield Crossing dated _____, 19__, recorded _____, 19__ in the Cheshire County Registry of deeds in Vol. __ Page __ ("Declaration"). The words and phrases defined in the Declaration shall have the same meaning when used herein.

A. Certifications. Pursuant to Article II.B. of the Declaration, Sponsor certifies as follows:

1. Sponsor owns the real property described in Schedule A and Schedule B hereto (the "Property") in fee simple.
2. All preconditions and requirements for expansion of the Community in accordance with said Article II.B. of the Declaration have been met. A Plan of the Property, certified as accurate by a registered land surveyor or a registered engineer, has been recorded in the Cheshire County Registry of Deeds in Cab. 11, Drawer 4, Slides 263 and 264.
3. This Amendment has been signed by all parties required to give their assent hereto by said Article II.B. of the Declaration. Pursuant to Article II.B., all Lot Owners and eligible holders are deemed to have approved this expansion, as the real property annexed hereby is a portion of the real property as described in Exhibit D to the Declaration.
4. The number of Lots on the Property is ____.

B. Expansion and Amendment. Sponsor declares that the Property is and shall be held, transferred, sold, conveyed, leased, occupied and used subject to the covenants, restrictions, conditions, easements, charges, assessments, obligations and liens set forth in the Declaration, and the Declaration is hereby amended in the following respects:

1. Exhibit A to the Declaration is hereby amended by adding thereto the legal description of the Property contained in Schedule(s) A and B hereto.
2. Exhibit C to the Declaration is hereby amended by adding thereto the legal description of the portion of the Property contained in Schedule A hereto.
3. Exhibit B to the Declaration is hereby amended by deleting the existing Section 1 of Exhibit B as follows:

The real property described in Exhibit A and as shown on the Plans, exclusive of Lots 1-8 and Lots 34-45 and [Lots 9-17], [Lots 18-24] and/or [Lots 25-33] and the roadways, consisting of the "Common Land," and all improvements and amenities thereto, including a firepond, all as shown on the Plans.

SPONSOR

Eastfield Development Corporation

By: _____
Duly Authorized

STATE OF NEW HAMPSHIRE
CHESHIRE, SS.

Personally appeared before me on this ___ day of _____, 1989; _____, _____ of Eastfield Development Corporation, known to me, or satisfactorily proven to be, the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same on behalf of the corporation, being authorized so to do.

Notary Public/Justice of the Peace

SCHEDULE A
Residential Portion of Additional Land
(Phase [])

SCHEDULE B
Common Area Portion of Additional Land
(Phase [])