

WOODLAND POND AT MANCHESTER
DECLARATION OF COVENANTS AND RESTRICTIONS

ARTICLE I

INTRODUCTION

1. This Declaration (The "Declaration") is made and declared on September 26, 2003 by Woodland Pond at Manchester, LLC, a Delaware limited liability company, with an address c/o Waterford Development Corp., 175 Highland Avenue, Needham, Massachusetts (hereinafter referred to as the "Developer").

Developer is the owner of the land to be subdivided into 73 lots (the "Lots"), situated in Manchester, Hillsborough County, New Hampshire more specifically described in Exhibit A attached hereto and incorporated by reference and the Plan as defined below, (the "Property"). It is the intention of the Developer to develop the Property as a residential community containing 77 lots to be know as Woodland Pond at Manchester (the "Development"). A Homeowners Association, known as Woodland Pond at Manchester Homeowners Association, Inc. a New Hampshire non-profit corporation (referred to hereafter as the "Association" or as "Woodland Pond at Manchester Homeowners Association, Inc."), will be created.

It is the purpose of this Declaration to provide the Association with a means for maintaining various easements, open spaces, and other Common Areas, more specifically defined and described in the legal descriptions (attached hereto as Exhibit A), and/or the Plan which will serve to the benefit of all Lot Owners in the Development. Accordingly, the provisions hereof shall be understood and construed to achieve that purpose.

Developer desires to provide for the preservation of the values in the Development, and it is desired to define covenants, easements, charges, liens and restrictions for the protection of present and future holders of any interest in this Development consistent with any existing easements and restrictions of record and the future development of the Property.

The administration of the Development shall be governed by the Bylaws of the Association which are set forth herein and are made part hereof, and all present and future holders of any interest in the Development shall be members of Woodland Pond at Manchester Homeowners Association, Inc. which is a New Hampshire non profit corporation organized and operated to provide for the management, maintenance and care of Association Property (if any) and the Property as those terms are defined and described herein.

Unless the context otherwise specifies or requires, the terms defined in the ARTICLE I shall, for all purposes of this Declaration, have the meanings herein specified.

Association Property. The Term "Association Property" means (i) wires, pipes, poles and other conduits for electric, telephone, storm drainage, water, sewer, and cable television utilities, not owned by the provider of said utility service or the City of Manchester, (ii) the Common Area and (iii) any other real or personal property conveyed to or acquired by the Association and utilized for the benefit and in connection with the Development and Lot Owners. Recordation of an instrument of conveyance to the Association in the Hillsborough County Registry of Deeds shall constitute acceptance by the Association of Association Property.

Declaration. The terms "Declaration and Bylaws" shall mean this Woodland Pond at Manchester Declaration of Covenants and Restrictions establishing the Woodland Pond at Manchester Homeowners Association, Inc. and the Woodland Pond Development, as amended.

Developer. The term "Developer" shall mean Woodland Pond at Manchester, LLC,

Common Area. The term "Common Area" shall mean all easements, open space, partial open space, walking paths, roadways, wildlife corridors, irrigation systems located within the proposed public streets and other common areas, including the area designated as a "Not Approved Building Lot" containing approximately 24.89 acres (more specifically described in an Exhibit attached hereto and/or shown on the Plan) in the Development which shall serve to benefit all Lot Owners as defined in this section. It shall also include islands which the Association has the responsibility of landscaping and maintaining. The Common Area shall be owned by the Homeowner's Association subject to the Declaration; provided however, that the Developer or the Association reserve to themselves and their successors, the right to convey the fee title or a conservation easement with respect to any portion of said Common Area.

Lot Owner. The term "Lot Owner" or "Owner" shall apply to each such owner of a lot which has been subdivided by the Developer and more specifically described on the Plan of the Property herein referred to.

Plan shall mean the subdivision plan entitled "Subdivision Plat of Woodland Pond at Manchester, New Hampshire" dated March 13, 2002 and prepared by SEA Consultants, Inc., revised through March 25, 2003" and recorded as Plan # 32368 (in 7 sheets) in the Hillsborough County Registry of Deeds as it may be amended or modified by future plans as approved by the Manchester Planning Board.

2. Applicability. The provisions of this Declaration are applicable to the Property, and the use, occupancy, sale, lease, and other transfer thereof; All present and future owners, tenants, future tenants, their guests, licensees, servants, agents, employees, and any other Person who shall occupy the Property shall be subject to this Declaration. The acceptance of a deed of conveyance shall constitute an acknowledgment that such Owner, tenant, or occupant has accepted and ratified this Declaration and will comply with it.

(a) Roadways: Permitted Uses and Restrictions. The fee simple title in to all or portions of, Sylvan Lane, Pondview Lane, Acorn Circle, Blueberry Drive, White Pine Lane and River Birch Circle and other public streets together with associated Drainage Easements, Sewer and Water Easements ("Utility Easements") and are held by Developer and shall be so held until such time as such streets are accepted by and transferred to the City of Manchester, New Hampshire.

Each of such streets shall be subject to the rights and easements for the benefit of all owners of Units as hereunder provided.

There is reserved to the Developer the right, from time to time, to install in said streets such additional utility lines (including pipes, conduits and the like) as Developer or any utility may determine.

Prior to acceptance by the City of Manchester, New Hampshire the maintenance, repair and improvement (including snow removal) of Sylvan Lane, Pondview Lane, Acorn Circle, Blueberry Drive, White Pine Lane and River Birch Circle and other public streets within the Development shall be the responsibility of the Developer. Notwithstanding the foregoing, the Association shall continue to be responsible for the maintenance of the landscaped areas, including any irrigation systems, located within the public streets after acceptance by the City of Manchester.

(b) Drainage Easement/Drainage Easement Retention Area: No improvement, structure, barrier or other work, which in any manner unreasonably interferes with the common rights and purposes of the areas of land marked or noted on the Plan as Slope Easement, Sewer Easement, Water Easement, or Drainage Easement shall be made or done at any time.

(c) Conveyance of easements and/or Roadways to City. The Grantor reserves the right to convey the Slope Easements, Drainage Easements, Utility Easements, Gate Easement and Roadways to the City and upon such conveyance they shall no longer be part of the Common Area.

(d) Restriction on "Open Space" land. Except as provided elsewhere, the area designated as "Open Space" land shall be restricted as follows:

1. The Open Space shall be maintained as open space for the following purposes: recreational uses, walking and jogging trail or similar passive recreational use.
2. the property shall not be further subdivided.
3. there shall be no dumping or burial of materials.
4. The Property may be managed according to a "Forest Management Plan" based on standard forest management techniques.

3. PAYMENT OF TAXES

Each Lot Owner is responsible for the payment of all real estate taxes assessed against his or her lot.

4. RESERVED EASEMENTS AND COVENANTS

Every Owner shall have the following rights and easements of use and enjoyment, in common with other Owners, in and to the Property, and each Lot and the Common Area shall be burdened with the following easements and restrictions in favor of the other Lots and Common Area, all of which easements and restrictions shall be appurtenant to and shall pass with the title to every Lot, whether or not set forth in any instrument of conveyance as follows:

(a) Each Lot Owner shall have an easement in common with the other Lot Owners and other Lots, together with other Lots for ingress and egress through, and the use and enjoyment of Sylvan Lane, Pondview Lane, Acorn Circle, Blueberry Drive, White Pine Lane and River Birch Circle and any extensions thereof or other public streets within the Development.

(b) The Developer reserves on behalf of itself, its successors and assigns, perpetual easements over the Common Area and Lots for the installation, construction,

reconstruction, maintenance, repair, operation and inspection of all roads, public and private, utility services, drainage, sight lines and slopes (for roadways) necessary or desirable in connection with the operation of the Development including, telephone, roads, public and private, electricity and cable, which reservation includes the right to convey such easements directly to suppliers and/or distributors of utility services and to the City of Manchester as the case may be.

(c) Existing Easements and Restrictions. The Property is subject to those existing easements and restrictions described in Exhibit A attached hereto.

(d) Maintenance of Open Space Easements. Each Lot and the Common Area shall be burdened with an easement in favor of the Developer and the Association, its successors and assigns to allow the Association, its successors or assigns to fulfill its obligations to maintain the Open Space as set forth herein. Such easement shall include right of ingress and egress;

(e) Utility Easements. Each Lot and the Common Area shall be burdened with easements in favor of the Developer and the Association or public utilities if owned by such public utilities, for placement and maintenance of utilities including drainage, electric, telephone, water, sewer and cable television as shown on the Plan. Such easements shall include rights of ingress and egress, rights to place and replace, maintain and repair poles, lines, pipes, ditches, and other conduits.

(f) Other Easements. As shown on the Plan, certain Lots and Common Land are subject to Sewer, Drainage, and Water Easements. Each Lot and the Common Area on which any such Easement or Easements are located shall be burdened with easements in favor of the Association for maintenance and repair including snow and ice removal and no Improvements may be placed within any such Easements by the Owner.

(g) Utilities. All wires, pipes and other conduits for water, drainage, sewer, electric, telephone, cable television and other utilities shall be placed underground.

(h) Fertilizer Use. Lot Owners shall not be permitted to apply non-organic fertilizers on any lawns or landscaped areas on their Lot. The Association shall not apply any non-organic fertilizers to any Common Areas and all applications of organic fertilizers on the Common Areas shall be performed by a contractor who is a licensed applicator in the State of New Hampshire.

(i) Sewer Service. Each Lot and Lot Owner shall be responsible for all the costs related to the maintenance and replacement of the so-called "grinder pump" and sewer service line running between the home on the Lot and the public sewer main to which it is connected.

(j) Wetlands. (i) With respect to Lots 36, 37, 38, and 41, the Developer shall install flagging or signage on each of said Lots demarcating the location of the "edge of wetlands" on said Lots. The Association, after, the transfer of title to said Lots shall have the continuing and permanent responsibility to maintain said flagging or signage locating the edge of wetlands on said Lots. Each of said Lots 36, 37, 38 and 41 is subject to the permanent and perpetual restriction and covenant preventing the cutting or removal of trees within one hundred (100) feet of the edge of wetland on said Lots as shown on the Plan.

(ii) With respect to Lots 48 through 53, inclusive, and Lots 43 through 47, inclusive, said Lots are subject to the permanent and perpetual restriction and

covenant preventing the cutting or removal of trees within twenty-five (25) feet of the edge of wetland located on the rear portion on said Lots as shown on the Plan.

(k) Easement to Facilitate Completion and Sales. Developer shall be deemed to be the Owner of any Lot which have been completely constructed but not sold and conveyed. Developer and its duly authorized agents, representatives and assigns may make such reasonable use of the Property as may facilitate the completion of construction of Lots, utilities, streets and other improvements described herein and sale and conveyance thereof, including, without limiting the generality of the foregoing, Developer shall have the right to enter all of the Property for construction purposes, the right to store materials, the maintenance of a sales office and a rental office, the showing of property and the displaying of signs. In addition, Developer and its duly authorized agents, representatives and employees shall have the right to use any and all unsold and un conveyed Lots and homes thereon as sales offices and/or model units. Such Lots shall be Lots within the meaning of this Declaration and not parts of the Common Area. Developer shall have the absolute right to convey or lease such Lots. Further, Developer reserves the right to enter into certain agreements with other Lot Owners who may agree to lease their Lots to Developer for use by Developer as model units and/or sales offices;

ARTICLE II

HOMEOWNERS ASSOCIATION

1. Composition. All of the Lot Owners, acting as a group in accordance with the within Declaration and Bylaws, shall constitute the members of the WOODLAND POND AT MANCHESTER HOMEOWNERS ASSOCIATION, INC. which shall have the responsibility of owning, administering, maintaining, and managing all Common Area and Open Space, including easements which benefit all Lot Owners of Woodland Pond at Manchester. Except as to those matters which the within Declaration and Bylaws specifically require to be performed by the vote of the Lot Owners, the administration of the Association shall be performed by the Board of Directors (as more particularly set forth in Article III)

2. Period of control by Developer. Notwithstanding any other provision of the within Declaration and Bylaws, until the date on which all of the Lots have been conveyed by the Developer (the "Transition Date"), the Developer shall have the power, in its sole discretion, to (a) appoint or remove any or all officers and Directors of the Homeowners Association at any time, without cause, and (b) exercise any and all powers and responsibilities otherwise assigned to the Homeowners Association, its officers, or its Board of Directors. The Developer may relinquish its powers hereunder at any time by recording an appropriate statement at the Registry, in which event the date of such relinquishment shall be the "Transition Date".

This section may not be amended without the written consent of the Developer.

3. Voting. Each Lot Owner shall be entitled to a vote in the Association. Since an owner may be more than one Person, if only one of such Persons is present at a meeting of the Association, that Person shall be entitled to cast the votes appertaining to that Lot. If more than one such Person is present, the vote appertaining to that Lot shall be cast only in accordance with the agreement of a majority of them, and such consent shall be conclusively presumed if any one of them purports to cast the vote appertaining to that Lot without protest being made forthwith by any of the others to the individual presiding over the meeting. As applied to a Person which is not a natural person, the word "Person" shall be deemed for the purposes of this Section to include, without limitation, any one natural person having authority to execute deeds on behalf of such Person which is not a natural person and which is, whether alone or in conjunction with another Person or Persons, an Owner. Except where a greater number is

required by the within Declaration and Bylaws, a fifty percent (50%) vote is required to adopt decisions at any meeting of the Association and to elect Directors. If the Developer owns or holds title to one or more Lots, the Developer shall have the right at any meeting of the Association to cast the votes to which such Lot is entitled.

4. Place of Meeting. Meetings of the Homeowners Association shall be held at any suitable place as may be designated by the Board of Directors and stated in the notice of the meeting.
5. Annual Meeting. The first annual meeting of the Homeowners Association shall be held on a date to be determined by the Developer, which shall be within one year after the formation of the Association by the recordation of the within Declaration and Bylaws at the Registry. Notice of such meeting shall be given in accordance with the provisions of Section 7 of this Article II. Thereafter, the annual meetings of the Association shall be held on the same date of each succeeding year, or on such other date, as may be designated by the Board of Directors and reflected in the said notice. At such annual meetings following the Transition Date (as defined in Section 2 of this Article II, above), the Board of Directors shall be elected by ballot of the Lot Owners in accordance with the requirements of Section 4 of Article III. The Association may also transact such other business as may properly come before it at such meetings.
6. Special Meetings. It shall be the duty of the President to call a special meeting of the Homeowners Association if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Clerk by Owners having not less than 40% of the votes of all Owners. The notice of any special meeting shall state the time and place of such meeting and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.
7. Notice of Meeting. It shall be the duty of the Clerk to mail, by United States mail, a notice of each annual meeting or special meeting of the Owners, at least twenty-one (21) days in advance of an annual meeting and at least seven (7) days in advance of a special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Owner of record, at the address of his respective Unit and at such other address as each Owner may have designated by notice in writing to the Clerk. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.
8. Voting Requirements. An Owner shall be deemed to be in good standing and entitled to vote at any annual meeting or at any special meeting of the Homeowners Association if, and only if, he shall have fully paid all assessments made or levied and due against him and his Lot by the Board of Directors as hereinafter provided, together with all interest, cost, attorney's fees, penalties and other expenses, if any, property chargeable to him and against his Lot, as of the third business day prior to the date fixed for such annual or special meeting.
9. Quorum. A quorum shall consist of 50% or more of the total votes in the Association.
10. Order of Business. The order of business at all meetings of the Homeowners Association may be as follows: (a) roll call; (b) recitation of proof of notice of meeting; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) report of Board of Directors; (f) reports of committees; (g) election of Directors if applicable; (h) unfinished business, and (i) new business; any of which may be waived.
11. Conduct of Meeting. The President or his/her designee shall preside over all meetings of the Homeowners Association and the Clerk shall keep the minutes of the meeting and record in a Record Book, all resolutions adopted by the meeting as well as all transactions occurring there at.

ARTICLE III

BOARD OF DIRECTORS

1. Power and Duties. The affairs and business of the Homeowners Association shall be managed by a Board of Directors (sometimes herein referred to as the "Board") which shall have all of the power and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by these Bylaws, directed to be exercised and done exclusively by the membership of the Homeowners Association. The Board of Directors shall have the power from time to time to adopt any Rules deemed necessary for the enjoyment of the Homeowners Association provided that such Rules shall not be in conflict with the Declaration or these Bylaws. The Board of Directors may delegate to one of its members the authority to act on behalf of the Board of Directors on all matters which might arise between meetings of the Board of Directors. In addition to the general duties imposed by these Bylaws, the Board of Directors shall have the power to and be responsible for the following:

- (a) Preparing and adopting an annual budget, in which there shall be established the assessment of each Lot Owner for the Common Expenses and Special Assessments for the expenses for the maintenance and upkeep of the covenants, restrictions and Common Areas as defined in Article I of this Declaration.
- (b) Making assessments (including Special Assessments) against Owners to defray the Common Expenses of the Homeowners Association, establishing the means and methods of collecting such assessments from the Lot Owners, collecting said assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to carry out the administration of the Property.
- (c) Providing for the operation, management, care, upkeep, replacement, and maintenance of all the easements, and other Common Areas which benefit all of the Lot Owners.
- (d) Designating, hiring, and dismissing all personnel necessary for the maintenance, operation, repair and replacement of the easements, restrictions, roads, and other Common Areas which benefit all of the Lot Owners, and where appropriate, providing for the compensation of such personnel and for the purchase or use of equipment, supplies, and materials to be used by such personnel in the performance of their duties, which supplies and equipment, if purchased, shall be deemed the common property of the Lot Owners.
- (e) Making and amending the Rules respecting the use and enjoyment of the Property and enforcing by legal means the provisions of the within Declaration and Bylaws, and such rules, and bringing any proceedings which may be instituted on behalf of the owners.
- (f) Obtaining and carrying insurance against casualties and liabilities, as provided in Article VI of these Bylaws, and paying the premium cost thereof and making, or contracting for the making of, repairs, additions and improvements to, or alterations of the Association and Common Property and repairs to, and restoration of the Association and Common Property, in accordance with the other provisions of these Bylaws, after damage or destruction by fire or other casualty.
- (g) Opening bank accounts on behalf of the Homeowners Association and designating signatories required therefor, and keeping books with detailed accounts of

the receipts and expenditures affecting the Property, and the administration of the Homeowners Association. The said books shall be available for examination by the Owners and their duly authorized agents or attorneys, at reasonable times and places following reasonable advance notice. All books and records shall be kept in accordance with the generally accepted accounting principles. A copy of the annual financial statement shall be supplied to any first mortgagee of any Lot Owner in the Homeowners Association who requests the same in writing to the Clerk.

(h) The Board of Directors shall be the irrevocable power, which it may delegate to the President or other officer, as attorney in-fact on behalf of all of the Owners, their heirs, successors, and assigns to do the following thing:

(i) To grant easements through the Property and to accept easements benefiting the Property or any portion thereof;

(ii) To negotiate, settle, and litigate, including execution of any necessary documents, any proceeding by any governmental authority to condemn all or any portion of the Property, any dispute concerning the location of the boundaries of the Property, disputes concerning title to all or any portion of the Property, and any other disputes which affect the Property;

(iii) To execute any documents necessary to encumber all or any portion of the Common Area to secure any borrowing, providing that such borrowing is authorized pursuant to the within Declaration and Bylaws; and,

(iv) To do such other things and acts not inconsistent with the Declaration and Bylaws which it may be authorized to do by a vote of the Board of Directors conducted as provided hereunder.

2. Managing Agent. The Board of Directors, in its discretion, may employ, or contract with, a professional manager or management firm ("Manager") for a fee or compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including, but not limited to, the duties listed in Section 1 of this Article III. The Board of Directors may delegate to the Manager all of the powers granted to the Board of Directors by these Bylaws; provided that any actions by the Manager with respect to the powers set forth in paragraphs (a), (b), (e), (g) and (h), of Section 1 of this Article III shall require the written consent of the Board of Directors. Any employment contract entered into before the Transition Date (as defined in Article II, Section 2 above) shall provide that the Association may terminate the contract at any time following the Transition Date, without cause and without penalty, upon no more than 90 days' written notice.

3. Number of Directors and Initial Selection of Board. The Board of Directors shall be composed of three persons. Until the Transition Date, all Directors shall be appointed by the Developer and may be any natural persons. After the Transition Date, all elected Directors must be Lot Owners or spouses of Lot Owners, or, where a Person which is a Lot Owner is not a natural person, any natural person having authority to execute deeds on behalf of such Person.

4. Election and Term of Office. Subject to the Developer's right to designate set forth herein, at the first annual meeting of the Homeowners Association three (3) Directors shall be elected. The term of office of one Director shall be fixed at one year and the term of office of two Directors shall be fixed at two years. Subject to the provisions of Section 3 above, at the expiration of the initial term of office of each respective Director, each successor shall be elected at subsequent annual meetings of the Homeowners Association to serve a term of two

years. The Directors shall hold office until their respective successors have been elected and hold their first meeting. All elections shall be by sixty seven percent (67%) of the vote.

5. Vacancies. After the Transition Date vacancies on the Board of directors caused by any reason other than removal of a Director by a vote of the Homeowners Association shall be filled by vote of the majority of remaining Directors, at a special meeting of the Board of Directors held for the purpose promptly after the occurrence of any such vacancy, even though the Directors present at such a meeting may constitute less than a quorum of the Board; and each person so elected shall be a Director for the remainder of the term of the Director so replaced.

6. Removal of Directors. After the Transition Date a Director may be removed without cause and his successor elected, at any duly called regular or special meeting of the Homeowners Association at which a quorum is present, by an affirmative vote of sixty seven percent (67%) of the voters represented and voting. Any Director whose removal has been proposed by the Lot Owners shall be given at least ten days notice of the calling of the meeting and the purpose thereof and an opportunity to be heard at the meeting.

7. Compensation. No Director shall receive any compensation from the Homeowners Association for acting as such.

8. Conducting of Meetings. The President, or, in his/her absence, a president pro tem elected by the Board, shall preside over all meetings of the Board of Directors and the Clerk shall keep the minutes of the meetings of the Board of Director, recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings, which minutes shall be filed in the Record Book of the Association.

9. Report of Board of Directors. The Board of Directors shall present at each annual meeting, and when called for by vote of the Homeowners Association at any special meeting of the Association, a full and clear statement of the business and condition of the Association.

10. Dispensing with Vote. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

11. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the Owners for any mistake of judgement, negligence, or otherwise except for their own individual willful misconduct or bad faith which are contrary to the provisions of the Declaration or the Bylaws. The Owners shall indemnify and hold harmless each of the Directors from and against (a) all liability to others arising out of contracts made or action taken or omitted on behalf of the Owners unless any such contract shall have been made, or action taken or omitted, in bad faith, due to willful misconduct contrary to the provisions of the within Declaration and Bylaws, and (b) against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement incurred by such Director in connection with any threatened, pending, or completed action, suit or proceeding unless he acted in bad faith,, was guilty of willful misconduct contrary to such provisions. It is intended that the members of the Board of Directors shall have no personal liability (except as Owners) with respect to any contract made or action taken or omitted by them on behalf of the Owners, unless made, taken or omitted in bad faith, due to willful misconduct contrary to such provisions. It is also intended that the liability of any owner arising out of any contract, action or omission made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board of Directors shall be limited to the same percentage of the total liability thereunder as his/her Lot's undivided percentage interest in the Property. Every written agreement made by the Board of Directors or by the Manager on behalf of the Owners shall if obtainable, provide that the members of the

Board of Directors or the Manager, as the case may be, are acting only as agents for the Owners and shall have no personal liability thereunder (except as Owners' Liability), and that each Owner's liability thereunder shall be limited to the same percentage of the total liability thereunder as his/her Lot's undivided percentage interest in the Property.

ARTICLE IV

OFFICERS

1. Designation. The principal officers of the Homeowners Association shall be a President, a Clerk, and a Treasurer, all of whom shall be elected by the Board (subject to the provisions of Article II, Section 2). The Board may appoint such other officers as in its judgment as may be necessary. With the exception of the President, no officer need be a member of the Board. The offices of Treasurer and Clerk may be held by the same person.
2. Election of Officers. The officers of the Homeowners Association shall be elected initially by the Board at a special meeting held on or near the date on which the Declaration is recorded at the Rockingham County Registry of Deeds. Thereafter, the officers of the Association shall be elected annually by the Board at the organization meeting of each new Board and shall hold office at the pleasure of the Board. Any vacancy in an office shall be filled by the Board at a regular meeting or special meeting called for such purpose.
3. Removal of Officers. Subject to the provisions of Article II, Section 2, the officers shall hold office until their respective successors are chosen and accept their offices. Any officer elected or appointed by the Board of Directors may be removed at anytime without cause by the affirmative vote of a majority of the whole Board, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.
4. President. The President shall be the chief executive officer; he/she, or his/her designate, shall preside at meetings of the Homeowners Association and, if present, at meetings of the Board of Directors and shall be an ex officio member of all committees; he shall have general and active management of the business of the Association and shall see that all orders and resolutions of the Board are called into effect. He shall have all of the general powers and duties which are usually vested in or incident to the office of president of a stock corporation organized under the laws of the State of New Hampshire.
5. Clerk. The Clerk shall attend all meetings of the Board of Directors and all meetings of the Homeowners Association and shall record the minutes of all proceedings in the record book current and in his/her custody. He/She shall give, or cause to be given, notice of all meetings of the Homeowners Association, the Board and committees and shall perform such other duties as may be prescribed by the Board or President. The Clerk shall compile and keep current at the principal office of the Association (a) a complete list of the Owners and their last known post office addresses, and (b) copies of the Association instruments. These documents shall be open to inspection by all Owners and other persons lawfully entitled to inspect the same, at reasonable hours during regular business days.
6. Treasurer. The Treasurer shall have the custody of funds and securities that are not under the control of the Manager, and, with the assistance of the Manager, shall keep full and accurate records of receipts and disbursements, shall prepare all required financial data, and shall deposit all monies and other valuable effects in such depositories as may be designated by the Board. He/She shall disburse funds as ordered by the Board, where possible taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all of his/her

transactions as Treasurer and of the financial condition of the Association. Owners shall have the right to examine the books of the Association at reasonable times and places following reasonable advance notice.

7. Agreements, Contracts, Deeds, Leases, & Checks etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations shall be executed by any officer of the Association or by such other person or persons as may be designated by the Board of Directors.

8. Liability of Officers. The provisions of Article III, Section 16, with regard to liability and indemnification of Directors shall apply equally to officers of the Association.

9. Notification of the City of Manchester of Officers. The Clerk shall notify the City of Manchester of the names and addresses of each officer of the Association and of any changes.

ARTICLE V

OPERATION OF THE PROPERTY

1. Determination of Common Expenses and Assessments Against Owners.

(a) Fiscal Year. The fiscal year of the Association shall consist of the twelve (12) month period commencing January 1st of each year and terminating on December 31st of the same year, except that the first fiscal year shall begin at the date of the organization and terminate on December 31. The fiscal year herein established shall be subject to change by the Board of Directors.

(b) Preparation and Approval of Budget. Each year the Board of Directors shall adopt a budget for the Association containing an estimate of the total amount which it considers necessary to pay the cost of maintenance, management, operation, repair and replacement, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Declaration and Bylaws and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to the Lot Owners of all related services. Such budget shall also include such reasonable reserves as the Board of Directors considers necessary to provide. The budget shall consist of expenses allocated to the Common Property and Association Property and the Homeowners Association. The Board of Directors shall make reasonable efforts to send each Owner a copy of the budget, in an itemized form which sets forth the amount of common expenses payable by each Owner, at least fifteen days in advance of the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each Owner's contribution for the common expenses of the Association.

(c) Assessments and Payment of Common Expenses. The total amount of the estimated funds required for the operation of the Property set forth in the budget for the fiscal year adopted by the Board of Directors shall be assessed against each Lot Owner, as defined in Article 1, in proportion to the total Lots in the Development and shall be a lien against each Owner's Lot in accordance with the Laws of the State of New Hampshire. Any Special Assessments for the Common Area or any additional insurance premium shall be calculated separately for each Lot so assessed, based on the Board of Directors under the preceding subsection. Payments of the assessment for each fiscal year made pursuant to the foregoing provisions shall be annual with payments due on January 1st of each year. Within sixty (60) days after the end of each fiscal year, the Board of Directors shall supply to all Owners an itemized income and expense statement for that fiscal year. Any amount accumulated in excess of the amount required for actual expense and budgeted reserves shall, in the discretion of the

Board of Directors, either be rebated to the Owners in accordance with each Owner's votes in the Homeowners Association by crediting same to the next successive installment due from Owners under the then current fiscal year's budget, until exhausted, or shall be added to reserves. Any net shortage shall, if the Board of Directors deems it advisable, be added, according to each Owner's percentage assessment charge, to the next succeeding installment due after the rendering of the accounting.

If all or any portion of such assessments are not available to the Board prior to the time that the amounts thereof are needed to provide payment of the authorized costs, and Board may borrow such amounts, on behalf of the Association, and may secure such borrowing by assignment of the liens relative thereto arising pursuant to Section 2 of Article XII of this Declaration and Bylaws

Notwithstanding the foregoing, it is expressly provided that Lots 36, 37, 38, and 41 and their Owners are exempt from the obligation to pay the initial assessment, annual assessments, Common Expenses and special assessments so long as those lots are used solely for conservation purposes. Lots 36, 37, 38 and 41 are otherwise subject to all the terms and provisions of this Declaration.

(d) Intentionally Deleted.

(e) Initial Assessment. When the first Board of Directors takes office, it shall determine the budget, as defined in this section, for the period commencing upon the recordation of the Declaration and ending on the last day of the fiscal year in which their election occurs. Assessments shall be levied against the owners during said period as provided in Paragraph(c) of this Section. The Board of Directors shall set the initial assessment prior to the conveyance of any lots from the Developer. At each closing whereby a lot is purchased from the Developer an amount equal to the annual assessment shall be collected from purchaser.

(f) 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 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 semiannual charge at the then existing rate established for the previous fiscal period until ten (10) days after a statement has been mailed or delivered, showing the payment which is due under the new annual or adjusted budget.

2. Payment of Common Expenses. All owners shall be obligated to pay the Common Expenses assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article V. No Owner may exempt himself/herself from liability for this contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Area or by abandonment of his/her Lot. No Owner shall be liable for the payment of any part of the Common Expenses assessed against his/her Lot subsequent to a sale, transfer or other conveyance by him/her of such Lot. The purchaser of a Lot or other acquiring Owner by virtue of any transfer or other conveyance shall be jointly and severally liable with the transferring Owner for all unpaid assessments against the latter for his proportionate share of the common expenses up to the time of the conveyance without prejudice to the acquiring Owner's right to recover from the transferring Owner the amounts paid by the acquiring therefor. The acquiring Owner shall be entitled to a recordable statement from the Board of Directors or Manager setting forth the amount of the unpaid assessments against the transferring Owner and such acquiring Owner shall not be liable for, nor shall the Lot conveyed be subject to a lien for any unpaid assessments in excess of the amount therein set forth. Failure to furnish or make

available such a statement within ten (10) business days from receipt of such request shall extinguish the lien for unpaid assessments. Payment of a fee of the maximum allowable under the laws of the State of New Hampshire may be required as a prerequisite for issuance of such a statement.

If a holder of a first mortgage of record or other purchaser of a Lot obtains title to the Lot as a result of foreclosure of a first mortgage, or through the enforcement of any other remedy provided for in the mortgage, or by virtue of a deed in lieu of foreclosure, such mortgagee or purchaser, its successors and assigns, shall not be liable for, the payment of common expenses assessed prior to the acquisition of title to such Lot by such mortgagee or purchaser pursuant to the aforesaid remedies, and the Lot shall not be subject to a lien for same. Such unpaid share of Common Expenses assessed prior to the acquisition of title to such Lot by such mortgagee or purchaser pursuant to the aforesaid remedies shall be collectible from all Owners, including the purchaser from a first mortgagee, in proportion to their respective votes in the Homeowners Association.

Collection of Assessments. If any assessment is not paid within thirty (30) days of the due date, there shall be added to said assessment interest at the rate of 12% per annum accruing from the original due date. The Board of Directors shall take prompt action to collect any assessments for common expenses due from any Owner which remain unpaid for more than sixty (60) days from the due date for payment thereof.

Maintenance and Repair.

(a) By the Board of Directors. Except as otherwise provided in Section 4 (b) below, the Board of Directors shall be responsible for the maintenance, repair and replacement (unless necessitated by the negligence, misuse, or neglect of an Owner, or a person gaining access with said Owner's actual or implied consent, in which case such expense shall be specially assessed to such Owner), of all of the Common Area whether presently existing or hereafter constructed, the cost of which shall be charged as a common expense to Owners of Lots in proportion to the extent to which each item of such costs is incurred by or benefits each Lot; provided that the cost of any item of maintenance, repair, or replacement which is incurred by or benefits only one or more of the Lots shall be specially assessed against such Lot or Lots, and not against all Lots as a class. Any special assessments under the preceding sentence shall be billed and payable immediately.

The Board of Directors may offer, or may permit or direct a managing agent to offer, certain maintenance and repair services not otherwise required by this Declaration and Bylaws, individually or in one or more packages, to Lot Owners, according to designated guidelines and for designated charges to be approved by the Board.

(b) By the Owner. Except for any portion of his/her Lot required above to be maintained, repaired or replaced by the Board of Directors, each Owner shall be responsible for the maintenance, repair and replacement, at his/her own expense, of his/her Lot. In addition, each Owner shall be responsible for all damage to any and all other Lots or to the Common Area resulting from his/her failure to make any of the repairs required to be made by him/her by this section. Each Owner shall perform his/her responsibility in such a manner as shall not unreasonably disturb or interfere with the other Owners. Each Owner shall promptly report to the Board of Directors, or the Manager any defects or need for repairs for which the Board of Directors is responsible. If an Owner fails to discharge any duty imposed by this subsection, or pay for any damage caused by such failure, the Board may, after sixty (60) days' written notice or reasonable notice in an emergency, itself discharge the duty or pay for the damage and specially assess the expense against the Owner or Owners.

ARTICLE VI

INSURANCE

1. Insurance Required.

(a) The Board of Directors shall obtain (i) a master liability policy covering the Association, the Board, the Manager and Agents or Employees of the foregoing with respect to the Association, and all Owners and other persons entitled to occupy any portion of the Property (nothing herein shall be deemed to require that the Board obtain what is commonly known as "officers and directors liability" insurance coverage); (ii) such other insurance as authorized by a majority vote of the Association; and (iii) such other policies as specified herein below, which insurance shall be governed by the following provisions to the extent obtainable or possible:

Public liability insurance in such amounts as the Board may from time to time determine, but in no event shall the limits of liability be less than One Million Dollars (\$1,000,000.00) for bodily injury and property damage per occurrence, insuring the Association and all individuals referred to in Section I (ii) above, against any liability to anyone, and with cross liability coverage with respect to liability claims of any one insured thereunder against any other insured thereunder. This insurance, however, shall not insure against individual liability of an Owner or other person entitled to occupy a Lot or within the Common Area to which a Lot has exclusive use.

(b) Blanket fidelity bonds for the Board, the Association, and any Management Agent, covering all persons who either handle or are responsible for funds, whether or not they received compensation for their services, in the amount of the greater of (i) the maximum funds that will be in the custody of the Association or management agent at any time, or (ii) the sum, of three months' assessments on all Lots.

(c) Workmen's Compensation insurance as required by law for Association employees, if any.

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

2. General Insurance Provision.

(a) The Board shall be required to make every effort to see that all policies of liability insurance provided for under Article VI, Section I above: (i) shall cover all Common Areas, public ways and any other areas under the supervision of the Association, and any commercial spaces owned by the Association, even if leased to others; (ii) shall provide coverage for bodily injury and property damage resulting from the operation, maintenance or use of the Common Area; (iii) shall provide coverage for any legal liability resulting from lawsuits relating to employment contracts in which the Association is a party; (iv) shall, if they do not include "severability of interest" clauses, provide that no Lot Owner's claim will be denied because of negligent acts of the Association or other Lot Owners; and (v) shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days' written notice to all of the insurers thereunder and all first mortgagees of Lots named in the policies.

Individual Policies.

Since the master casualty policy specified in Section I above does not cover any part of the Lots, Owners of those Lots are encouraged to maintain their own casualty insurance in sufficient amounts to cover any loss. Such policies should contain the same waiver of subrogation provision as that set forth in Section 2 (b) above.

Notice to Lot Owners.

Excepting such policies as are obtained on behalf of the Association prior to the conveyance of the first Lot in the Property, when any policy of insurance has been obtained on behalf of the Association, written notice of the receipt thereof and of any subsequent changes therein or in such initial policies, or termination thereof shall be promptly furnished to each Lot Owner by the Clerk of the Association. Such notice shall be sent to all Lot Owners of record at the address of their respective Lots and to such other addresses as any of them may have designated to the Clerk; or such notice may be hand delivered by the Clerk or Manager.

ARTICLE VII

Intentionally Deleted

ARTICLE VIII

SALES, LEASES AND MORTGAGES OF LOTS

1. No Severance of Ownership. No Owner shall execute any deed, lease, mortgage, or instrument conveying or mortgaging the title to his/her Lot without including therein, the undivided interest of such Lot in the Common Area, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, lease, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.
2. Payment of Assessments. No Owner shall be permitted to convey, mortgage sell, lease, give or devise his/her Lot unless he/she (or his/her personal representative) shall have paid in full to the Board of Directors all unpaid Common expenses theretofore assessed by the Board of Directors with respect to his/her Lot, and shall have satisfied all unpaid liens with respect to his/her Lot, except mortgages. In the event that the Lot is subject to outstanding assessment previously levied against such Lot, and the acquiring Owner or the transferring Owner requests a recordable statement pursuant to Section 2 of Article V, the statement shall expressly state any waiver of, or failure or refusal to exercise, the right of the Association to prevent the disposition of any Lot, in any case where such waiver, failure or refusal may exist. Failure or refusal to furnish such a statement as provided in Section 2 of Article V shall not only constitute a waiver of such assessment, but also make the above mentioned prohibition inapplicable to any such disposition of the Lot.
3. Resales. In the event of a resale of a Lot or any interest in a Lot by any person other than the developer, the prospective Buyer shall have the right to obtain from the Association prior to the contract date of the disposition, the following:
 - (a) A recordable Statement setting forth the amount of unpaid assessments currently levied against the Lot.
 - (b) A Statement of any capital expenditures and major maintenance expenditures anticipated by the Association within the current or succeeding two (2) fiscal years.
 - (c) 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 of Directors.
 - (d) A copy of the Income Statement and Balance Sheet of the Association for the last fiscal year for which such statement is available.

(e) A Statement of the status of any pending suits or judgments in which the Association is a party defendant.

ARTICLE IX

AMENDMENT

1. Amendments. Except as otherwise provided herein this Declaration and Bylaws may be modified or amended by the procedure, set forth in Article II of the Declaration and Bylaws. Notwithstanding the foregoing, so long as the Developer is the Owner of one or more Lots, no amendment to this Declaration and Bylaws or Rules may be adopted which could interfere with the construction display, sale, lease or other disposition of such Lot or Lots. And further, notwithstanding the foregoing, no amendment of Article I, paragraph 2, subparagraph (e), Article I, paragraph 3, Payment of Taxes, and Article VIII, paragraph 1, shall be permitted without approval in writing and recorded at the Registry of Deeds issued by the Manchester Planning Board or its designated agent.
2. Recording. A modification or amendment of this Declaration and Bylaws shall become effective only when it has been duly evidenced in accordance with the recording laws of the State of New Hampshire.
3. Conflicts. A modification or amendment once adopted and recorded as provided for herein shall then constitute part of the official Declaration and Bylaws of the Association and all Owners shall be bound to abide by such modification or amendment. Such provisions in this Declaration and Bylaws are to be construed as covenants for the protection of the mortgagees on which they may rely in making loans secured by mortgages on the Lots. Accordingly, all Mortgage Holders that have provided the Association with a written statement requesting notice of any amendment or modification of the Declaration and Bylaws and an address for mailing such notice (hereinafter Eligible Mortgage Holders) shall be given thirty (30) days' notice of all proposed amendments, and no amendment or modification of this Declaration and Bylaws materially impairing or affecting the rights, priorities, remedies or interest of such Eligible Mortgage Holders (including the use of a secondary mortgage market, i.e., the salability of mortgages to Mortgage Guaranty Insurance Corporation, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, etc.) shall be adopted without the prior written consent of at least fifty-one percent (51 %) of such mortgagees (based upon votes appurtenant to Units subject to their mortgages).

ARTICLE X

MORTGAGES

1. Notice to Board. An Owner who mortgages his Lot shall notify the Board of the name and address of his mortgagee, and shall file a conformed copy of the mortgage with the Board. The Board shall maintain suitable records pertaining to such mortgages.
2. Notice of Unpaid Assessments for Common Expenses. The Board, whenever so requested in writing by a mortgagee of a Lot, shall promptly report any then unpaid assessments for Common Expenses due from, or any other default by, the Owner of the mortgaged Lot.
3. Notice of Default. No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to the Declaration and Bylaws except after ten (10) days' written notice to the holder of the first mortgage on the Lot which is the subject matter of such

suit or proceeding, provided that the Board has been given notice of such mortgage in the manner set forth above and in the Declaration.

ARTICLE XI

NOTICE

1. Manner of Notice. Except as otherwise provided in the Declaration and Bylaws, all notices, demands, bills, statements or other communications provided for or required under the Declaration and Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by US Mail, first class postage prepaid, (i) if to an Owner, at the address of his/her Lot and at such other address as the Owner may have designated by notice in writing to the Clerk, or (ii) if to the Homeowners Association, the Board of Directors or the Manager at the principal office of the Manager or at such other address as shall be designated by notice in writing to the Owner pursuant to this Section.
2. Manner of Notice. Whenever any notice is required to be given under the provisions of the statutes or this Declaration and Bylaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent thereto, unless such waiver is ineffective under the laws of the State of New Hampshire.

ARTICLE XII

DEFAULT

1. Default. Each Owner shall be governed by, and shall comply with, all of the terms of this Declaration and Bylaws and the Rules, and any amendments of the same. The Board shall give written notice to an Owner in the performance of any obligation under this Declaration and Bylaws or Rules. A default by an Owner shall entitle the Association acting through the Board of Directors or the Manager, to the following relief.
 - (a) Legal Proceedings. Failure to comply with any of the terms of this Declaration and Bylaws, or the Rules shall be grounds for relief, which may include, without limiting the same, an action to recover the sums due, for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in this Declaration and Bylaws, or any combination thereof, and any other relief afforded by a Court of competent jurisdiction, all of which relief may be sought by the Homeowners Association, the Board of Directors, the Manager, or, if appropriate, by an aggrieved Owner.
 - (b) Additional Liability. Each Owner shall be liable for the expenses of all maintenance, repair, or replacement rendered necessary by his/her acts, neglect, or carelessness, or the act, negligent, or carelessness of any other member of his/her family or his/her tenants, guest, employees, agents, or invitees, but only to the extent that such expenses is not covered by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of any Lot or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by an insurance company of its rights of subrogation.
 - (c) Costs and Attorneys' Fees. In any proceeding arising out of any alleged default by an Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorneys' fees as may be determined by the Court.

(d) No Waiver of Rights. The failure of the Homeowners Association, the Board of Directors, or of an Owner to enforce any right, provision, covenant, or condition which may be granted by this Declaration and Bylaws, or the Rules shall not constitute a waiver of the right of the Association, the Board of Directors, or any Owner to enforce such right, provision, covenant, or condition in the future. All rights, remedies, and privileges granted to the Association, Board of Directors or any Owner pursuant to any term, provision, covenant, or condition of the Declaration and Bylaws, or the Rules shall be deemed to be cumulative, and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by the Declaration and Bylaws, or the Rules, or any law or in equity.

(e) Interest. In the event of a default by any Owner which continues for a period in excess of thirty (30) days, such Owner shall be obligated to pay interest on the amounts due at twelve percent (12%) per annum, from the due date thereof. In addition, the Board of Directors shall have the authority to impose a late payment charge on such defaulting Owner in an amount not to exceed \$15.00 or six percent (6%) of any amount so overdue, whichever is greater.

(f) Abatement and Enjoinment of Violations by Owners. The violation of any Rule adopted by the Board of Directors, or the breach of this Declaration and Bylaw contained herein, shall give the Board of Directors or the Manager the right, in addition to any other rights set forth in this Declaration and Bylaws: (a) to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; or (b) to suspend or limit the right of the Owner committing the violation to use any part of the Common Area during the continuance of such violation.

2 Lien Assessments.

(a) The total annual assessment of each Owner for the common expenses or any special assessment levied pursuant to the Declaration and Bylaws, is hereby declared to be a lien levied against the Lot of such Owner or Owners.

(b) In any case, where an assessment against an Owner or Owners is payable in installments, upon a default by such Owner in the payment of any single installment, which continues for ten (10) days after written notice of such default has been sent to the Owner, the maturity of the remaining total of the unpaid installments of such assessments may be accelerated, at the option of the Board of Directors, and the then balance may be declared due and payable in full by the service of notice to such effect upon the defaulting Owner by the Board of Directors or Manager. The Association, in order to perfect such lien, shall file before the expiration of six (6) months from the time that the delinquent assessment (or installment, where such assessment is payable in installments) became due and payable, a memorandum in the Rockingham County Registry of Deeds in the form and manner prescribed by law.

(c) The lien assessments shall include interest, costs and attorneys' fees as provided in Section 1 of Article XII and may be foreclosed in the manner provided by the laws of the State of New Hampshire for the foreclosure of power of sale mortgages (including, without limitation, RSA 479:25-2,a) or by suit brought in the name of the Board of Directors, acting on behalf of the Homeowners Association.

(d) Suits to recover a money judgment for unpaid assessments shall be maintainable without foreclosure or waiving the lien securing the same, and foreclosure shall be available without bringing suit to recover a money judgment.

ARTICLE XIII

BORROWING

The Board of Directors, by an unanimous vote, may borrow funds from a financial lending institution to improve, construct, reconstruct or repair Common Area upon such terms and conditions as they deem appropriate, provided however, that any borrowing in excess of \$50,000.00 shall require the vote of a majority of the Owners present at a duly noticed and called Annual or Special meeting of the Owners, as provided in Article II above.

ARTICLE XIV

COMPLIANCE, CONFLICT AND MISCELLANEOUS PROVISIONS

1. Compliance. This Declaration and Bylaws is set forth in compliance with the requirements of the laws of the State of New Hampshire.
2. Severability. In case any portion of the Declaration and Bylaws are in conflict with the provisions of any statutes, the provisions of the statutes will apply. If any provisions of the Declaration and Bylaws or any Section, Sentence, Clause, Phrase or Word or the Application thereof in any circumstance is held invalid, the validity of the remainder of the Declaration and Bylaws, shall not be affected thereby and to this end, the provisions hereof are declared to be severable.
3. Waiver. No provision of the Declaration and Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same (except where a right is dependent upon notice to be given within a specified period), irrespective of the number of violations or breaches which may occur.
4. Captions. The captions contained in this Declaration and Bylaws are for convenience only and are not part of the Declaration and Bylaws and are not intended in any way to limit or enlarge the terms and provisions of the Declaration and Bylaws.
5. Gender, etc. Whenever in this Declaration and Bylaws the context so requires, the singular number shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

EXECUTED by Developer on this _____ day of _____, 2003.

WOODLAND POND AT MANCHESTER, LLC

BY: _____
Robert Shapiro, Manager

State of _____
County of _____

On this the ____ day of _____, 2003, before me, the undersigned officer, personally appeared Robert Shapiro, who acknowledged himself to be the Manager of Woodland Pond at Manchester, LLC, a Delaware limited liability company, and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as such officer.

In witness whereof I hereunto set my hand and official seal

Seal:

Notary Public
My Commission **Expires:**
Name: _____

[print]