

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

for

LOCKE SUMMIT ESTATES

THIS DECLARATION is made as of the _____ Day of _____, 2007 by LOCKE SUMMIT ESTATES, LLC, a limited liability company duly organized under the laws of the State of Maine, hereinafter shall be referred herein to as the "Declarant,"

WITNESSETH THAT:

WHEREAS, Declarant is the owner of the real property in the Towns of Newry, and Bethel, Oxford County, Maine, described in Exhibit A attached hereto, and referred to in this Declaration as the "Property", and

WHEREAS, Declarant desires to create a residential community on the Property (the "Subdivision") made up of single-family homes on individual lots of at least one (1) acre in size (the "Lots"), and

WHEREAS, Declarant desires to subject and place upon the Property certain covenants, conditions, restrictions, easements, reservations, rights-of-way and other limitations and obligations set forth herein for the purpose of protecting the value and desirability of the Property, and for the purpose of furthering a comprehensive plan for the appropriate improvement and development, home ownership, maintenance and sale of the Property, and to

- (a) Protect the owners of Lots ("Homeowners") against improper development and use of surrounding Lots that might depreciate unreasonably the value and use of their homes,
- (b) Assure reasonably consistent development of the Property, (c) Prevent the erection on the Property of structures constructed of improper or unsuitable materials or with improper quality or methods of construction,
- (d) Encourage the erection of attractively designed permanent improvements appropriately located within the Property in order to achieve a harmonious appearance and function, and
- (e) Promote generally the welfare and safety of the Homeowners, all to the end that a harmonious and attractive development may be accomplished and the health, comfort, safety, convenience and general welfare of the Homeowners and of Declarant and its successors and assigns may be promoted and safeguarded, and

WHEREAS, the Declarant also desires to establish a Homeowners Association as a method for the administration, maintenance, preservation, use and enjoyment of the Property,

NOW, TIHEREFORE, in consideration of the promises and provisions hereinafter contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Declarant does hereby publish and declare that the following terms, covenants, conditions, restrictions, easements, reservations, uses, rights-of-way, limitations,

obligations and other provisions shall run with title to the Property, and shall be a burden and a benefit, binding and benefiting all parties having any right, title or interest in the Property and their heirs, personal representatives, successors and assigns.

ARTICLE I Definitions

As used in this Declaration, unless the context otherwise requires, the following Terms shall have the following meanings:

- 1.1. “Architectural Review Board” or “Locke Summit Estates Architectural Review Board” means the architectural review board provided for in Article VII of this Declaration.
- 1.2. “Articles” or “Articles of Incorporation” means the articles of incorporation of the Association.
- 1.3. “Assessment Lien” means the lien on a Lot to secure assessments due the Association, as provided in Section 5.9 of this Declaration.
- 1.4. “Assessment Notice” means a notice of a regular or special assessment given by the Board to a Homeowner pursuant to Section 5.2 or Section 5.4 of this Declaration.
- 1.5. “Association” means Locke Summit Estates Homeowners Association, a Maine nonprofit corporation, the Articles and Bylaws of which, as herein defined, along with this Declaration, shall govern the administration of the Subdivision.
- 1.6. “Bylaws” means the Bylaws of the Association.
- 1.7. “Board of Directors” or “Board” means the governing body of the Association.
- 1.8. “Common Area” means the Property exclusive of the Lots. The Common Area includes but is not limited to roads, the stormwater management system and the utility lines, connections and related facilities serving the Lots, to the extent such lines, connections and related facilities are not owned by a utility company or by a Homeowner. The common area shall also include any common property building, if so built, at Declarant’s expense which may be later conveyed into the Association to managed and operated by the Association at its sole risk.
- 1.9. “Declarant” means LOCKE SUMMIT ESTATES, LLC, a Maine limited liability company . The term “Declarant” also shall mean any successor or assignee that the original Declarant may later designate as Declarant. The original Declarant specifically reserves the right to designate multiple successor Declarants whose rights, powers and obligations may be limited to specific portions of the Property, to specific subject matters, or both.

- 1.10 Declaration” means this Declaration of Covenants, Conditions and Restrictions, as it may be amended from time to time.
- 1.11 “First Mortgage” means a Mortgage on a Lot having priority of record over all other recorded Mortgages on that Lot.
- 1.12 “First Mortgage” means the Mortgagee under a First Mortgage.
- 1.13 “Home” means any single or multi-story structure constructed by a Homeowner on a Lot, including portions of such structures that are not intended for occupancy, such as garages or other outbuildings.
- 1.14 “Homeowner” means any Person who is a record owner (including Declarant and including contract sellers but excluding contract purchasers and Mortgagees) of a fee simple interest in any Lot.
- 1.15 “Improvement” means any structure and appurtenances thereto of every kind and type, including but not limited to driveways, signs, fences, walls, hedges, landscaping, mass plantings, outbuildings, walkways, sprinkler systems, exterior surfaces of any visible structure, air conditioning equipment, poles, signs or any other change in the Property from its natural state; provided, that the term “Improvement” does not include any Home.
- 1.16. “Lot” means each of those parcels of land, the size and dimensions of which are more particularly shown on a Plan titled “Site Plan of Locke Summit Estates” prepared by, (“the Plan”), which Plan was approved by the Town of Newry Planning Board and by the Maine Department of Environmental Protection and which will be recorded in the Oxford County Registry of Deeds.
- 1.17. “Major Repairs” means repairs or restorations of Improvements costing in excess of Twenty-Five Thousand Dollars (\$25,000.00), for which the Association is responsible but for which the Association has insufficient capital or reserves.
- 1.18. “Managing Agent” means the Person, if any, employed by the Board to perform management functions for the Association, the Property or both.
- 1.19. “Mortgage” means any mortgage or deed of trust recorded in the Oxford County Registry of Deeds by which the interest of a Homeowner in a Lot or any part thereof is encumbered.
- 1.20. “Mortgagee” means any Person named as a mortgagee or beneficiary in any Mortgage or any successor to the interest of any such Person under such Mortgage, provided, that such Person shall be deemed a Homeowner and not a Mortgagee if such Person acquires title to the encumbered property through or in lieu of foreclosure.
- 1.21. “Permittee” means any tenant, lessee, agent, employee, customer, patron, licensee or invitee of a Homeowner, or of a tenant or lessee of a Homeowner.

- 1.22. “Person” means an individual, corporation, limited liability entity, partnership, association, trust or other legal entity.
- 1.23. “Phase” means the construction of infrastructure to serve certain lots in the Subdivision. Phase One covers Lots 1 through ____, Phase Two covers Lots _____, through _____.
- 1.24. “Plan” means the approved plan of Locke Summit Estates that is to be recorded in the Oxford County Registry of Deeds.
- 1.25. “Property” means the land described in Exhibit A.
- 1.26. “Subdivision” means the Property, as developed into a residential community.

ARTICLE II

The Association

- 2.1. General Purposes and Powers. The Association, through the Board or the Managing Agent, shall perform functions, and hold and manage property, as provided in this Declaration so as to further the interests of Homeowners in the Subdivision. The Association shall have all powers necessary or desirable to effectuate such purposes.
- 2.2. Board of Directors. The affairs of the Association shall be managed by the Board of Directors, which may by resolution delegate any portion of its authority to an executive committee or to a Managing Agent for the Association. There shall be not less than three (3) and not more than nine (9) members of the Board of Directors. The composition of the Board shall be determined as follows:
- a. Until the first meeting, the Board shall consist of three persons appointed by the Declarant, who need not be Homeowners. Thereafter, Board shall be elected by the Homeowners. Initially, three (3) directors shall be elected. The number of directors may be increased or decreased at any annual meeting by a majority vote of members, within the limits stated herein, which also are stated in the Articles of Incorporation.
 - b. Each Homeowner who is a natural person shall have the right to stand for election to the Board, and each Homeowner who is other than a natural person shall have the right to designate an individual to represent such Homeowner in standing for election to the Board.
 - c. No Homeowner may participate in meetings of the Board until the meeting following such Homeowner’s delivery to the Board of (a) evidence reasonably satisfactory to the Board of such Homeowner’s ownership of a Lot, and (b) if such Homeowner is other than a natural person, a designation in writing of the

individual or individuals who are to represent such entity Homeowner on the Board.

- d. Any person or entity who ceases, voluntarily or involuntarily, to be a Homeowner shall forthwith notify the Board of that fact, and neither such Homeowner nor their representative, if any, shall thereafter be eligible to participate in any meeting or action of the Board.
- 2.3. Amplification by Bylaws. The purposes and powers of the Association and the rights and obligations with respect to Homeowners set forth in this Declaration may be amplified by the Bylaws of the Association.
 - 2.4. Management and Maintenance of Common Area. Subject to the rights of Declarant and other Homeowners as set forth in this Declaration, the Association shall be exclusively responsible for the management, control, maintenance, repair, replacement and improvement of the Common Area, and shall keep the same in good, clean, attractive and sanitary condition, order and repair. Such maintenance shall include snow removal as needed. The Association shall maintain in a proper, first class manner all improvements constituting part of the Common Area.
 - 2.5. Maintenance of Storm Water Management System. As part of the development of the Property, a storm water management system was designed and constructed. This system consists of culverts, ditches, detention areas, level spreaders and buffers. The storm water management system is a part of the Common Area, and thus it shall be the duty of the Association to maintain the system to assure its proper functioning. The system shall be maintained in accordance with the procedures set forth in a document titled “ Locke Summit Estates Storm Water Management System Maintenance Plan,” which is attached hereto, marked as Exhibit B. Easements to permit the Association’s agents to enter onto any portion of the Property, including individual Lots, during maintenance and repair of the storm water management system are set forth in Section 6.3 herein.
 - 2.6. Maintenance Reserves. The Association shall establish and maintain, out of the annual assessments, an adequate reserve for the periodic maintenance, repair and replacement of Improvements on the Common Area. The funds so reserved shall be deposited in a bank account other than the Association’s regular operating account, and no withdrawal from the reserve account shall be made without the approval of the Board.
 - 2.7. Recovery from Homeowners. If the need for maintenance, repair or replacement affecting the Common Area results from the negligent or willful act or omission of a Homeowner or a Homeowner’s Permittee, then the expenses incurred by the Association for such maintenance, repair or replacement shall be assessed against such Homeowner and shall be payable within thirty (30) days after the Association gives written notice to the Homeowner of the amount due. Any Homeowner subject to such an assessment may, by written notice to the Association within such 30-day period, request a hearing before the Board to contest the finding of negligence, willful act or omission. If such a hearing

has been timely requested, no action to enforce the assessment shall be taken until the hearing has been held and the Board has announced its determination.

- 2.8 Labor and Services. The Association may (I) employ, directly or through a Managing Agent, such personnel as the Association shall determine to be necessary or desirable for the proper operation of the Subdivision; (ii) obtain and pay for such legal and accounting services as it determines to be necessary or desirable in connection with the operation of the Subdivision or the enforcement of this Declaration; and (iii) arrange with others to furnish lighting, trash collection, and other common services to the Home owners.
- 2.9 Special Services. The Association may, at the request of any Homeowner, undertake any activity, function or service for the benefit of such Homeowner on a self-supporting or special assessment basis. Such activities, functions or services may include, without limitation, the provision of repair, maintenance, janitorial or cleaning service for individual Homes.
- 2.10 Implied Rights. The Association shall have and may exercise any right or privilege given to it expressly by this Declaration or the Articles or Bylaws, or reasonably to be implied by law, or which may be necessary or desirable to fulfill its duties, obligations, rights or privileges.
- 2.11. Right to Enforce. The Association may, to the extent permitted by law, take judicial action against any Homeowner to enforce compliance with this Declaration, the Articles, the Bylaws, and such rules and regulations as may be adopted by the Association and to obtain damages or such other relief as may be appropriate in the circumstances. The Board shall also have the power to assess such monetary fines as it may deem reasonable for a Homeowner's infraction of any of the provisions of this Declaration, the Articles, the Bylaws or any rule or regulation of the Association. Any Homeowner against whom a monetary fine is assessed may, within fifteen days after the Board has given notice of the proposed fine, request a hearing before the Board to contest the asserted infraction, and collection of the proposed fine shall in that event be stayed pending such hearing and the Board's announcement of its decision.

ARTICLE III Rights In The Association

- 3.1 Membership and Inseparability of Rights. Every Homeowner shall be a member of the Association and shall remain a member so long as such Homeowner owns a Lot. No Person who is not a Homeowner shall be a member of the Association. Membership in the Association shall be appurtenant to, and may not be separated from, ownership of a lot. Upon the transfer of a Lot the membership in the Association and all rights of the transferor Homeowner with respect to the Common Area and any facilities located thereon to which ownership of such Lot relates shall automatically transfer to the transferee Homeowner. Each Homeowner shall be entitled automatically to the benefits and subject to the burdens relating to membership in the Association.

- 3.2 Voting Rights. Co-owners or joint owners of a Lot shall be deemed one Homeowner for the purpose of voting rights in the Association. The owner(s) of each Lot shall be entitled to one vote. The voting rights associated with Lots owned by the entity that is the Declarant shall be exercised by the entity that holds title to the Lot.

The Locke Summit Estates Homeowners Association shall have two classes of voting membership:

Class A: Shall be each of those Lot owners other than the Declarant as defined herein above. Class A members shall be entitled to one vote for each of its members in good standing

Class B: The Class B member shall be the Declarant / Developer, Locke Summit Estates, LLC and it shall be entitled to two (2) votes for each Class A vote until the number of Class A votes becomes thirty five (35) in total.\

When the number of Class A votes reaches thirty five (35) then there shall no longer be a Class B membership and the Declarant/ Developer shall be entitled to one (1) vote for each lot it still owns at that time.

- 3.3 Homeowners' Addresses for Notices. If a Homeowner has notified the Association by registered or certified mail (return receipt requested) of the address or addresses to which notices are to be given, any notice or other document required or permitted to be given by the Association to such Homeowner, if not delivered in hand, shall be mailed by first class, registered or certified mail, to the address or addresses specified by such Homeowner. Otherwise, any such notice or other document may be delivered or mailed to the address of the Lot shown in the Association's records as being owned by such Homeowner. Any notice or other written instrument given by the Association in accordance with the foregoing will be deemed to have been given on the date that it is delivered or mailed.

ARTICLE IV

Common Area Improvements: Association Control

- 4.1 Improvements to Common Area. The Improvements to the Common Area for which the Association shall be responsible are the roads, which shall have a sixty foot width right of way as shown on the Plan, the utility (electricity, cable and other telecommunications) lines and the storm water management system. In addition, if the Declarant shall build a common usage building on common property of the subdivision , then the Association shall be responsible for all costs related to the operation of this common usage building.
- 4.2 Association as Homeowner of the Common Area. The Declarant shall convey any and all common area to the Association, when the Declarant deems necessary subject to non-delinquent real property taxes if any are assessed thereon, but free

and clear of any other liens securing monetary obligations.

ARTICLE V

Assessments

- 5.1 Annual Budget. Within 60 days after the initial members of the Board have been appointed, the Board shall adopt, and shall distribute to the Homeowners, a budget for the expenses expected to be incurred by the Association during the remainder of the current calendar year in carrying out its duties under this Declaration. Thereafter, not later than November 1st of each year, the Board shall adopt and distribute to the Homeowners a corresponding budget for the next calendar year. Such expenses may include, by way of example and not limitation, costs of road maintenance and repair, storm water management system maintenance and repair, insurance, and the administrative costs associated with enforcing the covenants, conditions and restrictions contained herein.
- 5.2 Regular Assessments. Concurrent with the adoption of each budget the Board shall determine the level of assessments that will be necessary to cover the budgeted expenses and to make any appropriate addition to the reserves of the Association. Such assessment shall be equal to the total budget divided by the number of Lots that have been created, whether or not such Lots have been sold by the Declarant. Lots that are shown on the Plan but to which infrastructure has not been constructed shall not count for the purpose of determining assessments.
- 5.3 Notice to Homeowners. Concurrent with the distribution of the budget for each year, the Board shall notify each Homeowner of the amount assessed against each Lot in the Subdivision for such year, and of the annual payment required to discharge such assessment.
- 5.4 Special Assessments. The Association, upon the affirmative vote of two-thirds of the Homeowners, may make special assessments from time to time to pay for Major Repairs or to cover other unanticipated shortfalls in the revenues of the Association. Except for special services assessments made pursuant to Section 2.9 herein, (which shall be payable solely by the Homeowner or Homeowners affected), any such special assessment shall be allocated among the owners of Lots in the manner provided above. The Board shall notify each affected Homeowner forthwith of the amount, payment terms and basis for allocation of any such assessment.
- 5.5 Deposit for Reserves. Upon the initial conveyance of each Lot, the Declarant shall require each Homeowner to deposit with the Association an amount not greater than the amount of the estimated next regular annual assessment. Such funds shall be held without interest by the Association as a reserve for expenses. No such deposit shall excuse any subsequent payment of an annual assessment. The Association shall have no duty to refund any such deposit when the Lot to which it relates is transferred, but the

Homeowner may, if so provided in any agreement relating to the transfer, recover an amount equal to such deposit from his or her transferee.

- 5.6 Payment Terms Late Charges. Interest and Collection Costs. Regular assessments shall be payable annually, in advance, without notice, on or before the first day of June. Special assessments shall be payable in a lump sum or in installments over such period of time as the Association may determine and specify in the applicable Assessment Notice. All assessments shall be payable to the Association at the mailing address listed in herein. Any assessment or installment of an assessment not paid within thirty (30) days after the date due shall be subject to a late charge of five percent of the amount due for \$50.00, whichever is greater, and any such assessment or installment not paid within sixty (60) days after the date due shall, in addition to such late charge, bear interest from the date due until paid at the higher of (I) 18% per annum, or (ii) five percentage points per annum above the prime interest rate published in the Wall Street Journal as of the date such Assessment was due.
- 5.7 Personal Obligation. Each Homeowner, by accepting title to a Lot, shall be personally liable, and shall be deemed to have agreed, (a) to pay when due all amounts assessed against each Lot owned by such Homeowner, as specified in any Assessment Notice issued while such Homeowner was a Homeowner of record of such Lot, and (b) if any such amount is not paid when due, to pay late charges and interest on the delinquent amount as provided in Section 5.6, together with all costs of any foreclosure or other collection action taken by the Association, including attorneys' fees. In the case of a Lot owned by two or more individuals or entities, such Homeowners shall be jointly and severally liable for payment of all such amounts. Nothing in this section shall preclude a Homeowner from contracting with a tenant or other third party for such party's assumption of all or any part of such Homeowner's liability for assessments, but no such contract shall relieve such Homeowner of direct and primary liability to the Association for payment of the amounts referred to in this section.
- 5.8 Remedies for NONPAYMENT. If any assessment or installment of an assessment is not paid within sixty (60) days after the date due, the Association may, with or without foreclosing the lien provided for in Section 5.9, institute in the name of the Association a civil action against the defaulting Homeowner or Homeowners to collect the assessment, together with late charges, interest and collection costs as provided above. The Association may also suspend the voting rights of such Homeowner or Homeowners in the Association and on the Board of Directors of the Association until such time as all delinquent amounts are paid.
- 5.9 Lien for Assessments. Each assessment levied by the Association against a Lot, together with any late charges, interest and collection costs that may subsequently relate to such assessment, shall, from the date of issuance of the applicable Assessment Notice, automatically be secured by a continuing Assessment Lien on such Lot. Any such Assessment Lien shall be subject to, and may be enforced in accordance with, the provisions of this section and Maine law.

- a. Any such Assessment Lien shall be senior and superior in priority to all other liens and encumbrances affecting such Lot except a lien securing tax and related obligations due any governmental taxing authority, to the extent such tax-related lien is legally perfected without recordation or filing of notice in any public records or is perfected by such recordation or filing prior to the issuance of the Assessment Notice that gave rise to such Assessment Lien,
- b. If any assessment or installment of an assessment is not paid when due, the Association, acting through the Board, may sign and record a notice of such Assessment Lien, in the Oxford County Registry of Deeds. Such notice shall refer to this Declaration and shall state the date and the amount of the delinquent Assessment, the name and address of the delinquent Homeowner, the name and address of the Association and the legal description of the Lot against which the delinquent Assessment was made.
- c.. Any Assessment Lien may be foreclosed in accordance with the laws and rules of court applicable to foreclosure of mortgages on real property.
- d. If a Mortgagee has given notice to the Association pursuant to Section 11.5 below and has requested below and has requested that the Association notify such Mortgagee of any default by the Homeowner(s) of such Lot(s) in the payment of assessments due the Association, then the Association (a) shall accept any tender by such Mortgagee of the delinquent amount, and (b) shall not take action to foreclose an Assessment Lien against such Lot(s) unless the assessment remains delinquent for thirty (30) days after the Association has notified such Mortgagee of the delinquency.

5.10 Borrowing by Association. If a Homeowner has failed to pay a special assessment when due, in addition to taking the other actions provided for in this article, the Association shall be authorized to borrow an amount not exceeding the amount of the delinquent assessment, either from another Homeowner who is willing to loan such amount or from a third party. Any such borrowing shall be on such terms as may be approved by the Association, which may include assignment to the lender of the Association's lien and other rights to enforce payment of the delinquent assessment. Any Person who loans funds to the Association pursuant to this section and receives an assignment of the Association's rights shall, to the extent permitted by law, have all of the rights that would be available to a holder in due course of a negotiable instrument evidencing a debt equal to the amount of the delinquent assessment, and no claim, offset or defense that the delinquent Homeowner may have as against the Association shall be valid as against such Person.

5.11 Liability of Transferees. No transferee of a Lot shall be personally liable for any assessment levied against such lot prior to such transferee's acquisition of title, but unless such transferee acquires title by foreclosure of a lien senior to the Assessment Lien securing such assessment, such transferee shall take title subject to such Assessment Lien and to the rights of the Association to enforce such Assessment Lien against such Lot

- 5.12 Certificate as to Status of Assessments. Upon request in writing by the Homeowner or a prospective purchaser or Mortgagee of any Lot, and payment of such reasonable charge as may be determined from time to time by the Board, the Secretary of the Association shall issue a certificate setting forth (a) the amount of any unpaid assessments, late charges, interest and collection costs then secured by an Assessment Lien against such Lot, (b) the amount of the current regular annual assessment against such Lot and the dates on which the next such assessment is due, (c) the amount and due date of any special assessment that has been levied against such Lot, (d) the amount of the deposit, if any held by the Association with respect to such Lot pursuant to Section 5.5 above, and (e) any other information deemed proper by the Board. Any such certificate shall be binding on the Association unless it is obvious on the face of such certificate that it is erroneous.

ARTICLE VI

Easements & Reservations

- 6.1. Easements of Record. In addition to any easements or rights-of-way of recorded prior to this Declaration, the Property shall be subject to and benefited by the easements and right-of way provided for in this Declaration.
- 6.2. Reserved Development Rights of Declarant: Additional Land may become subject to the conditions, restrictions, easements and covenants of this Declaration provided such additions are in accordance with a General Plan of Development. The Declarant, its successors and assigns shall have the right to bring within the scheme of the Declaration additional properties in future. No Easement or Right of Way to land outside of the Subdivision may be granted and/or conveyed by an individual property other than the Declarant.
- 6.3. Easements for Access. Each Homeowner and their Permittees shall have, in common with all other Homeowners and their Permittees, non-exclusive rights and easements for ingress and egress over, across and upon the roads in the Subdivision, for the purpose of access to his or her Lot and to other roads in the Subdivision for both pedestrian and vehicular travel, which rights and easements shall be appurtenant to and pass with the transfer of title to a Homeowners Lot.
- 6.4. Additional Easements. Licenses and Permits. The Association may grant easements, licenses or permits affecting the roads, with or without charge, for road maintenance and repair, utility line maintenance and repair, storm water management system maintenance and repair, and other similar purposes, provided that no such easement, license or permit shall unreasonably impair the rights or interests of any Homeowner.
- 6.5. Limitations and Restrictions. Notwithstanding anything to the contrary contained within this Declaration, all such rights and easements shall be consistent with (a) the covenants, conditions, restrictions, reservations and other provisions contained in this Declaration.

and (b) the right of the Association to adopt, from time to time, reasonable rules and regulations concerning pedestrian and vehicular traffic and travel upon, in, under and across the Property

- 6.6. Utility Easement. There is hereby created for the benefit of Declarant and the Association a blanket easement upon, across, over, in and under all of the Property, for the installation, replacement, repair and maintenance of utility lines, including but not limited to water, sewer, gas, electrical, cable and other telecommunication services. By virtue of this easement, companies providing electrical, telephone, cable and similar such utility services may erect and maintain necessary equipment on the Property and to affix and maintain electrical and telephone wires, circuits and conduits on, above and across the Common Area. No such lines or facilities shall be installed in any manner prohibited by the provisions of Article VIII below. Before exercising the easement rights referenced in this paragraph, the Declarant and/or the Association shall consult with the Homeowner to determine if the Homeowner has a preference as to where such utility lines are located. After construction is complete, the Declarant and/or Association shall ensure that the utility provider that carried out the construction work repaired all damage to the Homeowner's property and returned it as fully as possible to its original condition.
- 6.7. Easements for Drainage. An easement is hereby granted to the Association and its designees upon, across, over, in and under any portion of the Property for the purpose of repairing, maintaining, correcting or otherwise modifying the storm water management system so as to improve the drainage of water on the Property; provided, however, that such modifications shall not irrevocably disturb or cause permanent damage to the Lot or the Improvements on a Lot.
- 6.8. Emergency Easement. A blanket easement is hereby granted to law enforcement, fire protection, ambulance and other emergency personnel to enter upon all roads in the Subdivision in the proper performance of their duties.
- 6.9. Easements to be Retained by Declarant. Certain easements over particular lots shall be retained by the Declarant in regard to specific infrastructure that either has been built or may be built in the future. A list of such easements and the lots that are encumbered by them is attached hereto, marked as Exhibit C.
- 6.10. Easements Deemed Created. Each conveyance of a Lot, whether by Declarant or otherwise, and the conveyance of the Common Area by Declarant to the Association, shall be construed to grant and reserve the easements provided for in this Article VI, whether or not the instrument of conveyance refers to such easements or to this Article VI.

ARTICLE VII
Architectural Review Board

- 7.1 Board composition. The Locke Summit Estates Architectural Review Board shall consist of three (3) individuals . Two members of the Review Board shall be representatives of Locke Summit LLC. The Third member of the Review Board shall be a Homeowner who is appointed by the Board and shall be responsible to the Board.
- 7.2 Purpose. The Architectural Review Board shall regulate the exterior design and appearance of Homes and Improvements and the construction of Homes and Improvements, so as to (a) promote those qualities in the environment that bring value to the Subdivision and the Lots, and (b) foster the attractiveness and functional utility of the Subdivision as a residential development, including a harmonious relationship among structure, vegetation and topography. A more detailed discussion of the role of the Architectural Review Board and the guidelines it is charged with administering can be found in a document titled Locke Summit Estates Architectural Review Process & Design Standards, (the "Design Standards") which is attached hereto, marked as Exhibit D. The provisions of the Design Standards shall have the same force and effect as if recited in this Declaration of Covenants.
- 7.3 Aesthetic Considerations. No Improvements, Homes, projections or other structures, and no fences, walls, patios, planters or other similar items shall be commenced, improved, constructed, maintained, erected, altered (as, for example, by painting or staining the exterior of any Home or glazing or tinting of any glass surface) or remodeled, nor shall any grading, excavation, tree removal, planting and/or exterior addition, change or alteration thereon be made, until plans and specifications accurately showing the nature, kind, shape, dimensions, materials, color (including color of paint or stain) and locations of the same shall have been submitted to and approved in writing by the Architectural Review Board. The Architectural Review Board shall also have the right to review and approve landscaping plans.
- 7.4. Criteria for Review. Construction or alteration of all Homes shall be in compliance with the Design Standards, and construction shall not begin until Final Plan approval has been granted by the Architectural Review Board. The Architectural Review Board shall review all applications for new construction and alterations, considering:
- a. the purpose of such design review as provided in this Declaration and the design standards,
 - b. the harmony, integrity and conformity of exterior design, color, and location relating to surrounding structures and topography;

- c. relation of the proposed construction to the natural topography, grade and finished ground elevation;
- d. relation of the structure to that of neighboring structures and to natural features of the Property;
- e. relation to the overall community design of Locke Summit Estates;
- f. the character of the exterior materials, and the quality of the exterior workmanship to be employed;
- g. conformity of the plans and specifications to the purpose and general plan and intent of this Declaration and the Design Standards; and
- h. maintenance responsibilities and duties of the Association as specified in this Declaration.

7.5 Review Procedures. The Architectural Review Board's review procedures are more fully set forth in the Design Standards. The Association may adopt additional rules or guidelines from time to time setting forth or modifying procedures for the submission and review of plans for new construction and alterations. All such procedures shall be consistent with the following:

a.. Applications for the Architectural Review Board approval of new construction or alterations shall be accompanied by a filing fee of \$750.00 which shall include the costs related to the licensed architect's review of the submitted building plan. The board may amend the amount of such fee from time-to-time provided that any such fee is either uniform (i.e. the same for all lot owners) or based upon reasonable criteria such as the estimated cost of the contemplated construction. Applicants also shall be responsible to pay any additional costs incurred by the Architectural Review Board in carrying out its review. By way of example and not limitation, such costs may include consultations by the Architectural Review Board with architects, engineers or other construction professionals to assist the Architectural Review Board in the review of technical aspects of an application. The Architectural Review Board shall bill applicants for actual review costs incurred. These costs shall be in addition to the application fee

b. The Architectural Review Board may require such level of detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, drainage plans, elevation drawings and descriptions or samples of exterior material and colors. Review of any plan submitted for approval may be postponed until the Architectural Review Board has received any plans, specifications or other materials referred to in this subsection.

- c. Decisions of the Architectural Review Board and the reasons for the decisions shall be transmitted to the applicant at the address set forth in the application. If the Architectural Review Board fails to approve or disapprove such plans and specifications within 60 days after they have been submitted, then such plans and specifications shall be deemed to have been approved as submitted; provided, that for purposes of this subsection, such plans and specifications shall not be deemed to have been submitted until any additional information or detail requested by the Architectural Review Board have been actually received by the Architectural Review Board.
- 7.6. Appeal Procedure. An applicant may appeal any final decision of the Architectural Review Board to the Board of Directors which may reverse or modify such decision by a two-thirds (2/3) vote of those directors present and voting at a meeting at which a quorum is present.
- 7.7. Compliance with Legal Requirements. Approval by the Architectural Review Board of any proposed new construction or alterations shall not be construed as a determination that the proposed work complies with the provisions of any municipal zoning code or other governmental requirement. The Homeowner proposing to undertake such work shall be solely responsible for complying with all applicable governmental requirements and obtaining all necessary permits and approvals, and shall submit evidence of such compliance to the Architectural Review Board on request.
- 7.8. Diligence in Completion. After obtaining approval by the Architectural Review Board and satisfying all applicable governmental requirements, the Homeowner proposing new construction or alterations shall commence construction promptly, proceed diligently and notify the Architectural Review Board of the completion of construction within ten days after such completion.
- 7.9. Noncompliance. The Architectural Review Board shall have power to enforce compliance with this Article VII in accordance with the following provisions:
- a. The Architectural Review Board may request that the Board exercise its right to impose sanctions for violations of this Declaration and other rules and regulations of the Association, and, acting in the name of the Association, may apply to any court of competent jurisdiction for injunctive or other equitable relief against any Homeowner who undertakes or threatens to undertake any new construction or alterations that have not been approved by the Architectural Review Board
- b. With the approval of the Board, the Architectural Review Board may, at the initial cost of the Association, take such action as is reasonably necessary to remedy any noncompliance. Upon completion of any such action, the Architectural Review Board shall notify the Homeowner responsible for the noncompliance of the cost (including attorneys' fees and other professional fees, if any) of the remedial action, and such Homeowner shall reimburse the Association for such cost within thirty (30) days after the

date of such notice. If such Homeowner fails to make such reimbursement within such 30-day period, the Architectural Review Board shall notify the Board of such failure and the Board shall assess such cost against all Lots owned by such Homeowner in the manner and with the effect specified in Section 2.7, above.

c. The Architectural Review Board or its duly authorized representative may at any time inspect any construction work for which approval of plans is required, except that the Architectural Review Board's right to inspect new construction or alterations for which plans have been submitted and approved shall terminate 180 days after completion of such construction. The Architectural Review Board's right to make inspections shall not terminate pursuant to this subsection if the plans for such new construction or alterations were not approved by the Architectural Review Board.

d. If, as a result of an inspection conducted pursuant to Subsection 7.9(c) the Architectural Review Board that construction that required the Architectural Review Board's approval was done without obtaining such approval, or the Architectural Review Board approved construction was not done in substantial compliance with plans approved by the Architectural Review Board, it shall notify the Homeowner in writing of the failure to comply, specifying the particulars of noncompliance.

e. If the Homeowner disputes the Architectural Review Board's determination of noncompliance, he may, within thirty (30) days after the date of the Architectural Review Board's notice, request a hearing before the Board. If such a hearing has been timely requested, no action to enforce compliance shall be taken until the hearing has been held and the Board has announced its determination.

f. A Homeowner who is determined to have undertaken new construction or alterations in violation of the provisions of this article shall remedy such violation within thirty (30) days after the Architectural Review Board has given notice of such violation or, if such Homeowner has requested a hearing before the Board pursuant to Subsection 7.9(e), within 30 days after the date of any notice that the Board has found such violation to exist.

g. If for any reason the Architectural Review Board fails to notify a Homeowner of noncompliance with previously submitted and approved plans within 180 days after the Architectural Review Board has received written notice of completion from the Homeowner, the construction shall be deemed, for purposes of this Section 7.9, to comply with the approved plans.

7.10. Variations. The Architectural Review Board shall have power to authorize variations from compliance with any compliance with any of the architectural provisions of this Declaration, including restrictions on size, floor area or placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may require. Any such variance must

be evidenced by a document signed by a majority of the members of the Architectural Review Board and recorded in the Oxford County Registry of Deeds .. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular property and particular provision hereof covered by the variance, nor shall any such variance limit a Homeowner's independent obligation to comply with all applicable governmental requirements.

- 7.11. Approvals Set No Precedents. The approval by the Architectural Review Board of any plans, specifications, drawings or other proposal for any new construction or alteration shall not constitute approval of, or require the Architectural Review Board to approve, any similar plans, specifications, drawings or other proposal pending concurrently or subsequently submitted for approval.
- 7.12. Meetings. The Architectural Review Board shall meet from time to time as necessary to perform its duties hereunder, and shall meet whenever instructed by the Board to do so. The quorum for any meeting of the Architectural Review Board shall be a simple majority of the members of the Architectural Review Board. The vote of a majority of the members of the Architectural Review Board at a meeting at which a quorum is present, or the unanimous written consent of the members of the Architectural Review Board taken in lieu of a meeting, shall constitute the act of the Architectural Review Board. The Architectural Review Board may from time to time by unanimous resolution designate a representative (who may, but need not, be one of its members) to perform any duties on behalf of the Architectural Review Board, except that the Architectural Review Board's power to actually approve applications or grant variances may not be so delegated.
- 7.13. Compensation of Members. The members of the Architectural Review Board shall receive no compensation for their services as such, other than reimbursement for actual expenses incurred by them in the performance of their duties hereunder.
- 7.14. Address. Unless the Architectural Review Board shall otherwise specify in a written notice delivered to all Homeowners, all requests for approval under this Article VII shall be submitted in person or by registered or certified mail to the principal office of the Association, directed to the attention of the Architectural Review Board.

ARTICLE VIII Restrictive Covenants

These restrictive covenants shall be enforceable either in law or equity by the Declarant, the owner or owners of the premises or any lot contained therein, and their respective heirs, personal representatives, devisees, successors, and assigns but said parties shall not be required to enforce said restrictive covenants which are as follows:

- 8.1 Residential Use Each of the lots #1 through _____ all inclusive shall be used only for single family residential use. No building shall be erected, altered, placed or permitted to remain on such designated lot except for a single family home, with appurtenant

buildings and garages. Rentals of single family homes shall be considered a residential use. Additionally, mother in law type apartments and/or guests house shall be considered as a residential use.

Limited Exception: Guest Houses: For those lots only in the subdivision of 3.5 acres or more in size there shall be permitted one additional detached guest house to be constructed. This additional guest house shall not equal more than 50% of the footprint of the principal house on said lot. In addition, this single additional guest house must be set back further from the road than the principal house and must comply with all other setback and other restrictive covenants of the subdivision, and the septic system and design for the particular lot must be able to support said guest house. If a guest house is contemplated it is strongly suggested that placement and design is considered before construction of the principal house is commenced.

No commercial enterprise of any nature or description shall be conducted or maintained on any portion of the property, except that an owner of a lot may conduct a home occupation as is permitted by the Municipal Ordinances of the Town of Bethel and/or the Town of Newry. In addition, this residential use restriction contained in this Section 8.1 shall not apply to any common usage building of the subdivision

- 8.2 Setbacks Restrictions All buildings shall be located at least fifty (50) feet from the edge of the nearest vehicular right of way and at least thirty (30) feet from any lot line, provided, however, the Board of Directors of the Locke Summit Estates Homeowners Association may permit, upon request, said set-back restrictions to be reduced to those setback restrictions as required by either the Town of Bethel or the Town of Newry for any particular lot upon a showing by a respective lot owner that the application of these setback restrictions set forth in this paragraph will create an undue hardship to said lot owner.
- 8.3 Foundations: No buildings shall be constructed, erected, installed or maintained on a lot or elsewhere on the property, except for a continuous, permanent and immobile foundation made or consisting of a solid or mortared masonry wall.
- 8.4 Construction of Residential Units: All exterior construction of residential units shall be completed within one (1) year from the date that construction, as evidenced by the pouring of the foundation commences
- 8.5 Minimum Size: No homes having a living area of less than 2000 square feet shall be constructed or occupied. Cellars whether finished or unfinished, porches, garages, and decks shall not be considered living areas.
- 8.6 Driveways: All homeowners must pave at least the first 50 feet of driveway entrance in such a manner that storm-water runoff does not compromise the integrity of subdivision road.

- 8.7 Temporary Structures: No buildings of any temporary characters whether tent, trailer, shack, garage, barn or mobile home shall be allowed on any lot at any time as a residence, either temporarily or permanently except as such a temporary structure for storage use only which may be necessary during the initial one (1) year construction of a residence.
- 8.8 Exterior of Buildings: No buildings erected on any lot shall be covered with tar paper, asphalt siding or corrugated metal siding. All such buildings shall be covered with clapboards, shingles, brick, or similar materials. Further, all buildings erected on the lots shall be constructed in compliance with all applicable federal, state and local building ordinances and codes, including, but not limited to, any building set back requirements.
- 8.9 **Exterior Colors: All exterior colors of all buildings shall be chosen to blend with the natural surroundings, and shall consist of so-called A earth tones@, including but not limited to, browns, greens and grays.**
- 8.10 **Roof Colors: The color of any portions of the roofs on any building on any lot shall be of an earth tone such as brown, light brown, black or dark green and shall fit in with the natural surroundings of the building. All metal roofs shall be non-reflective and must be factory painted.**
- 8.11 Restrictions on Wetland Impacts. Lots 1 through 8 inclusive, 11 through 13 inclusive, 15, 16, 18, 24 through 26 inclusive, 29 through 41 inclusive, 44, 46, 51 through 56 inclusive, 64, 66 and 73 contain freshwater wetlands and are subject to certain restrictions under the DEP Order, which restrictions shall also be set forth in the deeds from the Declarant to the purchasers of such lots, and in all subsequent conveyances.
- 8.12 Exterior Lighting: All exterior lighting for any lot shall be of the down-lighting variety.
- 8.13 Subdivision and Alteration of Lot Lines: The Subdivision as appearing on the above-referenced approved Subdivision Plan of the Locke Summit Estates, may not be amended or altered and no further subdivision shall take place without the express approval of the Planning Board unless a conveyance is made to or from abutting lots and or abutting parcels of land.
- 8.14 Animals: No poultry, swine, livestock, or other animals shall be kept on the property, except household pets of a kind and number normally housed in a residence. All pets shall be restrained so as not to become a nuisance or offensive to other owners and shall not be allowed off the owner=s lot , except on a leash or other restraining device. There shall be no breeding of animals permitted on any lots.
- 8.15 Prohibited Vehicles: No more than one (1) unregistered vehicle, of any nature or design, shall be brought upon, or be maintained, or be permitted to remain on any lot at any time unless fully garaged from view.

- 8.16 Nuisances: No dumping of garbage, rubbish, or other refuse or hazardous or toxic material shall be permitted.
- 8.17 Antennas and Satellite dishes: No rooftop antennas, satellite dishes larger than 18” inches in diameter shall be permitted in the subdivision.
- 8.18 Signs: No signs, billboards, posters, or advertising of any character shall be erected, permitted, or maintained on any lot except one sign, no greater than four (4) square feet in size identifying the owner of the lot and Lot number. The Homeowners= Association reserves the right to enter upon a lot to remove any such signs, billboards, posters, or advertising devices that are in violation of this provision, without liability for damages. This restriction against prohibition of signs shall not apply to the original Declarant, Locke Summit Estates, LLC, which shall be permitted to place an identification and/or advertisement sign four (4) square feet in size on each of the Lots #1 through #_____, inclusive, prior to each of the said lots initial out-conveyance. Once each of said lots are sold by the Developer then the Developer=s right to place or maintain such a sign will be terminated for that particular lot sold.
- 8.19 Removal of Debris: Each owner shall maintain its lot free of dead trees, trash, refuse and other unsightly objects. No dumpsters are allowed except as those dumpsters permitted by the Locke Summit Estates Homeowners Association during the one (1) construction period as set forth in paragraph #4 above. All lots and improvements t hereon shall be maintained by the owner so as to present a neat and attractive exterior appearance. Should any improvement on the lot be damaged by casualty or wear and tear, the same will be promptly razed or restored to a neat exterior appearance in line with the building requirements set forth herein. In the event of fire, buildings must be repaired or demolished, the cellar hole filled in within six (6) months.
- 8.20 Bottled Gas: All bottled gas tanks shall be enclosed or located so that they are not visible from any other lot or any road.
- 8.21 Firearms and Hunting: Firearms shall not be discharged on said premises. No hunting ,by any means, shall be permitted on the premises.
- 8.22 Cutting of Trees and Visual Buffers In all situations of cutting trees and clearing of vegetation within the property, the Grantor, its successors and assigns, including lot owners shall be subject to the following general provisions:
- (a) The visual quality of the property shall be maintained by providing for the reasonable visual buffering of the site when viewed from areas external to the project, including the surrounding public roads and areas;
 - (b) Any owners of any land within the property shall be allowed only limited thinning and/or pruning of the existing vegetation so as to obtain limited filtered view only

of surrounding off-site areas. Cutting/clearing to obtain unobstructed panoramic or unobstructed corridor views of off-site areas shall not be permitted;

- (c) Reasonable, A visual buffering, and A filtered views are subjective terms. For the purposes of this restriction, these terms shall be construed conservatively, meaning that less rather than more clearing is intended. A Filtered views shall mean views obtained from on-site vantage of off-site areas, where such views are uniformly obscured to a more or less significant extent by intervening natural vegetation. Conversely, A visual buffering shall mean the prevention of unobstructed views of the project facilities when viewed from off-site by the retention of on-site intervening vegetation.
- (d) The Homeowners Association shall be responsible for monitoring all cutting and clearing activities on any portion of the property and for imposing penalties for excessive clearing, and in all cases of excessive clearing, to require planting of trees as necessary to provide reasonable visual buffering.
- (e) As a general guideline, a minimum of two 8" deciduous trees per 50 feet of setback is suggested.

In order to effect the above general provisions, the following specific cutting limitations are established. The existence of these specific limitations do not supplant or diminish the obligations required under the general provisions stated above. The specific cutting limitations are as follows:

Clearing/ Cutting for Individual Lots: No trees in excess of Six (6) inches in diameter, or larger, measured at any point three (3) feet or more above the ground shall be cut or removed except as may be necessary to locate the residence and appurtenant structures and driveways; provided that the total area cleared of trees on any one lot shall not exceed twenty thousand (20,000) square feet of clearing per lot to accommodate driveway, house, garage, septic, well and yard. No area within twenty five (25) feet of any lot line shall be completely stripped of trees. All uncut areas of land shall remain one hundred (100) feet of basal area per acre.

- 8.23 Roads: Although it is the intention of the Declarant that the roads as depicted on the above-mentioned Plan will meet the Town of Newry and Town of Bethel standards for private roads, the Declarant makes no warranty or assurance that the Towns of Bethel and Newry will ever accept the roads as Town Roads. The Homeowners Association, all members of the association and all lot owners will fully cooperate with the municipalities of Newry and Bethel and the Homeowners Association for all or any portion of all roads within the Subdivision to become a public way and accepted as such by the Town of Newry and/or the Town of Bethel. Each owner who is granted a lot in said subdivision is hereby granted a right of way to that owner's lot as depicted on said Plan, but the Declarant is not obligated to provide any maintenance to or for said right of way or for any other part or feature of the Property.

- 8.24 Ownership of Road: The Declarant, Locke Summit Estates, LLC reserves for itself Its successors, heirs or assigns, a permanent right of way for all purposes, including utilities, to use any and all roads in the Subdivision or any extensions of said roads onto other abutting parcels of land. At some point in time, The Declarant shall convey ownership of the road to the Association.
- 8.25 Homeowners' Duty of Maintenance and Repair. The maintenance and repair of the exterior of each Home and lot shall be the sole responsibility of the owner thereof.
- 8.26 Drainage. Except with the prior written permission of the Board, no Homeowner shall alter or obstruct any drainage area, easement or swale constructed on the Property by Declarant.
- 8.27 No Imperiling of Insurance. Neither any Homeowner nor any Homeowner's Permittees shall do anything or cause anything to be done or to be kept in or on the Subdivision which would result in an increase in the insurance premiums paid by the Association pursuant to this Declaration, or which might cause cancellation of any such insurance.
- 8.28 Underground Electric Lines. All electric, utility, cable and other telecommunication line installations and connections from any property line of a Lot to a Home or other Improvements shall be placed underground, except that during the construction of a Home or other Improvements the contractor or builder may install a temporary overhead utility line which shall be promptly removed upon completion of construction.
- 8.29 Determination of Violations. Any determination as to whether a particular activity or occurrence constitutes a violation of this Article VTII shall be made by the Board and shall be final.
- 8.30 Board's Right to Take Remedial Action. In the event the Board determines that a Homeowner has violated any provision of this Article VIII, it shall send a notice to the Homeowner requesting the violation be remedied within a specific time period. If the Homeowner does not comply with such a written request in the specified time period, the Board may cause such remedy to be carried out at the initial expense of the Association. Upon completion of such remedial action, the Board shall notify the Homeowner responsible for the violation of the cost (including attorneys' fees and other professional fees, if any) of the remedial action, and such Homeowner shall reimburse the Association for such cost within thirty (30) days after the date of such notice. If such Homeowner fails to make such reimbursement within such 30-day period, the Board shall assess such cost against the Lot on which the work was done, in the manner and with the effect specified in Section 2.7 above.
- 8.31 Sprinkler Systems Requirement. All dwellings shall have automatic sprinkler systems installed in accordance with the National Fire Protection Association NFPA Standard 13, NFPA 13R or NFPA 13D and approved by the State Fire Marshall's Office.

ARTICLE IX

Insurance

- 9.1 Liability Insurance. The Association shall obtain and maintain in force an adequate comprehensive policy of public liability insurance covering all of the Common Area in such limits as the Board or the Managing Agent may from time to time determine. At the time of execution of this Declaration, the limits shall be \$2 million aggregate and \$1 million per occurrence. Coverage shall include, without limitation, liability for personal injuries and property damage occurring on the covered property, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of land in the Subdivision by the Association and its agents. All other liability insurance shall name as insureds the Association, the members of the Board, the Managing Agent, if any, the officers of the Association and the Declarant.

- 9.2. Hazard Insurance on Common Area. The Association shall obtain full replacement cost fire and extended coverage insurance covering loss, damage or destruction affecting property owned by the Association, including the Common Area (without regard to whether the Association holds legal title to the Common Area); such insurance shall name as insureds the Association and, so long as the Declarant holds legal title to any part: of the Common Area, the Declarant, as their interests may appear. This Hazard Insurance coverage shall include the common usage building to be constructed

- 9..3. Fidelity Insurance. The Association shall obtain adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the part of its officers, directors and employees and on the part of all others who handle or are responsible for handling the funds of the Association, including persons who serve the Association without compensation

- 9.4. Workers' Compensation and Employer's Liability Insurance. At all times at which the Association has any employees, the Association shall maintain in force workers' compensation, employer's liability insurance and all other similar insurance with respect to its employees, in such amounts and forms as may be required by law

- 9.5. Officers' and Directors' Liability Insurance. The Association shall obtain officers' and directors' personal liability insurance to protect the officers and directors of the Association from personal liability in relation to actions as officers and directors of the Association.

- 9.6. Other Insurance. The Association may obtain insurance against such other risks, of similar or dissimilar nature, as it shall deem appropriate with respect to the Subdivision.

- 9.7. Insurance Standards. Each insurance policy maintained by the Association shall comply with such of the following standards as are applicable to the type coverage provided by such policy:
- a. Except as otherwise permitted by law with respect to workers' compensation insurance, each policy shall be issued by a financially responsible company authorized to do insurance business in the State of Maine.
 - b. To the extent reasonably obtainable, each policy shall contain a waiver by the insurer of any right of subrogation against any Person having any interest in all or any part of the Subdivision.
 - c. To the extent reasonably obtainable, each policy shall contain a waiver by the insurer of any defense, based on any act, omission, representation or statement of any Homeowner, as against the Association or any other Homeowner.
 - d. Each policy shall provide that it may not be cancelled (or modified so as to reduce or eliminate any coverage) for any reason without at least 30 days' prior written notice to (a) the Association, (b) each Homeowner and (c) each Mortgagee insured under or identified in such policy.
 - e. Except in the case of workers' compensation insurance, each policy shall contain a provision conforming that the coverage provided by such policy is primary coverage, as regards any overlapping coverage that may be maintained independently by any Homeowner.
 - f. Each casualty insurance policy that includes any coinsurance provision shall also contain a provision by which the insurer agrees that the limits of coverage are sufficient to avoid application of the coinsurance provision.
- 9.8. Insurance Reviews. The Board shall review at least annually the insurance carried on behalf of the Association for the purpose of determining whether the limits or coverages provided by any policy should be adjusted. With respect to casualty insurance, the Board shall obtain, and shall base its determination on, an appraisal by a qualified real estate or insurance appraiser of the full replacement cost, without deduction for depreciation, of all insurable portions of the Common Area and any other property owned by the Association.
- 9.9. Premiums. Premiums for each insurance policy maintained by the Association shall be an expense of the Association, to be budgeted for and recouped through assessments as provided in Article V above
- 9.10 Waiver of Claims. To the extent that (a) the cost of repairing or replacing any part of the Property is covered by any insurance policy provided for in this article and containing an effective waiver of subrogation rights, and (b) the Association makes the proceeds of a claim under such policy available for payment of such cosigners. Homeowner shall assert

against the Association or any other Homeowner, and, notwithstanding the provisions of Sections 2.10 and 8.2 above, the Association shall not assert against any Homeowner, any claim for payment of such cost.

ARTICLE X

Damage To Or Destruction Of Common Area

- 10.1. Notice to Homeowners. As soon as practical after an event causing damage to or destruction of any part of the Common Area, the Board shall obtain a reliable estimate of the cost of repairing such damage or destruction and the time required to complete such repairs, and shall notify each Homeowner of the occurrence of such event and of information contained in the estimate.
- 10.2. Segregation of Repair Funds. All insurance proceeds received by the Association as a result of any such damage or destruction shall be deposited in a special account with a federally insured depository and, except as provided in Section 11.2 below, the funds in that account shall be used solely for the purpose of paying for repairs necessitated by such damage or destruction. Any funds remaining following completion of and payment for such repairs shall be transferred to the Association's reserves. If the insurance proceeds are insufficient to pay the full cost of such repairs, the Board shall levy a special assessment pursuant to Section 5.4 above to cover the shortfall in insurance proceeds, and all funds collected as a result of such special assessment shall be deposited in the special account referred to herein.
- 10.3. Competitive Bids: Bonds: Exceptions. If the estimated cost of repairing such damage or destruction exceeds \$25,000, the Board shall not cause the Association to enter into any contract for such repairs without first advertising for sealed bids from licensed contractors capable of performing the repairs. Any contract for such repairs shall require the contractor to provide performance and payment bonds for the benefit of the Association. Notwithstanding any other provision of this section, however, the Board may, by unanimous action, authorize the Association to enter into a contract without seeking or obtaining competitive bids, to waive the bond requirement, or both.
- 10.4. Repair. Disposition of Surplus. As soon as the necessary funds have been collected, the Association shall proceed to have the damage or destruction repaired with all reasonable speed and diligence. Any funds remaining in the special account established pursuant to Section 10.2 following completion of and payment for such repairs shall be transferred to the Association's reserves; provided, that if a special assessment was levied to pay for all or part of the cost of such repairs, the Board may by unanimous action direct that some part or all of such remaining funds be distributed to the Homeowners. If the Board directs such a distribution to Homeowners, the distributable funds shall be distributed to the Homeowners in proportion to their actual contributions (exclusive of interest, late charges or collection costs attributable to delinquency in payment) to the special assessment.

- 10.5. Association's Power to Borrow. If the Board finds that repairs need to occur immediately in order to prevent further damage or destruction, and such immediate repairs will require immediate payment, the Board may borrow from the Association's reserves, if appropriate, or, if necessary, from a commercial lender, provided the terms are reasonable and appropriate under the circumstances.

ARTICLE XI

Miscellaneous

- 11.1 Term of Declaration. This Declaration shall continue in full force and effect for a period of twenty-five (25) years from the date it is recorded in the Oxford County Registry of Deeds, and shall thereafter be automatically extended for four successive periods of ten years each unless, within the 12 months next preceding the beginning of any ten-year extension The Homeowners of at least two thirds of all Lots and their respective First Mortgagees, if any, agree in writing to terminate this Declaration by reason of the substantial destruction, condemnation or obsolescence of the residential community known as Locke Summit Estates.
- 11.2 Effect of Termination. Upon termination of this Declaration, any cash in the possession of the Association shall be distributed to the then-current Homeowners in proportion to the Lots owned by each. Unless the Board unanimously directs otherwise, all other assets of the Association shall be distributed proportionally to such Homeowners as tenants in common.
- 11.3. Amendment of Declaration. Except as otherwise provided in this section, this Declaration may be amended only by written instrument signed by the Homeowners of at least two thirds of all Lots. Any amendment adopted in accordance with the provisions of this section shall be binding on all Homeowners and all Mortgagees and others claiming under any Homeowner to the same extent as though all such Persons had executed and delivered such amendment.
- 11.4 Actions Requiring Special Approval. Notwithstanding any other provision of this Declaration, none of the following actions may be taken without the prior written approval of Homeowners of at least two thirds of all Lots:
- a. Sale, transfer or encumbrance of any part of the Common Area, unless caused by condemnation or other taking, except that this provision shall not limit the Association's power to grant easements affecting the Common Area for utilities and similar purposes;
 - b. Any amendment to this Declaration or to the Articles or Bylaws that would cause or permit a change in the method of allocating (a) assessments or other charges or revenues among the Lots, or (b) representation of Homeowners on the Board;

- c. Any amendment to this Declaration that would relax the restrictions contained in Article VIII;
 - d. Any merger of the Association with any other corporation, or amendment of this Declaration that would have the effect of expanding the definition of the “Property”; or
 - e. Any reduction, whether by amendment, waiver or otherwise, of any material aspect of the Association’s duties under this Declaration, including but not limited to the Association’s duties to maintain the Common Area and to maintain insurance coverage.
- 11.5 Notice to Mortgagees. Any Mortgagee may give written notice to the Association of such Mortgagee’s identity interest and address, accompanying such notice with a copy (showing the recording information) of the recorded mortgage or deed of trust evidencing such interest. Until such time as the Association receives satisfactory evidence (which may consist of a certified copy of a recorded release of the mortgage or deed of trust) that the Person giving any such notice is no longer a Mortgagee, the Association shall send to such Mortgagee a copy of each notice (including Assessment Notices) given by the Association to the Homeowner of the Lot encumbered for the benefit of such Mortgagee. For purposes of this section, any notice given by the Board, the Managing Agent or the Architectural Review Board shall be regarded as a notice given by the Association. The giving of notices to Mortgagees pursuant to this section shall be regarded as an accommodation to the Homeowners and their Mortgagees, and the Association shall have no liability for the failure of any Mortgagee to receive any such notice, whether or not such failure is caused by the negligence of the Association.
- 11.6 Indemnification. Subject to the provisions of Section 9.10 above each Homeowner shall indemnify the Association and all other Homeowners against any loss, damage or expense, including reasonable attorneys’ fees, resulting from any claim for injury to person or property occurring within the Subdivision as a consequence of the negligence of the indemnifying Homeowner or of his Permittee.
- 11.7. Covenants Run With Property. The benefits, burdens and other provisions contained in this Declaration shall be regarded and enforced as covenants running with title to the Property and every part thereof, and shall bind and benefit each Homeowner, the Association and their respective heirs, personal representatives, successors and permitted assigns.
- 11.8. Conflicts in Legal Documents. In case of conflicts between the provisions of this Declaration, the Design Standards, the Articles or the Bylaws, this Declaration shall control. In case of conflicts between provisions in the Articles and the Bylaws, the Articles shall control.

- 11.9. Non-Waiver. Failure by Declarant, the Association or any Homeowner to enforce any covenant, condition, restriction, easement, reservation, right-of-way or other provision of this Declaration shall not be deemed to be a waiver of the right to do so thereafter.
- 11.10. Number and Gender. Unless the context otherwise requires, the use of the singular herein shall include the plural, the use of the plural shall include the singular, and the use of any gender shall include all genders.
- 11.11. Captions. The article and section captions in this Declaration, and the Table of Contents at the beginning of this Declaration, are included only as a matter of convenience and are not to be construed as defining or limiting the scope of this Declaration or the purpose of any provision hereof.
- 11.12. Severability. The provisions of this Declaration shall be deemed to be independent and severable, and no determination that any provision hereof is invalid or unenforceable, in whole or part, shall affect the validity or enforceability of any other provision of this Declaration.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the date first mentioned above.

DATED this _____ Day of _____, 2007

Locke Summit Estates, LLC

Witness

By:
Its:

STATE OF MAINE
Oxford, ss.

Date:

Then personally appeared the above named _____
and acknowledged the foregoing instrument to be the free act and deed of said Locke Summit Estates, LLC.

Before me,

Notary Public/ Attorney at Law
Print Name:
My Commission Expires

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B

Locke Summit Estates Stormwater Maintenance Plan

EXHIBIT C

Easements

- 1. Lots 1 through 6 inclusive, 15, 17 18, Lots 22 through 27 inclusive, Lots 34 through 39 inclusive, 41, 46, 47, 49, 55, 56 and 64 will be subjected to and encumbered by easements for drainage as to be referenced in their respective deeds.**
- 2. Lots 2 through 4 inclusive, Lots 8 through 10 inclusive, 12,13, 16, 24 and 29 will be subjected to easements for shared driveways.**
- 3. Lots 54 through 56 inclusive will be subjected to easements for snowmobile and walking trails.**