

THE VILLAGE AT MAGNOLIA SHORES CONDOMINIUM**MASTER DEED**

Magnolia Reach Capital, LLC, a Massachusetts limited liability company with a place of business c/o P.O. Box 1044, Sudbury, Middlesex County, Massachusetts 01775 (hereinafter referred to as the "Declarant") being the sole owner, under a deed dated August 23, 2012, and recorded with the Essex County Southern Registry of Deeds in Book 31633, Page 310, of that certain land in Gloucester (Magnolia), Essex County, Massachusetts, described in Exhibit A hereto (the "Land"), by duly executing and recording this Master Deed, does hereby submit said land, together with the buildings and improvements now or to be hereafter erected thereon, and all easements, rights and appurtenances belonging thereto, but subject to all rights, easements, restrictions and encumbrances of record, (the "Property") to the provisions of Massachusetts General Laws, Chapter 183A, as now and as may be hereinafter amended ("Chapter 183A" or the "Act"), and does hereby state that it proposes to, and does hereby, create, with respect to the Property, a condominium governed by and subject to the provisions of Chapter 183A; and, to that end, Declarant does hereby declare and provide as follows:

1. Name of the Condominium.

The name of the condominium created shall be THE VILLAGE AT MAGNOLIA SHORES CONDOMINIUM (the "Condominium").

2. Organization of Unit Owners.

The organization through which the Unit Owners will manage and regulate the Condominium is THE VILLAGE AT MAGNOLIA SHORES CONDOMINIUM TRUST, established pursuant to the Declaration of Trust of The Village at Magnolia Shores Condominium Trust and By-laws pertaining thereto of even date and recorded herewith (the "Trust" and the "By-Laws", respectively). The Trust and the By-laws included therein establish a membership organization of which all Unit Owners shall be members and in which such Owners shall have an interest in proportion to the percentage of Undivided Interest in the Common Areas and Facilities to which they are entitled hereunder. The original Declarant appointed Trustee thereof is the Declarant (Said Trustee and any Trustee elected by the Unit Owners as provided in the Trust are hereinafter referred to as the "Trustees".)

3. Description of the Land.

- A. The Land portion of the Property comprising the Condominium is that certain parcel of land situated in Gloucester (Magnolia), Essex County, Massachusetts, described in Exhibit A hereto. The Land and the improvements thereon are sometimes hereafter referred to as "Phase One." The Land is subject to and has the benefit of such rights, easements, restrictions and encumbrances as are of record, including without limitation those referenced in Exhibit A hereto, to the extent in force and applicable, and the rights and easements established herein. The Land is additionally subject to such rights, interests and easements as may be hereinafter reserved to the Declarant, which later rights, interests and easements shall, in all instances, be exercisable by the Declarant and its successors or assigns, whether so stated or not. Without limitation, the Land is subject to the terms and conditions of that certain Declaration of Easements, Protective Covenants and Restrictions, dated December 12, 2013 made by Declarant and recorded immediately prior hereto (the "Declaration").

If, in its sole discretion, Declarant in the future decides not to add any Additional Phases(s) to the Condominium, Declarant shall record a notice to that effect with said Deeds waiving its rights to exercise the expansion rights provided for in Section 13 of this Master Deed. Upon such recording, the Declarant's reserved rights hereunder to add Additional Phases to the Condominium shall terminate.

4. Description of the Buildings.

As will be more fully provided for hereinafter, the Condominium shall be developed in multiple phases. The Declarant intends to construct forty-five Units. There shall be three types of Units denominated Types Coolidge, Essex and Hammond. The Declarant reserving, subject to such governmental approval as may be applicable, the right to add additional types of Units and/or delete current types of Units. The Buildings portion of the Property currently comprising the Condominium consists of the unnamed building(s) containing Units 12A and Unit 12B shown on the plan entitled "The Village at Magnolia Shores Condominium, Condominium Site Plan Phase I, dated December 1, 2013, scale 1" = 50', prepared by Prime Engineering, Inc. (the "Phase One Site Plan") recorded herewith. The Buildings are either single or two-story structures, constructed of wood frame, vinyl siding and trim with concrete foundations and asphalt shingle roofs.

5. Descriptions of the Units and Their Boundaries.

The Units, their respective boundaries and the appurtenances thereof are as hereinafter delineated.

A. Description of the Units. The Condominium is currently comprised of two (2) Unit(s) (hereinafter "Units") with the rooms, approximate square footage and access to Common Areas delineated on Attachment B hereto. The dimensions and locations of the Units are further shown on the Floor Plans defined hereinafter. Any Unit Owner may at any time, or from time to time, change the use and designation of any room or space within his Unit provided such use and designation is consistent with all other provisions hereof and complies with all governmental permits; and provided further that no Unit shall contain more than two "bedrooms" as that term is defined in Title V of the State Environmental Code, 310 C.M.R. 15.00 et seq., without the express written permission of the Declarant and the Trustees, which may granted or denied in their sole discretion.

B. Boundaries of the Units. The boundaries of the Units with respect to the floors, ceilings, walls, exterior doors and windows thereof are as follows:

- (1) Floors: The plane of the upper surface of the concrete slab or subflooring in the basement or lower-most floor of the Unit;
- (2) Ceilings: The plane of the lower surface of the ceiling joists, roof rafters or strapping, if there be any, above the upper-most floor level;
- (3) Interior Walls: The plane of the interior surface of the furring strips; or if there be no furring strips, the plane of the interior surface of the wall studs;
- (4) Exterior Walls: The plane of the interior surface of the furring strips; or if there be no furring strips, then the plane of the interior surface of the wall studs, and the plane of the inner surface of the concrete foundation in any basement level where there are no wall studs;

(5) Exterior Doors: The exterior surface of the door in its entirety, including the frame, jambs, hardware, threshold and flashing, including the exterior molding or trim, if any; and

(6) Windows: The exterior surface of the windows in their entirety, including the frame, mullins, muntins, sash, stiles, lights, hardware and flashing, including any exterior molding or trim, screens (including the screens of decks screened in as herein provided for) and storm windows, if any;

provided, however, that no structural component of the Building nor any pipe, wire, conduit, duct, flue, shaft, utility line or like item situated within a Unit, but forming a part of any system serving one or more other Units, shall be considered to be a part of any Unit. Pipes, wires, and or other conduits for utilities, exhaust fans and ducts, heating, ventilating and air conditioning equipment, and fireboxes/fireplaces, chimneys/fireplace flues and associated equipment/components, whether located within or without the boundary of a Unit, and serving only that Unit, are a part of the Unit. Where such appurtenances are located outside the Unit boundary a valid easement shall exist for the same which shall be deemed a Unit Limited Common Area. The garage appurtenant to each Unit, and the attic space accessible from each Unit, if any, shall be considered part of each Unit.

C. Appurtenances to Units. Each of the Units has as an appurtenance thereto the exclusive right and easement to, consonant herewith and subject to the Rules and Regulations promulgated pursuant to the Trust, use the following (the "Limited Common Areas and Facilities" or "Limited Common Elements"):

(1) The deck(s) and patio(s) adjoining the Unit to which there is direct access from the Unit, including the land area immediately beneath the deck(s), and including the right, subject to all other provisions hereof, to screen in all or a portion of such deck(s);

(2) The front entry stoop or porch of the Unit;

(3) The driveway area adjoining the garage of the Unit to the point the driveway joins with the road or to the point shown on the Phase One Site Plan (and any outside lighting fixture located along the driveway or walkway shall be the responsibility of the Unit Owner to maintain and operate); and

(4) The yard area(s) designated as appurtenant Exclusive Common Area for the Unit as shown on the Phase One Site Plan.

Maintenance of these facilities and areas shall be as specified in the Trust except as expressly set forth above.

6. Description of the Common Areas and Facilities.

The Common Areas and Facilities of the Condominium (the "Common Areas and/or Facilities" or the "Common Elements") consist of the entire Property exclusive of the Units, all as hereinbefore described and defined, and any other property which is herein expressly included in the Common Areas and Facilities, including, without limitation, the following:

A. The Land together with the benefit of, and subject to, all rights, easements, reservations, conditions and restrictions of record as the same may be in force and applicable;

B. The Building siding/shingling, the vapor barrier between the siding/shingling and Building sheathing, the Building exterior trim, the Building roof shingling, the roof shingle underlayment and any deck, patio and entry stoop;

C. Installations for common services such as power, light, gas and waste disposal (including the common septic system located on Lot 22 shown on the Definitive Plan and water booster pump station), including all equipment attendant thereto (but not including equipment contained within and/or serving a single Unit or connecting a single Unit to a common system or owned by a serving utility);

D. All common equipment wherever located in, on, or around the Buildings and Land; and

E. The yards, lawns, gardens, walkways, passageways, roads, driveways, parking areas and the improvements located on the Land included in the condominium from time to time including fences, walls, railings, and steps

The booster pumps for the septic system serving each individual Unit are intended to be common elements. Nevertheless, the Declarant may elect on future units to have the Unit Owners be responsible for the maintenance and electrical charges associated therewith, and where a single pump serves two Units, the Declarant shall have the right to assign responsibility for such electrical charges to either one of the two Units served thereby, the expectation being that any annual electrical charges will not be material.

Each Unit shall have the right and easement, on a non-exclusive basis, and subject to the rights of others to whom Grantor shall grant similar rights and easements, to connect to and use all such Ways and Utilities located on the Property and necessary for the use of the Unit for purposes of access to and egress from the Unit and for providing utility service thereto, subject to payment of reasonable costs of maintenance and repair therefore as determined by the Trustees of the Condominium Trust, for purposes necessary for the normal use of such Units for residential purposes.

F. The Limited Common Elements located outside the Unit boundaries, subject to the exclusive rights to use thereof and obligations thereon as herein and in the By-Laws contained (fences, if any, separating Limited or Exclusive Common Area yards shall not be considered part of the Limited Common Area; but, rather a Common Element);

G. All other apparatus and installations existing for common use; and

H. All other items delineated as Common Elements in Chapter 183A and located on the Property.

The Common Elements shall be subject to the provisions hereof and of the Trust, and to the Rules and Regulations as may be promulgated thereunder with respect to the use and maintenance thereof.

7. Undivided Interest.

The Unit Owner of each Unit shall have an Undivided Interest in the Common Areas and Facilities in the percentages as specified in Attachment B for so long as the only Units in the Condominium are those contained in Phase One. Attachment B also shows the expected Undivided Interest of each Unit based on the addition of the anticipated future phases as the same may be added from time to time. From and after the

inclusion in the Condominium of Additional Phases, pursuant to and in accordance with the provisions of Section 13 hereof, the percentages to which Units in Phase One are entitled shall be reduced accordingly, and the percentage to which Units in Phase One, and in each subsequent Phase to the Condominium subsequently included therein, shall at all times be in accordance with the provisions of said Chapter 183A and distributed among the Units then included in the Condominium in proportion to their relative fair values. As of this date, it is anticipated that all future Units added to the Condominium will be of the same approximate fair value of the Units in Phase One and that the Undivided Interest of each Unit from time to time will be equal to a fraction the numerator of which shall be the number of Units then formally included in the Condominium as of the date of such calculation and the denominator of which shall be 100. Each Unit Owner and Unit Mortgagee by recording a deed to a Unit or a Mortgage relating to a Unit shall be deemed to have consented to this method of calculation as conforming to the requirements to M.G.L. c. 183A, Section 5. The percentage figures so determined shall be rounded to the nearest one-thousandth, and further rounded to the least extent, if any, necessary, as determined by the Declarant in its reasonable discretion, to obtain a one hundred (100.000) percent total, and the percentage figures for each Unit then included in the Condominium as of the date of such calculation and as so determined and so rounded shall be set forth in the amendment to this Master Deed by which the Phase resulting in such change of percentages is included in the Condominium.

8. Plans.

Simultaneously with the recording hereof there has been recorded a set of floor plans of the current Building(s) labeled as follows:

“Unit 12A Floor Plan, 12-A Kennedy Road, The Village at Magnolia Shores Condominium”, dated December 10, 2013, prepared by Prime Engineering Inc, scale 1”=10’.

“Unit 12B Floor Plan, 12-B Kennedy Road, The Village at Magnolia Shores Condominium, Unit 12B Floor Plan”, dated December 10, 2013, prepared by Prime Engineering Inc, scale 1”=10’..

The above-referenced plans show the layout, location, Unit numbers, addresses, if different from the unit number, and dimensions of the Units therein, stating that the Building(s) have no name, and bearing the verified statement of a registered architect or engineer certifying that the plans fully and accurately depict the layout, location, Unit numbers and dimensions of the Units therein as built (the “Phase One Floor Plans”). Said plans further show the location of certain of the Common Areas and certain of the Common Facilities. The Phase One Site Plan recorded herewith shows the approximate location of the Buildings and certain of the Common Elements. The Phase One Floor Plans and the Phase One Site Plan, together with any other like plans recorded with any future Phasing Amendment shall be referred to generally as the “Floor Plans” and “Site Plans” respectively.

9. Common Easements and Right of Access.

Each Unit Owner shall have an easement in common with the Owners of all other Units to use all pipes, wires, ducts, flues, cables, conduits, utility lines which are part of the Common Facilities, and other Common Elements located in any of the other Units or elsewhere in the Condominium and serving the Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, wires, ducts, flues, cables, conduits, utility lines which are part of the Common Facilities, and other Common Elements located in such Unit and serving other Units. All maintenance of such Common Elements shall be conducted solely by the Condominium Trust. The Trustees, and any of them, any manager or managing agent, and any other person authorized by the Trustee or by any manager or the managing agent, shall have a right of access to each Unit at reasonable times and upon reasonable notice, except in emergencies, for the purpose of making inspections or for the purpose of correcting any conditions originating in any Unit which threatens

another Unit or Common Element or adversely affects the Common Expenses, or for the purpose of obtaining access to, and performing installations, alterations or repairs to the common utility services or other Common Elements in any Unit or elsewhere in the Buildings, or for any other purpose permitted by this Master Deed, or the Trust. In case of an emergency, such right of entry shall be immediate, by any appropriate means, whether the Unit Owner is present at the time or not.

10. Encroachments.

If any portion of the Common Elements now encroaches upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any such encroachment shall occur hereafter as a result of (a) alteration or repair to the Common Elements made by or with the consent of the Trustees, or (b) settling of all or any portion of any Building, or (c) repair or restoration of any Building or any Unit after damage by fire or other casualty, or (d) condemnation or eminent domain proceedings, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Buildings or Units stand.

11. Intended Use.

The Building(s), the Unit(s) and other Common Areas and Facilities are intended to be used solely for residential purposes and for related customary accessory uses in accordance with the Zoning Ordinance of the City of Gloucester as existing on the date of this Master Deed, as well as the Common Elements being used incidental and accessory thereto. The Building(s), the Units and other Common Areas and Facilities may, with the written consent of the Trustees, be used for such other lawful purpose, or purposes, as shall not interfere with, nor conflict with, these intents or the restrictions hereinafter or in the Trust contained.

12. Restrictions on Use.

The use of the Unit(s), the Building(s) and the other Common Areas and Facilities shall, except to the extent (if any) that enforcement is prohibited or restricted by applicable law, or in addition to those, by restrictions and requirements contained in the Trust, be restricted as follows unless otherwise consented to in writing by the Trustees:

A. No Unit shall be used for any purpose other than residential housing for one family or such number of unrelated individuals as is permissible under the applicable zoning ordinance. Notwithstanding the foregoing, to the extent permitted by the applicable zoning ordinance, a person residing in any Unit may maintain therein a personal office for such resident's professional and/or business use, provided that no employees or persons other than such resident of the Unit shall engage in any such activities in the Unit, no such office shall be advertised or held out or used as a place for service to clients, patients or customers and there is no extra ordinary package delivery or other activity to distinguish such usage from residential usage without such a professional and/or business usage.

B. No Unit may be occupied by more than two persons per bedroom plus one and no Unit shall contain more than two bedrooms as that term is defined in the Mass Department of Environmental Protection regulations at 310 C.M.R. 15.002

C. No Unit may be leased, rented or let unless upon a written agreement therefore in a form and content acceptable to the Trustees and for a term of no less than twelve (12) months; and provided further that (1) a copy of said lease or agreement is provided to the Trustee prior to the occupancy thereunder, and (2) said agreement contains a clause whereby the occupants agree to be bound by this Master Deed, the Trust, By-laws, and the Rules and Regulations promulgated pursuant thereto,

copies of which shall upon notice of such leasing to the Trustees, be provided to the occupants upon the payment of such reasonable fee as they determine; (3) it shall be deemed during the period of such occupancy that the Unit Owner has irrevocably appointed and constituted the Trustees as the Unit Owner's attorney-in-fact to seek, at the Unit Owner's expense, the eviction, equitable relief and/or damages of and/or from such occupants upon any breach of said agreement or a violation of this Master Deed, the By-Laws and/or the Rules and Regulations promulgated pursuant thereto provided that the Trustees first give the Unit Owner notice of said violation and reasonable period to affect a cure; (4) the letting is for the entire Unit; (5) no subletting is permitted; and (6) in no event shall it be deemed that a landlord/tenant relationship exists between the Trust and the occupant. (This provision shall not apply to the Declarant.)

D. The architectural integrity of the Buildings and the Units shall be preserved and to that end: no awning, screen, antenna, sign, flag, banner or other device, and no exterior change, addition, structure, projection, statue, sculpture, decoration or other feature shall be erected, applied to, or placed upon or attached to or hung from any Unit, or any part thereof, on the Buildings or upon any other Common Element; no addition to or change or replacement of any exterior light, door knocker or other exterior hardware shall be made; and no painting, attaching of decalcomania or other decoration shall be done on any exterior part or surface of any Unit nor on the interior surface of any window, including the display of "For Sale", "For Rent" or other signage, without, in each instance, the express consent thereto in writing by the Trustees. Such restrictions shall not, however, be construed to restrict a Unit Owner's right to decorate the interior of their Unit as they should so determine; provided, however, that to the extent such decoration when viewed from the exterior of any Unit, if such shall be so viewable, detracts, in the reasonable judgment of the Trustees, from the aesthetic or architectural integrity of the Building, the Unit Owner may be required to undertake such reasonable measures as the Trustees may determine to ameliorate such detraction; and further provided that all window treatments such as drapes, blinds, shades, etc., shall have a white, off-white or beige exterior facing surface. Such restrictions shall not be construed to restrict a Unit Owner's right to move, remove, alter or change any interior, non-structural, wall or partition, nor change the use and/or designation of any room within their Unit; subject to the limitations contained herein, however, that such alterations shall not adversely affect the structural integrity of the Building nor overload the Building's systems, and provided further, that (1) reasonable advance notice thereof is given to the Trustees; (2) all necessary and proper permits and/or approvals are obtained from appropriate governmental authorities; and (3) all conditions as may be reasonably imposed by the Trustees are satisfied; The Trustees shall also have authority to allow a Unit Owner who owns two contiguous Units to combine such Units into a single Unit, on such terms and conditions as the Trustees may reasonably impose.

E. Customary household pets, which types may be determined in the sole discretion of the Trustees, may be kept in any Unit pursuant to the restrictions and regulations contained in the Trust; provided, however, that such pets (1) are not raised or bred for commercial and/or remunerative purposes, (2) are not kept in any greater number than, except as to fish in a tank, two per unit, unless permitted by the Trustees, so as to maintain appropriate peaceful enjoyment of the Condominium by all residents thereat, (3) are in compliance with all applicable governmental laws, ordinances, rules and regulations, and (4) do not create a nuisance as the Trustees may in their reasonable discretion determine;

F. No Unit shall be used or maintained in a manner contrary to or inconsistent with the provisions of this Master Deed, the Trust, the applicable Rules and Regulations promulgated pursuant thereto, or Chapter 183A, and all use shall be conducted in a manner consistent with the comfort and convenience of the occupants of the other Units;

G. No Unit shall be maintained at an ambient temperature of less than fifty-five degrees (55°) Fahrenheit during such time or times as is necessary to prevent the freezing of any and all pipes within the Buildings unless such Unit is fully and properly winterized as the Trustees may determine;

H. No nuisance shall be allowed in or upon the Condominium nor shall any use or practice be allowed which interferes with the peaceful possession or proper use of the Condominium by its residents;

I. No unlawful, improper, or offensive use shall be made of the Condominium, or any part thereof, and all valid laws, ordinances, rules and regulations of all governmental bodies having jurisdiction thereof and shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any Unit shall be eliminated by and at the sole expense of the Owner of said Unit and those relating to the Common Elements shall be eliminated by the Trustees, except as may be otherwise provided for herein or in the Trust;

J. No use of the Common Elements shall be made save for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units;

K. No Unit Owner shall place or cause to be placed in or on any of the Common Elements, other than the Limited Common Elements to which such Unit Owner has exclusive rights, any furniture or objects of any kind, nor shall any such area be utilized for other than its intended purpose;

L. No Unit, or other area to which a Unit Owner has exclusive rights, shall be maintained or used in such a manner as to detract from the value of the other Units or the Condominium as a whole. Decks, patios, if any, and yard areas shall be utilized solely for purposes normally associated with such an amenity; provided however, that no wells may be dug for irrigation, or other purposes, and no so-called hot tubs may be placed thereon or therein. Unit Owners with yards designated as Limited Common Areas may, with the written approval of the Trustees, however, install sprinkler systems connected to their domestic water supply with proper fixtures, including back flow preventers, and shall, subject to the approval of the Trustees, landscape such yard areas.

M. Garages and driveways shall be utilized solely for the parking of registered, operating, private passenger motor vehicles. No vehicles used for commercial purposes (except private passenger vehicles without signage, equipment racks or other distinguishing features), recreational vehicles, trailers or boats shall be parked in any driveway, but such may be parked within a garage provided they fit therein with the door properly closed. No repair work shall be conducted except within a garage. Motorcycles may be utilized within the Condominium upon the written consent of the Trustees, which consent may be revoked at any time should the same be operated in violation of such conditions as are imposed with regard to noise and/or the disturbance of the other residents or if the operation of the subject motorcycle otherwise causes undue disturbance as the Trustees may in their sole discretion determine. The granting of such consent shall be in the sole discretion of the Trustees, taking into account such things as the type, size and muffling of the subject motorcycle and the number of motorcycles already permitted at the Condominium. Snowmobiles shall not be operated within the Condominium. Parking on roadways shall be limited to temporary guest parking. The prohibition on commercial vehicles shall not apply to the temporary presence of delivery trucks making a delivery, tradesmen working in a Unit, or similar situations.

N. No Unit Owner shall install or operate a garbage disposal in any Unit at the Condominium.

The foregoing restrictions shall be for the benefit of the Unit Owners, occupants and the Trust, and may be administered and enforced on behalf of the Unit Owners and occupants by the Trustees. These restrictions shall, insofar as permitted by law, be perpetual, and to that end they may be extended at such time or times and in such manner as permitted or required by law for the continued enforceability thereof. The failure of any Unit Owner, or person occupying a Unit, to comply with said restrictions will give rise to a cause of action to the Trust, and to any aggrieved Unit Owner who has received the Trustees' consent to proceed thereon, for the recovery of damages, or for injunctive relief, or both.

13. Rights Reserved to the Declarant.

The Declarant reserves to itself, and its successors and assigns, the following rights with respect to the development and marketing of the Condominium, the sale of its Units, the use of the Land, the expansion of the Condominium, and the reversion of undeveloped portions of the Land.

A. As indicated, the Declarant intends to develop the Condominium in stages herein referred to as "Phases". The Land, described in Exhibit A, together with the Building containing Units 12A and 12B shown on the Phase One Site Plan shall initially comprise the Condominium. Said Phase One consists of the Building and Unit(s) delineated on Attachment B. The Condominium may in the future be expanded to include additional Phases to be constructed on the Land and subsequently added to the Condominium. Until such time as additional Phases are added to the Condominium by the recording of "Phasing Amendments" as described below, any building(s) or portions thereof shown on the Phase One Site Plan (other than Phase One), and any other portions of the building(s) whether shown on the Phase One Site Plan, or not, shall not be part of the Condominium or subject to the Act, and shall be exclusively owned by, and shall be the exclusive responsibility of, the Declarant or its successors or assigns.

B. The building(s) and portions of building(s) for all subsequent Phases ("Future Phases") are to be constructed on the Land. When, and if, all Phases of the Condominium have been developed, there will be no more than forty-five (45) Units constructed on the 23 Lots shown on the Definitive Plan and the ANR Plan as defined in Exhibit A, in numerous Phases. It is intended that there will be twenty-two duplex style buildings consisting of two Units, and one single family building containing one Unit. The Declarant reserves the right to add additional types of Units. The Declarant need not complete construction of and/or establish any additional Phase as part of this Condominium, and may vary the order of phasing as the Declarant deems expedient.

C. The Declarant expressly reserves the right to either (i) create more or fewer Phases than may be currently contemplated; and (ii) to add Phases to the Condominium in any order, notwithstanding any plan or rendering to the contrary.

D. As described above, with respect to any portion of a building not included in Phase One or a later Phase expressly made subject to this Master Deed and part of the Condominium pursuant to a "Phasing Amendment" (as herein described), the Declarant reserves for the benefit of itself and its successors and assigns exclusive ownership of such building(s) or portions of building(s) or land, as well as the right to fully construct, develop and finish same. Thus, the building(s) and portions of buildings, as well as the other improvements shown on any plan located beyond the Phase One area, shall be exclusively utilized by the Declarant, and its successors and assigns, for whatever lawful use or purpose may be deemed desirable by Declarant in its sole discretion. Nothing contained in this Master Deed or in future amendments shall be held to limit or restrict said reserved rights of Declarant.

E. The Declarant, for itself and its successors and assigns, hereby reserves the right and easement to enter onto the Land included as part of this Condominium, now or in the future, to complete construction of any buildings thereon, along with all improvements, utility lines, driveways, wires, pipes, conduits, sewers, walkways, and drainage lines to service the Buildings and Units constructed or to be constructed on the Condominium Land.

F. The Declarant expressly reserves for itself and its successors and assigns, and shall have the right, for itself and as attorney-in-fact for all other Unit Owners and Mortgagees, and without the further consent of any Unit Owner or Mortgagee, such consent having been deemed to be given as herein provided to amend this Master Deed so as to include in the Condominium the subsequent Phases, as set forth above (hereinafter, the "Phasing Amendment(s)"), pursuant to and in accordance with the provisions of this Section 13. The acceptance and recording of a deed or mortgage to any Unit in the Condominium shall be deemed as the consent to the foregoing and to all other rights and easements reserved to Declarant hereunder and the grant to the Declarant of a durable and irrevocable power of attorney, coupled with an interest, to so amend this Master Deed as necessary to effectuate the rights so reserved to Declarant. With respect to said later Phases:

(1) The Declarant shall not amend this Master Deed so as to include such later Phases until the construction of the portion(s) of the Building(s) containing the Units in such Phase has been sufficiently completed to allow for the certification of plans provided for in the Act. The Declarant may phase in as few as one (1) Unit as a Phase.

(2). The Declarant, in such Phasing Amendment, shall have the right, in its sole discretion, to, in addition to Units, to create and designate Limited Common Areas. Upon the recording of such an amendment of this Master Deed so as to include later Phases, the Units in such Phase shall become Unit(s) in this Condominium owned by the Declarant and shall thereupon be subject to Common Charges as defined in the Trust, and the Common Areas and Facilities of this Condominium shall include, except as otherwise provided in said Phasing Amendment, the same elements, features, and facilities of the Building and grounds which are described, defined, and/or referred to as to Phase I in this Master Deed as Common Areas and Facilities. After the recording of such an amendment of this Master Deed creating such later Phases the total number of Units in the Condominium shall be equal to the number of Units in Phase One and the Units subsequently created by the then recorded Phasing Amendment(s) and the Units shall have the percentage undivided interest as delineated in the latest Phasing Amendment;

(3). Except as otherwise provided herein, if the Declarant has not amended this Master Deed so as to include any or all of said later Phases in the Condominium within twenty (20) years of the date that this Master Deed is recorded, except to the extent such rights are extended in accordance with Chapter 183A, then the foregoing reserved rights shall terminate.

(4). Nothing herein shall be deemed to obligate the Declarant to create any later Phases. Moreover, notwithstanding any contrary or inconsistent provision above, the Declarant, and its successors and assigns, shall have the right, prior to the execution and recording of the Phasing Amendments creating later Phases, to change the number, size, design, layout and/or location of Units in any of such later Phases.

Any such amendment creating a later Phase shall contain with respect to such Phase all the particulars required by the Act as then amended. Without limiting the foregoing, the designation of each Unit in such Phase, a statement of its location, approximate area, and the immediate common

areas to which it has access and its proportionate interest in the Common Areas and Facilities shall be set forth, respectively, in the Phasing Amendment, which may include updated versions of the Exhibits to this Master Deed. No such amendment to this Master Deed shall be effective until it is recorded with the Registry of Deeds.

The Declarant further reserves the right for itself and its successors and assigns, in its sole discretion, to abandon its intention to create any later Phase of the Condominium and may, in its discretion, record a statement to that effect with the Registry of Deeds.

G. In addition to all other rights of the Declarant, the Declarant further reserves for itself and its successors and assigns the exclusive right to grant easements across all of the Condominium's Common Areas and Facilities for the installation of utilities and the right to grant easements to others, for the use, development and ownership of the Land, and to use the roadways and other areas and facilities of the Condominium for vehicular and pedestrian traffic, and all other purposes for which roadways are commonly used in the City of Gloucester.

Without limiting the generality of the foregoing and in furtherance thereof, the Declarant hereby reserves unto itself and its agents, servants, employees, independent contractors, workmen, work crews, successors and assigns, the following rights under this Master Deed: the right of access, ingress, and egress over and upon the Land and the Common Areas and Facilities of the Condominium, including that deemed by the Declarant to be necessary for marketing purposes and for the work of construction, reconstruction, rehabilitation, improvement, and other work in progress or contemplated by the Declarant; the right to lay, maintain, repair and replace, construct, and install and connect (or connect with and make use of) all utilities, utility lines, poles, tanks, walls, ducts, conduits, and similar facilities to serve any or all of the Buildings and/or Units and the Common Areas and Facilities, and all conduits, ducts, plumbing, wiring, and other facilities for the furnishing of power, gas, light, master antenna, satellite antenna, internet, cable television, water, air and all sewer and drainage pipes to serve any or all of the Buildings and/or Units and the Common Areas and Facilities; to pass and repass by foot and vehicle over all driveways, roadways, access ways, parking areas and walkways, whether now existing or to be constructed in the future, for all purposes for which driveways, roadways, access ways, parking areas and walkways are commonly used, including the transportation of construction materials, equipment, and personnel for the purposes of construction; to construct buildings and improvements on the Land, and to engage in all activities necessary or appropriate to accomplish the same, including without limitation the exclusive right to grant to others including any public or private utility or authority, easements for the installation and maintenance of utilities; to store construction materials, earth, soil, building materials, equipment, and supplies in those portions of the Common Areas and Facilities not subject to rights of exclusive use appurtenant to any Unit; to restrict the use by Unit Owners of Common Areas and Facilities to facilitate construction or for purposes of safety (provided, that, no Unit Owner shall be denied at least one means of access to his/her/their Unit during such periods of restriction); to leave debris resulting from construction in the Common Areas and Facilities, provided the same does not endanger safety; to reasonably interrupt for brief intervals of time, water, gas, electric, and other utilities and service provided by such utility lines, pipes, tanks, wells, wires, cables, conduits, and septic and drainage lines in order to facilitate construction or in order to facilitate the installation of appliances or fixtures in the Buildings, Units or Common Areas and Facilities without liability for such interruption of service; provided, however, that the Declarant shall use its best efforts to minimize any such interruption of service; to park vehicles used in connection with the construction work or incident thereto in parking areas that have not been assigned to any specific Unit Owner; and, in general, the right to do all things necessary or desirable in order to construct and complete all of the Buildings, Units and Common Elements in connection therewith. The Declarant further reserves the right to use any Unit owned by the Declarant for storage or as a model, for display, as an office, for purposes of

facilitating construction, sales or leasing of Units in the Condominium, as well as the right to park and use one or more construction and/or marketing trailers or other temporary structure on the Land and to erect and maintain signage in connection therewith.

H. Intentionally Deleted.

I. The Declarant, in addition to all other rights retained hereunder, submits the Land to the provisions of this Master Deed, subject to the reversionary interest herein provided. The Declarant reserves the right to, on one or more occasions, identify any portion of the Land previously submitted to the Condominium upon which at such time no Unit has been added to the Condominium and to record an instrument in the Registry exercising its right to have title to such identified portion of the Land (the "Identified Parcel") revert in and to it, whereupon the Identified Parcel shall be deemed withdrawn from the Condominium and all rights, title and interest reverted to the Declarant free of any and all right, title and interest of the Unit Owners, their respective Mortgagees, and any lien holder. Notwithstanding the submission of the lots referenced in Exhibit A comprising the Land to the provisions of this Master Deed, Declarant intends that all such lots shall retain their status as separate lots as shown on the Definitive Plan and ANR Plan, and the inclusion of same, shall not be deemed, by virtue of merger, or otherwise to be an abandonment of their status as individual lots. In furtherance hereof the said instrument shall be executed by the Declarant as attorney-in-fact for the Trustees, as the act of the organization of unit owners withdrawing the Identified Parcel as provided for in Chapter 183A and by the Declarant as attorney-in-fact for each Unit Owner, Mortgagee and lienholder, all as specified in Chapter 183A, for which purpose each such Trustee, Unit Owner, Mortgagee and lienholder constitutes the Declarant as their respective attorney-in-fact, said power-of-attorney being durable, irrevocable and coupled with an interest. In furtherance hereof, the Declarant shall have full power and authority to effect a subdivision of the Land and to seek all necessary government permits and approvals on behalf of all such persons as required to effect such subdivision.

J. Notwithstanding any provisions of this Master Deed restricting the right of a Unit Owner to rent their Unit, the Declarant, its successor and assigns, shall, as to any Unit title to which is retained by the Declarant, its successors or assigns, be free to, in its or their, sole discretion, lease, let, rent or grant occupancy thereof, for any period and upon any terms as the Declarant, its successors or assigns, may in its or their, sole discretion determine.

K. Notwithstanding any provisions in this Master Deed to the contrary, the Declarant reserves the right, without the consent of any Unit Owner or mortgagee, to amend this Master Deed as it may deem necessary and/or appropriate to facilitate the construction and development of the Condominium, to market the Units therein, to satisfy the requirements of its current or future lender(s), and any of them, to correct any error, omission, inadvertence, and/or to otherwise modify or amend the terms hereof; provided, however, that no such amendment shall materially alter the size, configuration of features of any Unit theretofore conveyed or otherwise materially diminish the appurtenant rights of the Unit Owner thereof. The acceptance and recording of a deed or mortgage to any Unit in the Condominium shall be deemed as the consent to the foregoing and grant to the Declarant of a durable and irrevocable power of attorney, coupled with an interest, to so amend this Master Deed.

L. The rights and easements reserved by the Declarant in this Section 13 shall be in addition to and not in limitation of, the rights and easements reserved by or to the Declarant by law, in other sections of this Master Deed, or in any prior recorded instrument including without limitation the Declaration, and no other provision of this Master Deed shall be construed to limit or diminish the rights and easements herein reserved to the Declarant in this Section 13 or otherwise.

M. The rights and easements reserved by the Declarant for itself and its successors and assigns in this Master Deed shall survive the sale of all of the Units in Phase One or later Phases by the Declarant, and are to be deemed to be fully transferable, and, as applicable, either easements in gross or easements running with the land.

N. Each Trustee, as well as each Unit Owner and Mortgagee of a Unit within the Condominium, by the acceptance and recordation of a deed or mortgage to a Unit, shall thereby have consented to any such Phasing Amendment(s) to the Master Deed (and corresponding modification of percentage interests in the common areas and facilities) and/or the granting or exercise of any right or easement described in this Master Deed without the necessity of securing any further consent or execution of any further documents by such Trustee, Owner or Mortgagee, and does hereby appoint the Declarant as his/her/their attorney-in-fact to execute, acknowledge and deliver any and all instruments necessary or appropriate to execute any such Phasing Amendment, or exercise or grant any right or easement in this Master Deed provided, and/or to effect any such right herein reserved, which power of attorney shall be taken as running with the land, binding upon all heirs, successors and assigns, durable, irrevocable and coupled with an interest. Each Unit Owner and Mortgagee of a Unit, by acceptance and recordation of a deed or mortgage to a Unit, shall hereby be deemed to have further consented to any governmental permit, approval or zoning relief hereafter sought by the Declarant in connection with the development and construction of the Condominium and/or such other development and/or construction proposed by Declarant or Declarant's affiliates, successors and/or assigns with respect to the Land, and no such Unit Owner or Mortgagee shall object in any way to any such governmental permit, approval or zoning relief sought by the Declarant. At the request of the Declarant, the Trustees and/or all Unit Owners shall join in any application for such governmental permit, approval or zoning relief, provided Declarant shall bear any costs therefor.

O. The Declarant, by deed or by separate assignment, shall be entitled to assign, sell, grant or mortgage, any and all of its interests, rights and easements owned by it or reserved herein and in the By-Laws, at any time, and from time to time, to any mortgage holder, person, trust, firm, or entity as may be determined by the Declarant. Each Trustee, as well as each Unit Owner and Mortgagee of a Unit, by the acceptance and recordation of a deed or mortgage to a Unit, shall be deemed to have thereby consented to any such assignment, sale, grant or mortgaging of the Declarant's said interests, rights and easements without the necessity of securing any further consent or execution of any further documents by such Trustee, Unit Owner or Mortgagee, and does hereby appoint the Declarant as his/her/their attorney-in-fact to execute, acknowledge and deliver any and all instruments necessary or appropriate to grant or exercise such assignment, sale, grant or hypothecation, which power of attorney is deemed to be running with the land, binding upon heirs, successors and assigns, durable, irrevocable, and coupled with an interest. The Trustees and Unit Owners, at the Declarant's request, shall execute whatever confirmatory instruments the Declarant deems appropriate or necessary in order to perfect, carry out, or effectuate the rights and easements reserved by the Declarant in this Master Deed and in the By-Laws.

14. Title to Units.

Title to Units may be taken in the name of an individual or in the name of two (2) or more individuals, as tenants in common, joint tenants, or tenants by the entirety, or in the name of a corporation, a limited liability company or partnership, or a partnership (limited or general), or in the name of a fiduciary.

15. Units Subject to Governing Documents, Master Deed and Trust.

All present and future Unit Owners, tenants, visitors, servants and occupants of Units shall be subject to, and shall comply with, the provisions of this Master Deed, the Trust, and the Rules and Regulations promulgated pursuant thereto, as they may be amended, restated and/or extended from time to time, and the items of record (including the Declaration) affecting title to the Property. The acceptance of a deed or conveyance of a Unit or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Master Deed, the Trust, and the Rules and Regulations promulgated pursuant thereto, as they may be amended, restated and/or extended from time to time, and the said items of record affecting title to the Property, are accepted and ratified by such Unit Owner, family member, tenant, visitor, guest or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. A violation of the provisions this Master Deed, the Trust, or the Rules and Regulations promulgated pursuant thereto by any such person shall be deemed a substantial violation of the duties and obligations of a Unit Owner.

16. Sale or Lease of Units.

A Unit Owner may, subject to the restrictions of this Master Deed and the Trust, assign, lease, sell or otherwise transfer all of his interest in his Unit, together with: (i) the undivided interest in the Common Areas and Facilities appurtenant thereto; (ii) the exclusive right of such Unit Owner to use the Limited Common Elements to which said Unit Owner has an exclusive right of use as an appurtenance to the Unit; (iii) the interest of such Unit Owner in any Units theretofore acquired by the Trust, or its designee, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; and (iv) the interest of such Unit Owner in any other assets of the Condominium - (i), (ii), (iii) and (iv) above hereinafter collectively called the "Appurtenant Interests" - in the manner set forth below:

A. Subjection to Condominium Documents. Any deed to a purchaser, lease to a lessee, or mortgage to a secured party, shall expressly provide, or in the absence of such shall be deemed to provide, that the acceptance thereof shall constitute an assumption of the provisions of this Master Deed, the Trust, and the Rules and Regulations promulgated thereunder, as the same may be amended, restated or extended from time to time. Any such lease shall be consistent with the restrictions contained in this Master Deed and shall be deemed to provide that the Trustees shall have the power to terminate such lease and/or to bring summary process proceedings to evict the tenant in the name of the landlord (i) in the event of default by the tenant in the performance of such lease, (ii) in the event of the creation, continuance or sufferance of a nuisance in or about the premises, or (iii) in the event of a violation of the provisions of this Master Deed, the By-Laws and/or the Rules and Regulations promulgated thereunder.

B. No Partition or Severance. No Unit Owner shall execute any deed, lease, mortgage or other instrument conveying or mortgaging title to his Unit, or granting possession of the Unit, without including therein the Appurtenant Interests, 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. No part of the Appurtenant Interests of any Unit may be sold, leased, transferred or otherwise disposed of, except as part of a sale, lease, transfer or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, lease, transfer or other disposition of such part of the Appurtenant Interests of all Units.

C. Assignment of Certain Rights on Leasing. Upon the leasing of a Unit it shall be deemed that the Unit Owner has assigned, as a part thereof, all rights of use of not only the Unit, but the Common Areas and Facilities, including all rights of use of any amenity appertaining to ownership of a Unit,

and the Unit Owner shall be deemed to have waived all such rights of use during the term of such lease, save for the right to come upon the Property in furtherance of the Unit Owner exercising his/her/their right as the landlord of the Unit. The Unit Owner shall, however, retain all obligations of a Unit Owner and all voting rights.

17. Utilities.

Separately metered utilities shall be provided to each Unit and shall be billed directly to the Unit Owner, or resident, as applicable, by the serving entity, subject to the provisions relating to pumps for sewage flows serving individual Units as provided in Paragraph 6 above. The Declarant reserves the right to install exterior lights or driveway lights for safety purposes on the Land, and the cost thereof shall, at Declarant's election, either be treated as a common expense or allocated to the particular unit or units served thereby.

18. Amendment of Master Deed.

In addition to those permitted amendments otherwise provided for herein, this Master Deed may be amended upon the written consent of the Unit Owners holding at least seventy-five percent (75%) of the Undivided Interest herein, provided that such amendment is approved in writing pursuant to an instrument signed and acknowledged by a majority of the Trustees, and approved by the Declarant with respect to all amendments made prior to the Transition Date (as such term is defined in the Trust), and duly recorded with the Registry of Deeds, provided, further however, that:

- A. All consents necessary thereto have been obtained within six (6) months of the date of signature of the first consent;
 - a. Any consent once given during this period may not be revoked.
 - b. In such case as a Unit is sold prior to the conclusion of this period, such consent shall bind the purchasing Unit Owner.
- B. No instrument of amendment which alters the dimensions of any Unit shall be of any force or effect unless the same has been signed by the Owner of the Unit so altered and the same has been assented to in writing by the holders of all mortgages of record on said Unit;
- C. No instrument of amendment (other than a Phasing Amendment) which alters the Undivided Interest of any Unit shall be of any force or effect unless the same is consented to by the Owners of such Unit and the same has been assented to in writing by the holders of all mortgages of record on such Unit;
- D. No instrument of amendment (other than a Phasing Amendment) which alters the percentage of Undivided Interest of all Units shall have any force or effect unless consented to by all Unit Owners and their respective mortgagees;
- E. No instrument of amendment directly affecting any Unit and having a material adverse effect thereupon and with respect to which there is a mortgage of record shall be of any force or effect unless the same has been assented to in writing by the holder of such mortgage (or mortgages if more than one);
- F. No instrument of amendment which alters this Master Deed in any manner which would render it contrary to or inconsistent with any requirements or provisions of Chapter 183A shall be of any force or effect; and

G. No instrument of amendment which alters or violates any of the rights reserved to the Declarant herein, or in the Declaration or in the By-Laws reserved, shall be of any force or effect unless the same has been assented to in writing by the Declarant.

The foregoing notwithstanding, the Declarant, prior to the Transition Date, and thereafter the Trustees, shall have the power coupled with the interest to, by an instrument duly recorded with the Registry of Deeds, amend this Master Deed to (1) correct any scrivener's, clerical and/or technical error made herein, or (2) to make this Master Deed comply with Chapter 183A, and other applicable state or federal laws or regulations, or (3) to comply with rules or regulations promulgated by the Federal National Mortgage Trust (FNMA) and/or the Federal Home Loan Mortgage Corporation (FHLMC), and/or other so-called secondary mortgage market agencies; or (4) to satisfy applicable insurance requirements. This power may be exercised not only to add additional provisions, but also to delete theretofore required provisions should such no longer be required.

19. Provisions for the Protection of Mortgagees.

Notwithstanding anything in this Master Deed, the Trust or the Rules and Regulations promulgated pursuant thereto to the contrary, the following provisions shall govern and be applicable insofar and so long as the same are necessary to qualify the Condominium for FHA approval or to qualify mortgages on Units for sale to FNMA or FHLMC and apply for the protection of first mortgages of record (hereinafter "First Mortgagees"):

A. In the event that the Unit Owners shall amend the Master Deed or the Declaration of Trust to include therein any right of first refusal in connection with the sale of a Unit, such right of first refusal shall not impair the rights of a First Mortgagee to:

- (a) foreclose or take title to a Unit pursuant to the remedies provided in its mortgage; or
- (b) accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor; or
- (c) sell or lease a Unit acquired by the First Mortgagee.

B. Any party who takes title to a Unit through foreclosure sale duly conducted by a First Mortgagee shall be exempt from any such right of first refusal adopted by the Unit Owners and incorporated in this Master Deed or the Declaration of Trust.

C. Except as may be otherwise provided by M.G.L. Chapter 183A (including without limitation Section 6 thereof) or other applicable law, any First Mortgagee who obtains title to a Unit by foreclosure or pursuant to any other remedies provided in its mortgage or by law shall not be liable for such Unit's unpaid Common Expenses which accrued prior to the acquisition of title to such Unit by such First Mortgagee.

D. Except as provided by statute, and except as provided for in this Master Deed, in case of condemnation or substantial loss to the Units and/or Common Elements of the Condominium, unless fifty-one percent (51%) of the First Mortgagees (based upon one vote

for each First Mortgagee), have given their prior written approval, the Unit Owners and the Trustees of the Condominium Trust shall not be entitled to:

- (a) by any act or omission, seek to abandon or terminate the Condominium; or
- (b) use hazard insurance proceeds on account of losses to either the Units or the Common Areas and Facilities of the Condominium for other than the repair, replacement or reconstruction thereof.

E. Consistent with the provisions of Chapter 183A, all taxes, assessments and charges which may become liens prior to a first mortgage under the laws of the Commonwealth of Massachusetts shall relate only to the individual Units and not to the Condominium as a whole.

F. Except as provided by applicable law, in no event shall any provision of this Master Deed or the Declaration of Trust give a Unit Owner or any other party priority over any rights of a First Mortgagee pursuant to its mortgage in the case of a distribution to such Unit Owner of insurance proceeds or condemnation awards for losses to or for a taking of such Unit and/or the Common Areas and Facilities.

G. A First Mortgagee upon prior written request made to the Trustees, shall be entitled to:

- (a) written notification from the Trustees of any default by its borrower who is an owner of a Unit with respect to any obligation of such borrower under this Master Deed or the provisions of the Declaration of Trust which is not cured within sixty (60) days;
- (b) inspect the books and records of the Trust at all reasonable times;
- (c) receive an annual financial statement of the Trust within one hundred twenty (120) days following the end of any fiscal year of the Trust;
- (d) receive timely written notification from the Trustees of any damage by fire or other casualty to the Unit upon which the First Mortgagee holds a first mortgage or any proposed taking by condemnation or eminent domain of said Unit or the Common Areas and Facilities of the Condominium;
- (e) receive timely written notification of any lapse, cancellation or material modification of any insurance policy, including fidelity insurance maintained by the Trust; and
- (f) receive timely notice of any proposed action which requires the consent of a specified percentage of mortgage holders as specified in this Master Deed, the Declaration of Trust, and the Rules and Regulations promulgated pursuant thereto.

H. In addition to all other requirements of applicable law, this Master Deed or the Trust, the prior written consent of 51% of First Mortgagees (computed based upon one consent for each Unit subject to a First Mortgage) shall be required in order to amend this Master Deed or the Trust in a manner which would be of an adverse material nature to mortgage holders.

Any First Mortgagee that does not deliver or post to the Trustees a negative response within sixty (60) days of a written request by the Trustees for approval of any amendment pursuant to this Section shall be deemed to have consented to the addition or change set forth in such request, as long as such request was sent by certified mail, return receipt requested. An affidavit by any Trustee making reference to this Section, when recorded at the Registry of Deeds, shall be conclusive as to the facts therein set forth as to all parties and may be relied upon pursuant to the provisions of Declaration of Trust.

The Declarant intends that the provisions of the Master Deed shall comply to the maximum extent possible with the guidelines or requirements of FNMA, FHA and FHLMC with respect to residential condominium loans, and except as may otherwise specifically be provided in this Master Deed, all questions with respect thereto shall be resolved consistent with that intention.

20. Conflicting Provisions.

If any provisions of this Master Deed shall conflict with Chapter 183A, as amended, or if any provision of this Master Deed conflicts with any other provision thereof or with any provision of the Trust or By-Laws, then the following rules of construction shall be used:

A. In the event of a conflict between the Master Deed and said Chapter 183A, as amended, the provisions of Chapter 183A shall control;

B. In the event of a conflict between this Master Deed and the Trust, this Master Deed shall control.

C. In the event of a conflict between any numerical voting requirements for action set forth in Paragraph 19 hereof and any other such requirements for action set forth in any provision of this Master Deed or the Trust or By-laws, the provisions requiring the greater percentage or fraction for action to be taken or avoided shall control; and

D. In the event of any conflict other than as set forth in subparagraph C above between the provisions of Section 19 hereof and any other provisions of this Master Deed or the By-Laws, the provisions of Section 20 shall control.

21. Disputes with Declarant. The following provisions shall apply to disputes with the Declarant:

A. Limitation on Liability. Notwithstanding anything to the contrary in this Master Deed, each Unit Owner, by accepting title to any Unit, acknowledges and agrees on behalf of the Owner and the Trust that no officer, Trustee, member, manager, partner or shareholder of Declarant (or of Declarant's successors or assignees) shall have any personal liability to any Owner, the Trust or other person, arising under, in connection with, or resulting from (including without limitation resulting from action or failure to act with respect to) the creation, marketing, sale and/or operation of the

Condominium, said Owner, on the Owner's behalf and on behalf of the Trust, agreeing to look solely to the Declarant (or the Declarant's successors or assigns).

B. Negotiation, Mediation and Arbitration.

(1) Except as specifically permitted in this Section 21, no judicial or administrative (inclusive of arbitration) proceeding shall be commenced or maintained by the Trust or any Owner, individually or collectively, against the Declarant.

(2) Negotiation, Mediation and Arbitration.

(a) Each Owner, on their own behalf and on behalf of their successors and assigns, and the Trust agrees that there shall be no right to litigate in respect of the Covered Matters (hereinafter defined) and in the event such Owner or any other person with an interest in the Condominium shall have any claim or cause of action arising out of or in any way related to this Master Deed, the By-Laws and any and all Rules and Regulations promulgated pursuant to the foregoing, and the enforcement thereof, the design, orientation or the improvements of and/or to the Unit and related facilities or the Buildings, the development, construction, quality, sales, marketing, disclosures concerning financing, sale, delivery of the Condominium or any Unit, the operation of the Condominium, or any other aspect of or activity with respect to the Condominium or the Units (herein collectively the "Covered Matters"), against any of those persons hereinafter defined as Covered Parties, such claim or cause of action (a "Dispute") whether such dispute is based on contract, tort, or statute, including, without limitation, any dispute over (i) the disposition of any funds hereunder, (ii) breach of contract, (iii) negligent or intentional misrepresentation or fraud, (iv) nondisclosure, (v) breach of any alleged duty of good faith and fair dealing, (vi) allegations of latent or patent construction defects, or (vii) any other matter arising from or related to the interpretation of any term or provision of this Master Deed, the By-Laws and the Rules And Regulations, or any defense going to the formation or validity of the same, or any provision thereof, including, without limitation, allegations of unconscionability, fraud in the inducement, or fraud in the execution, whether such dispute arises before or after the sale of the Unit, shall be arbitrated pursuant to the law of this Commonwealth and subject to the procedures set forth in this Section ("Arbitration" or "arbitration"), after it shall have first been submitted to the process of "Negotiation" and "Mediation" defined and described below. Any such claim or cause of action shall be subject to Negotiation, Mediation and Arbitration regardless of whether the claim is against the Declarant, Declarant's real estate brokers, agents or attorneys, the architects, engineers, or other design consultants for the Condominium, any contractor, subcontractors, sub-subcontractors, material suppliers, managing agent or other persons involved with the construction, development, marketing, sale of the Condominium and Units therein or the operation of the Condominium Trust, and their respective officers, Trustees, agents, servants, employees or representatives, (the "Covered Parties"), provided that such person(s) has entered into an agreement or otherwise agree to negotiate, mediate and/or arbitrate such disputes; or if such claim or cause of action is filed jointly and severally against other parties, it shall be subject to mediation and arbitration with respect to those parties that have agreed to arbitration, regardless or whether other parties are bound to or are willing to submit to arbitration as herein provided. Any dispute concerning the interpretation or the enforceability of this Section, including, without limitation, its revocability or voidability for any cause, any challenges to the enforcement or the validity of this Master Deed, or this Section, or the scope of

arbitrable issues under this Section, and any defense relating to the enforcement of this Section, including, without limitation, waiver, estoppel, or laches, shall be decided by an arbitrator in accordance with this Section and not by a court of law. Further, in the event that a Dispute is raised between a Unit Owner and a Covered Party after an Owner's acquisition of the Owner's Unit, whether such Dispute is related to, or arises from, an act, omission or other event occurring prior to such acquisition, such Dispute shall be decided by an arbitrator in accordance with this Section and not by a court of law.

(b) In respect of all Covered Matters, the Owner agrees to participate in a period of good faith negotiation (the "Negotiation"). Each Owner recognizes that the Negotiation process must be completed before the Mediation and/or Arbitration process described in this Section can begin. As such, the claimant Owner must first give written notice to the Covered Party describing the nature of the Dispute and a description of what the Owner believes ought to be done to resolve the Dispute. Owner must also propose a date and time for a conference, which date must fall on a business day between fifteen (15) and twenty (20) days after the date the claimant sends the foregoing notice to the Covered Party (the "Conference"), unless mutually extended by the parties. The Conference shall be held at a mutually agreed-upon location. Within five business (5) days of this Conference notice, the Covered Party shall provide a follow-up notice to the claimant confirming the time of the Conference and stating the name and title of Covered Party's representative to the Conference. Prior to the Conference, claimant will, in good faith, discuss with the Covered Party's representative and consider possible resolutions of the claim. At the Conference, the claimant (and claimant's representatives, if any) and Covered Party's representatives shall confer together to resolve the Dispute for a maximum period of two (2) hours, although the parties may extend or adjourn the meeting by mutual agreement. If, as a result of the Conference, the Dispute or certain issues in the Dispute have been resolved, the parties shall jointly state in writing the issues that have been resolved and the issues, if any, that remain unresolved and will require Mediation and Arbitration.

(c) In the event that the parties have completed Negotiation as required by this Section but failed to resolve the entire Dispute, then, if either of the parties wishes to pursue the Dispute further, the unresolved aspects of the Dispute shall be resolved, if possible, by mediation conducted with the assistance of a single mediator supplied by the New England Chapter of the Community Trusts Institute, if it has such a program, or by the American Arbitration Trust, (the "Dispute Resolution Agency", "DRA"), in accordance with its rules or the rules of the approved mediator in effect at the time of the initiation of the mediation (the "Mediation"). Any counterclaim a Covered Party may have against a claimant shall also be a subject of (and an attempt shall be made to resolve the same in the context of and by) Mediation. Any Mediation shall be conducted in the County where the Property is located. The parties shall share equally the expense of the mediator.

(d) In the event that the parties have completed Negotiation and Mediation as required by this Section but failed to resolve the claim, then, if any one of the parties wishes to pursue the Dispute further, the unresolved aspects of the Dispute shall be submitted to binding arbitration by and pursuant to the rules of the DRA in effect at the time of the initiation of the arbitration. Provided, however, no arbitration may be commenced until Declarant is provided access to the Unit(s) or Common Area(s)

and/or Facility (ies) which is subject to the Dispute and a reasonable opportunity to cure the alleged defect. Declarant shall be provided a minimum of thirty (30) days to exercise its right to repair or remedy any alleged defect or damage, without a waiver of any right by Declarant to seek recovery of the cost of such effort, following notice of the claimant's intent to proceed to arbitration of a Dispute. Any counterclaim a Covered Party may have against a claimant shall also be resolved in the context of and by Arbitration. The following provisions shall apply to any arbitration commenced by the parties:

(i) This Section shall inure to the benefit of, and be enforceable by, Declarant's contractors, subcontractors, agents, vendors, suppliers, design professionals, insurers and any other person(s) whom the Unit Owner or Trust contends is responsible for any alleged defect in or with the Condominium or the Unit(s) or any improvement or appurtenance thereto.

(ii) In the event any Dispute is submitted to arbitration, each party shall bear its own attorneys' fees and costs (including expert costs) for the arbitration.

(iii) The decision of the arbitrator shall be final and binding. The Unit Owner, the Trust and Declarant expressly agree that an application to confirm, vacate, modify or correct an award rendered by the arbitrator shall be filed in any court of competent jurisdiction in the county in which the Property is located.

(iv) The participation by any party in any judicial proceeding concerning this Section or any matter arbitrable hereunder shall not be asserted or accepted as a reason to delay, to refuse to participate in, or to refuse to enforce this Section. Any counterclaim a Covered Party may have against a claimant shall also be resolved in the context of and by Arbitration.

(v) Except as otherwise agreed by the parties pursuant to Declarant's limited warranty, if any, or as required by applicable law, the administration and/or arbitrator fees charged by the arbitration service shall be borne pro rata by the parties to the arbitration; provided, however, the administration and/or arbitrator fees and any other fees and costs of the arbitration shall ultimately be borne as determined by the arbitrator.

(vi) The arbitrator appointed to serve shall be a neutral and impartial individual.

(vii) The venue of the arbitration shall be in the County where the Condominium is located unless the parties agree in writing to another location. No punitive damages shall be awarded in any claim against Declarant or any other Covered Parties, no award of attorneys' fees or for damages attributable to emotional distress or a multiple of actual damages based upon any theory of law may be made or awarded in any claim against or Dispute involving Declarant or any of the other Covered Parties, all of which are expressly waived by the Trust and each Unit Owner. No award of consequential or incidental damages shall be awarded. The arbitrator may

award equitable relief pursuant to any Arbitration instituted to enforce this Master Deed or the By-Laws, as either may be amended.

(viii) If any provision of this Section shall be determined to be unenforceable or to have been waived, the remaining provisions shall be deemed to be severable therefrom and enforceable according to their terms.

(ix) In the event the foregoing arbitration provision is held not to apply or is held invalid, void or unenforceable in its entirety for any reason, the Unit Owner(s), the Trust and Declarant agree that all Disputes shall be tried before a judge in a court of competent jurisdiction without a jury. The judge in such court of competent jurisdiction shall have the power to grant all legal and equitable remedies and award compensatory damages. Declarant, the Trust and the Unit Owner(s) each hereby waive and covenant not to assert their constitutional right to trial by jury of any Disputes, including, but not limited to, Disputes relating to construction defects, misrepresentation or Declarant's failure to disclose material facts. Declarant, the Trust and the Unit Owner(s) hereby covenant and agree that their mutual waiver of jury trial shall be binding upon their respective successors and assigns and upon all persons and entities asserting rights or claims or otherwise acting on behalf of Declarant, the Trust, or the Owner or their successors and assigns.

(e) Notwithstanding the provisions of this Section, the Trust may proceed by litigation against the Declarant, in connection with: (i) the imposition and collection of assessments by the Trust including foreclosure actions necessitated by the failure of the Declarant as a Unit Owner to pay the required assessments; or (ii) counterclaims brought by the Trust in proceedings instituted against it by the Declarant.

C. Unit Owner Approval. Notwithstanding the foregoing, actions or proceedings of any kind against the Covered Parties, including those described in this Section, but not those excepted by Subsection B (2) (e), shall be commenced or prosecuted by the Trust only upon the affirmative vote of not less than seventy-five percent (75%) both in number and in Undivided Interest, of the Owners present in person or by proxy, at a meeting duly called for that purpose, provided that a quorum has been established at such meeting.

22. Invalidity.

The invalidity of any provision of this Master Deed shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Master Deed and, in such event, all of the other provisions of this Master Deed shall continue in full force and effect as if such invalid provision had never been included herein.

23. Waiver.

No provision contained in this Master Deed or the By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

24. Captions.

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Master Deed nor the intent of any provision hereof. Terms of gender shall be interchangeable, as shall be terms of reflecting the singular and plural.

25. Chapter 183A.

The Units and Common Areas and Facilities, the Unit Owners and Trustees and the Trust, shall have the benefit of, and be subject to, the provisions of Chapter 183A, in effect upon the date of execution of this Master Deed and any future amendments thereto. In all respects not specified in this Master Deed or in the By-Laws, they shall be governed by the provisions of Chapter 183A in their relation to each other and to the Condominium established hereby, including, without limitation, provisions thereof with respect to removal of the Condominium premises or any portion thereof from the provisions of Chapter 183A. All terms and expressions herein used which are defined in Section 1 of Chapter 183A shall have the same meanings herein unless the context otherwise requires.

26. Duration.

The Condominium hereby created shall terminate only upon the removal of the same from the provisions of said Chapter 183A in accordance with the procedure therefor set forth in Section 19 of said Chapter, or any successor to such section, and this paragraph. The Unit Owners may remove all or a portion of the Condominium from the operation of Chapter 183A of the General Laws, as amended from time to time, at any annual or special meeting of the Unit Owners by the affirmative vote of ninety percent (90%) in interest of the Unit Owners; provided that notice of such removal is given in the notice of the meeting and provided, further, that the holders of mortgages of record on Units which have sixty-seven percent (67%) or more of the Undivided Interest in the Common Areas and Facilities consent to such removal by written instruments duly recorded with the Essex County Registry of Deeds. No such removal may be effected prior to the Transition Date without the Declarant's written consent.

[End of Text. Signatures Appear on Next Page.]

Witness the execution hereof under seal this 13th day of December, 2013.

MAGNOLIA REACH CAPITAL, LLC

By: [Signature]
Lawrence Smith, its Manager

COMMONWEALTH OF MASSACHUSETTS

Middlesex, SS.

December 13, 2013

On this 13 day of December, 2013, before me, the undersigned notary public, personally appeared Lawrence Smith, who proved to me through satisfactory evidence of identifications, being (check whichever applies): driver's licenses or other state or federal governmental documents bearing a photographic image, or my own personal knowledge of the identity of the signatory, to be the person whose name is signed above, and acknowledged the foregoing to be signed by him voluntarily for its stated purpose, as a duly authorized signatory for Magnolia Reach Capital, LLC.

[Signature]
Notary Public
My Commission Expires: Aug 7, 2020
Print Notary Public's Name: John E. McElhinney
Qualified in the State/Commonwealth of Massachusetts
A True Copy Attest
JOHN E. McELHINNEY
NOTARY PUBLIC
My commission expires Aug. 7, 2020

THE VILLAGE AT MAGNOLIA SHORES CONDOMINIUM

EXHIBIT A TO THE MASTER DEED

DESCRIPTION OF LAND

Those certain parcels of land situated in Gloucester, Essex County, Massachusetts and shown as:

Lots 1,2,3,4, 5, 6, 7, 8, 9 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21 and 22, on a Plan entitled: "Definitive Subdivision Plan of Land in Gloucester, Massachusetts, The Woodlands," dated March 8, 2002, revised August 29, 2002, recorded with said Deeds, Plan Book 400, Page 79 (the "Definitive Plan"). Lots 13, 14, 15, 16, 17, 18, 20 and 21 on the Definitive Plan have been reconfigured as shown on the two plans entitled "Approval Not Required Plan of Land in Gloucester, Massachusetts, prepared for Carter Hill Associates, LLC, dated May 17, 2007, last revised July 21, 2008, , and recorded with said Deeds at Plan Book 72, Page 415 and at Book 415, Page 71 (collectively, the "ANR Plan"). The Land shall also include all of Seller's right, title and interest in the roadways and streets shown on the Definitive Plan, including Kennedy Road, Old Salem Road, and Ryan Road. Lot 18B-2 shown on the plan entitled "Approval Not Required Plan of Land in Gloucester, Massachusetts," dated June 24, 2013, prepared by Prime Engineering and recorded with said Deeds in Book 440, Page 88 is to combined with and become part of Kennedy Road.

The Land is subject to and/or with the benefit of the following:

1. Easement in favor of New England Telephone & Telegraph Company recorded at Book 3736, Page 21.
2. Restrictions set forth in Deed of Elsie B. Esson to Kenson Kennedy and Ruth Kennedy recorded at Book 5430, Page 684, insofar as currently in force and effect
3. Terms and provisions of an Agreement by and between Kenson Kennedy and J. Russell Whynot Jr. recorded in Book 10999, Page 470.
4. Easement by Kenson Kennedy and Ruth Kennedy to Essex County Electric Company and New England Telephone & Telegraph Company dated April 10, 1956 and recorded at Book 4269, Page 581.
5. Restriction against building without further planning board approval noted on plan recorded at Plan Book 126, Plan 70.
6. Easement in favor of New England Telephone & Telegraph Company recorded at Book 5366, Page 761.
7. Easement in favor of Massachusetts Electrical Company recorded at Book 5378, Page 608
8. Easement in favor of the City of Gloucester recorded at Book 5400, Page 165
9. Easement in favor of Massachusetts Electric Company recorded at Book 5739, Page 152.

10. Rights of others to use Ryan Road as shown on the Definitive Plan.
11. Possible rights of others to use Old Salem Road as shown on the Definitive Plan, in common with others, to the extent such rights are currently in force and applicable.
12. Superseding Determination of Applicability issued by the Commonwealth of Massachusetts Department of Environmental Protection on October 26, 1999 and recorded at Book 16073, Page 116.
13. Terms and provisions of an Agreement for Judgment with Planning Board recorded at Book 25959, Page 120
14. Terms and provisions of an Agreement for Judgment with the Board of Health recorded at Book 25959, Page 127.
15. Planning Board Covenant recorded at Book 25959, Page 132, as affected by a Release of Covenant recorded with said Deeds at Book 32758, Page 484, Book 28264, Page 488, and Book 32954 Page 547.
16. Title 5 Covenant and Easement recorded at Book 26271, Page 371.
17. Easement to Verizon New England, INC., dated May 12, 2008, recorded with said Deeds, Book 27775, Page 136.
18. Easement to Massachusetts Electric Company, dated June 6, 2008, recorded with said Deeds, Book 27912, Page 363.
19. Easement and Right of Way to Comcast of Connecticut/Georgia/Massachusetts/New Hampshire/New York/North Carolina/Virginia/Vermont, LLC, dated August 13, 2008, recorded with said Deeds, Book 28046, Page 33.
20. Grant of Easement to Comcast of Connecticut/Georgia/Massachusetts/New Hampshire/New York/North Carolina/Virginia/Vermont, LLC, dated November 28, 2008, recorded said Deeds, Book 29285, Page 149.
21. Terms and Provisions of a certain Declaration of Easements, Protective Covenants and Restrictions dated December 11, 2013 and recorded immediately prior hereto.

THE VILLAGE AT MAGNOLIA SHORES CONDOMINIUM

ATTACHMENT B TO THE MASTER DEED

DESCRIPTION OF UNITS AND UNDIVIDED INTEREST

<u>Unit Number</u>	<u>Rooms ***</u>	<u>Approx. Area</u>	<u>Home Type</u>	<u>Undivided Interest</u>
12A	K, DR, LR, MBR, BR, 4B, O, G, P, LDY,	4370	Essex	50%
12B	K, DR, LR, MBR, BR, 3.5B, O, G, P, LDY	4550	Coolidge	50%

Room Designations:

*** See Floor Plans for Additional Detail

B – Bath
BR – Bedroom
DR – Dining Room
G – Two Car Garage
K – Kitchen
LDY – Laundry
LR – Living Room
MBR – Master Bedroom
O – Home Office
P – Porch

The following chart provides the anticipated Undivided Interest for each Unit as Additional Units are added to the Condominium.

<u>NUMBER OF UNITS DECLARED</u>	<u>APPORTIONMENT OF UNDIVIDED INTEREST OF EACH UNIT</u>
2	50.00%
3	33 1/3%
4	25.00%
5	20.00%
6	16 2/3%
7	14 1/7%
8	12.50%
9	11 1/9%
10	10.00%
11	9 1/11%
12	8 1/3%
13	7 9/13%
14	7 1/7%
15	6 2/3%
16	6.25%
17	5 15/17%
18	5 5/9%
19	5 5/19%
20	5.00%
21	4 16/21%
22	4 6/11%
23	4 8/23%
24	4 1/6%

25	4.00%
26	3 11/13%
27	3 19/27%
28	3 4/7%
29	3 13/29%
30	3 1/3%
31	3 7/31%
32	3 1/8%
33	3 1/33%
34	2 16/17%
35	2 30/35%
36	2 28/36 %
37	2 26/37 %
38	2 24/38 %
39	2 22/39 %
40	2 ½%
41	2 18/41%
42	2 16/42%
43	2 14/43%
44	2 12/44%
45 (if all units are built)	2 10/45%