

DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS

OF
SOARING HEIGHTS, INC.

THIS DECLARATION is made this 1st day of Sept 1998 by Soaring Heights, Inc., a New Hampshire Corporation having a principal place of business in Ossipee, County of Carroll and State of New Hampshire, sometimes hereinafter referred to as "Developer":

WHEREAS Developer is the owner of a certain tract or parcel of land more particularly described in Exhibit A, attached hereto and incorporated herein by reference, being a subdivision in Ossipee, New Hampshire with access thereto in part from Tamworth, New Hampshire, and

WHEREAS Developer has subdivided the property into various lots and set aside a certain portion of said property as a common facility for certain lots to use for the purpose of parking aircraft and access to Windsock Aviation Airstrip, so-called, and

WHEREAS Developer desires to provide for the preservation of values in the development and it is his desire to define easements, covenants, conditions and restrictions for the protection of the present and future owners of homes, home lots in the development, and

WHEREAS Developer desires to create an agency by which it can be delegated the powers of maintaining and improving the property administering and enforcing the covenanted restrictions, and collecting and disbursing the assessments and charges hereinafter collected, and to that end has caused Soaring Heights Owners Association (hereinafter referred to as the 'Association') to be incorporated as a non-profit corporation under Chapter 292 of the Law of New Hampshire; and

WHEREAS Developer desires that all buildings and other structures shall be harmoniously designed, landscaped, located and maintained and has provided covenants for this purpose;

NOW THEREFORE Developer declares that the real property described in Article II is and shall be held, transferred and occupied subject to the covenants, restrictions, easements, assessments, charges and liens (collectively hereinafter referred to as 'Covenants and Restrictions') hereinafter set forth.

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William O. Brooks
REGISTER OF DEEDS

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ARTICLE I
DEFINITIONS

The following terms when used herein shall be defined thusly:

I.1 'Assessments' shall mean assessments for Common Expenses provided for herein or by any Subsequent Amendment, which shall be used for the purposes of plowing, maintaining and/or upgrading the roadway and the air craft parking area.

I.2 'Association' shall mean and refer to Soaring Heights Owners Association, a New Hampshire non-profit organization and its successors and assigns. The 'Board of Directors' or 'Board' shall be its elected body.

I.3 'Common Expenses' shall mean and include the actual and estimated expense of operating the association, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the By-Laws and the Articles of Association of the Association, including costs and expenses of maintaining the road and air craft parking area.

I.4 'Lot' or 'Lots' or 'Home Lot' shall refer to Individual Home Lots.

I.5 'Individual Home Lot' shall be each of the home lots, the parcels of land in the development restricted for one single-family home, and located within the property as further described herein under Article II.

I.6 'Association Land' shall be all the land described below in Article II (Description of Property) and shown on the plan specifically, including without limitation, the roads, air craft parking areas as shown on said plan.

I.7 'Owner' shall mean and refer to one or more persons or entities who holds title to a Home Lot, but excluding any party holding an interest merely as security for the performance of any obligation.

I.8 'Plan' shall mean and refer to plans entitled "Subdivision Plan for the Development" that have been approved by the Town of Ossipee.

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ARTICLE II

DESCRIPTION OF PROPERTY

II.1 That the real property (hereinafter sometimes referred to as 'the Property') which is and shall be held, transferred and occupied subject to the Covenants, Restrictions and Easements, is located in Ossipee, New Hampshire and is collectively the Lots and Association Land described on Exhibit A attached hereto.

ARTICLE III

SOARING HEIGHTS OWNERS ASSOCIATION

III.1 Soaring Heights Owners Association is a non-profit corporation created pursuant to RSA Chapter 292 of the New Hampshire Laws, and charged with the duties and empowered with the rights set forth in this Declaration. The affairs of the Association shall be governed by its Articles of Agreement and By-Laws, attached hereto as Exhibits C respectively, and in conformity with the requirements of the Declaration.

III.2 Each Owner, including Developer, shall automatically be a member of the Association.

III.3 There shall be one (1) vote in the Association for each Home Lot. If a Home Lot is owned in common and undivided by multiple persons, its vote shall be cast by agreement of the multiple owners. If the multiple owners are unable to agree as to how the vote shall be cast, the vote shall not be exercised.

III.4 The Association shall maintain and operate all Association properties and facilities, being the roadways and air craft parking area and any other future common facilities, if any, that exist in the future. The Association shall take action to enforce the Covenants, Restrictions and Easements contained in this Declaration and shall collect assessments. The Association shall pay all taxes assessed against said Association properties. the association shall pay all taxes assessed against said Association properties and the Association land in furtherance of these specific purposes and in furthering the peace, safety, health and general welfare of the Owners, the Association shall have the powers contained in its Articles and is authorized to do all acts necessary or desirable to carry out PURPOSES as set forth herein.

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III.5 Subject to Section 3.6 below, the association may develop recreational facilities on the association Land for the use of the Home Lots as the Board of Directors shall from time to time determine, in addition to those facilities initially constructed by the Developer on the Association Land; provided that if such recreational facilities are constructed for the exclusive benefit of the Home Lot Owners, provided, however, that no expenditure for this purpose in excess of Ten Thousand Dollars (\$10,000.00) shall be made without the concurrence in writing of three-quarters (3/4) of the voting interest of the members of the Association.

III.6 The Association is not operated for profit.

III.7 Commencing in July of 1998, the first annual meeting of the Home Owners Association shall take place on the first Saturday of July of each year at 2:00 P.M. on the property. Such other reasonable place or time may be set by written notice of the Directors mailed or delivered to the owners of record as of January 1, of year not less than twenty (20) days prior to the date fixed for said meeting.

ARTICLE IV

BOARD OF DIRECTORS

IV.1 The Association shall be managed by a Board of Directors consisting of five (5) Directors.

IV.2 The Board of Directors shall:

- a. Adopt and amend by a three-quarters (3/4) vote and publish reasonable nondiscriminatory rules and regulations governing the use of Association Land and facilities thereon, subject, however, to the terms of this Declaration.
- b. Establish the annual budget and expenses of the Association so as to operate and maintain the Association Land and perform its functions in a first-class manner and determine the amount of annual assessments for which provision is made in Article V.

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- c. Take such other action as may be reasonably necessary to the good and proper management of the Association.
- d. Have and exercise such powers as provided in the Association's Articles and By-Laws.
- e. That the Board of Directors is specifically authorized and directed to enter into such contracts or other agreements necessary and/or useful to provide for proper police protection, to maintain the law and order on the property, to provide for proper fire protection, and rubbish disposal for all members. The Association will not provide for rubbish removal.

IV.3 The Board of Directors shall have the authority to accept on behalf of the Association, conveyances of real and personal property and assignments of easements, rights and privileges including those reserved to Developer by this Declaration. The Board of Directors on behalf of the Association shall be obligated to accept from the Developer conveyance of the Association properties and the Association land described herein.

The Board of Directors shall serve pursuant to the By-Laws of the Association.

ARTICLE V

ASSESSMENTS

V.1 Each owner of a Home Lot by acceptance of title thereto, whether or not there shall be a reference to such covenant in the deed or other conveyance to such owner, shall be deemed covenant and agree to pay to the Association such assessments as may be established or hereinafter provided. For purposes of assessment provisions as otherwise appropriate, "Lot" shall also be defined to mean a Home Lot.

V.2 The total amount of the assessment by the Association shall each year be fixed by the Board of Directors, provided that no Home Lot shall be assessed in an amount in excess of any other Home Lot, excluding Lots not yet conveyed by the Developer. An assessment shall be due and payable within thirty (30) days of the mailing of notice of assessment to an owner.

V.3 Assessments made pursuant hereto, together with interest thereon computed from the due date of each assessment at the rate of one and one-half percent (1 1/2%) per month, and all costs of collection thereof, including attorney's reasonable fees, shall be a charge on the Lot and a continuing lien upon the property against which such assessment is made and shall also be the personal obligation of the owner of such property as of the time payment thereof shall become due. Said lien shall be enforced in the same manner as a Power of Sale Foreclosure pursuant to new Hampshire Revised Statutes Annotated Chapter 479.

The Association shall have the right to impose a ten dollar (\$10.00) monthly service charge upon each Lot Owner whose assessment is thirty (30) days overdue, in addition to the interest imposed as previously set forth.

V.4 All assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the owners at the Development and, in the minimum, shall provide for maintenance of the Association land and the Association properties, services and facilities devoted to this purpose in a first-class manner, for an adequate reserve fund for maintenance, repairs and replacement of those elements of Association property that must be replaced on a periodic basis, New Hampshire real estate taxes and liability and fire insurance on the Association land. Fire insurance on the Association properties shall be in the amount not less than one hundred percent (100%) of the insurable value based on current replacement cost. Any proceeds paid under said policy shall pay for the repairs, replacement or reconstruction of the lost or damaged property.

V.5 The lien of the assessments provided for herein shall be subordinate to any first mortgage lien of any institutional lender of record now and hereafter placed upon the properties subject to assessment.

V.6 A purchaser of a Lot shall take title to the Lot subject to the lien for all unpaid assessments made against previous owners thereof, except that a first mortgagee or other purchaser at the foreclosure sale of a first mortgage lien or at a sale in lieu of such foreclosure and a purchaser from a first mortgagee who

purchases at such a foreclosure sale or such a sale in lieu of foreclosure, shall not be liable for payment of assessments unpaid and due as of the time of his acquisition but shall be liable for assessments becoming due thereafter.

V.7 First mortgagees, may jointly or singly, pay taxes or other charges, including assessments that are in default and which may or have become a charge against any Association property and may pay overdue insurance premiums on hazard insurance policies or secure new hazard insurance on the lapse of a policy. Any such payment by a first mortgagee, except from payments of taxes on individual Lots or assessments on the same, shall be entitled to immediate reimbursement from the Association.

V.8 Upon request of any first mortgagee, the Association shall notify the first mortgagee, in writing, of any default in the above provisions by the mortgagor, which have remained in default for a period of sixty (60) days.

V.9 That the initial annual assessment shall be Two Hundred and Fifty Dollars (\$250.00) per Lot effect of July 1, 1998 and on the first of each July thereafter. In the event a lot is conveyed to a third party after July 1 of any given year assessment shall be prorated for the balance of the year then remaining prior to the next July 1st date. Assessment shall not imposed on lots owned by the Developer until title is conveyed to a third party.

V.10 That when a purchaser enters into a contract to acquire a lot from the Developer, purchaser shall be entitled to contract at the same time to have as appurtenant to a lot, aviation rights, so-called. Windsock Village Aviation Corporation is an entity that manages and maintains the Windsock Village Airstrip, so-called, which abuts the development. When a purchaser acquires a lot from the Developer, the lot may have as appurtenant to it aviation rights. Such rights shall be contained in a deed by the Developer to a purchaser making such rights appurtenant to the lot. If a purchaser acquires a lot from the Developer which does not have as appurtenant to it aviation rights, the purchaser and the purchaser's heirs, successors and assigns will not be able to become a member of Windsock Village Aviation Corporation. In the event a purchaser does have, at the time of conveyance in the deed as appurtenant to the property, aviation rights, said rights shall run with the property and the lot shall have appurtenant to it

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in the future aviation rights, so-called. Any lot that has appurtenant to it aviation rights shall result in the lot owners being members of Windsock Village Aviation Corporation, entitling the lot owner and others as permitted by Windsock Village Aviation Corporation (i.e. at this time immediate family members of a lot purchaser who reside in the home) to be able to use Windsock Village Airstrip. As to any lot that is appurtenant the right to use Windsock Village Airstrip, each lot owner shall become a member of Windsock Village Aviation Corporation and shall be obligated to pay dues and assessments to it and shall be bound by its rules and regulations and shall be entitled to be a member thereof, complying with all rules and regulations of Windsock Village Aviation Corporation. Accordingly, any lot that initially has appurtenant to it aviation rights shall have with it the obligation with the lot owner being a member of Windsock Village Aviation Corporation to comply with its rules and regulations and to pay dues and assessments to Windsock Village Aviation Corporation.

That the plan of the development does show an area abutting the runway for Windsock Village Airstrip and lots #57 and #58, a certain reserved area for the parking of aircraft. Any lot that has appurtenant to it aviation rights shall be obligated to pay a proportionate cost, that is one share per lot, for common expenses associated with the reserved parking area for aircraft which expenses shall include but not necessarily be limited to maintenance costs for said parking area, general liability insurance costs for said area and taxes. The association, from time to time, may adopt reasonable rules and regulations as to the number of aircraft any lot owner may have in the parking area and the manner and method in which they shall be parked. In addition, certain lots may have as appurtenant to them at the time of purchase, beach rights. Any lot owner also acquiring beach rights shall be obligated to the Association that manages the beach dues and assessments as the entity that operates the beach may from time to time determine. If beach rights are not initially obtained by the purchaser of a lot, the purchaser shall not be able to obtain beach rights in the future.

Likewise a purchaser when a purchaser acquires a lot from a developer, or _____, to the extent memberships are available and not earlier sold by the developer to obtain a membership in Windsock Village Beach Club. In the event a purchaser acquires a lot from the developer with a membership in Windsock Village Beach Club, such that a lot has appurtenant to it beach rights, so-called, the purchaser and the purchaser's heirs, successors and assigns will be a member of Windsock Village Beach Club. The same shall run with the property and the lots

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would have appurtenant to it in the future beach rights, so-called. This is a separate entity, as a result of obtaining such a beach club membership, the owner of the lot will be obligated to comply with the rules and regulations thereof and entitled to uses as permitted by Windsock Village Beach Club, this shall carry with it certain monetary obligations to pay dues and assessments as it determines as the same is assessed against its members. Accordingly, any lot that has appurtenant to it beach rights and a beach club membership assigned to it shall be a member of the Windsock Village Beach Club and to comply with its rules and regulations and pay dues and assessments to it as it determines.

ARTICLE VI
ASSOCIATION LAND

VI.1 Association land shall consist of that land which is not Lots as shown on plan of the development including but not limited to entrance way, roadways within the development and parking areas for air craft.

VI.2 Association Land shall be managed in such a way as to promote the Owners' enjoyment of the area including access to and from Lots on the Development.

VI.3 Subject to the Declaration, all Home Lots shall have a right and easement of enjoyment in common with others in and to the Association land providing that that portion allowed for parking of air craft shall be restricted in use to those Lot Owners that are using Windsock Aviation Airstrip and are entitled to use the same. All Lots shall be subject to easements of access and shall have appurtenant thereto to each Lot a right of ingress and egress over all roadways in the Development and each Lot shall be subject to easements for the installation, maintenance, repair and replacement of utility lines in the Development of which easement shall be appurtenant to and pass with a title to every Home Lot. Use of Association land including the roadway shall be subject to reasonably uniform applicable rules established by the Association pertaining to the use of the same. Lots that have conveyed to them as appurtenant to a Lot the right to use the Windsock Aviation Air Strip shall be entitled to have an aircraft parked in the same and such aircraft may use roadways in the Development for purposes of access to the airport. That is, any Lot that has appurtenant to aviation rights may use the roadways for purposes of taxing aircraft to and from the air strip.

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ARTICLE VII

HOME LOT RESTRICTIONS

VII.1 That except for Lot No. 2, and except for Paragraph F as it applies to Lot #13 in the development, the following restrictions are imposed upon each Lot in the development for the benefit of every other Lot. These restrictions may be enforced by the Developer and the Owner in the Development and/or by the Association excepting and providing that Lot No. 2 shall not be subject to these restrictions to any degree. At a later time the developer may impose a portion some or all of the following restrictions upon Lot No. 2 as the declarant determines in the future.

That, notwithstanding the above, Lot No. 2 shall be obligated to pay assessments as other lots in the development are obligated to pay assessments.

a. Each Home Lot shall be used for residential purposes only. Home Lots are permitted one residential structure and a reasonable, accessory structures for garages and other permitted purposes, that is, for a single-family dwelling only. No duplexes or multi-family dwelling shall be permitted. All residential structures and accessory structures shall be subject to the architectural review, including exterior finish and other aesthetic considerations, of the Developer and may not be built without the prior written approval of the Developer, or its successors and assigns to whom this right is respectively conveyed. Upon the sale of the final Home Lot by the Developer, this review shall be conducted by the Association. All single family dwellings shall be constructed so that the exterior in dimension of living space area shall be 1,600 square feet or more. The review will be governed by the provisions of the Design Review Process attached hereto as Exhibit F. That a Home Owner may, notwithstanding the above, have a home business, so-called, operated from a home on the premises, provided that any such home occupation shall not have any advertising for the same in or within the development and any such home occupation shall not have more than two persons employed by it that do not reside in the home on a full-time basis and there shall be no exterior sign associated with said home occupation exceeding three square feet.

b. No use shall be made of the land to interfere with the quiet enjoyment of such in its natural state. No sign, billboards, poster board or advertising structure of any kind shall be erected or maintained on any Home Lot or structures

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for any purpose whatsoever, excepting such signs as may have been approved by the developer or its successors or assigns, the Board of Directors and the Association. The Developer and its agent may place, however, "For Sale" signs on Lots. As to homes built on 'speculation' "For Sale" signs shall be reasonably permitted. This provision shall not prevent the naming and posting of street signs and the like.

c. No lot shall be subdivided into smaller lots.

d. That the Board of Directors may establish such rules as it deems appropriate. The same shall include but not necessarily be limited to rules pertaining to off-road vehicles (including but not limited to snowmobiles, trail bikes and all terrain vehicles) and it may permit the same to travel upon common areas as the Board may from time to time determine is reasonable and appropriate, if at all. It is specifically noted that aircraft may taxi on roadways in the development to and from homes and the airstrip to the extent a lot has as appurtenant to it, aviation rights, in part as provided for above. The Board of Directors is specifically authorized to make such rules and regulations as it deems appropriate pertaining to the parking area for aircraft and limitations upon aircraft taxiing speed, times of taxiing and the like as it deems appropriate.

e. Tanks for the storage of fuel maintained on any lot shall be buried or enclosed.

f. No fowl, horses, household pets or other animals shall be kept on any Lot, except that a reasonable number of the usual household pets may be kept on Home Lots in conformity with those regulations from time to time established by the Association. This provision shall not apply to Lot No. 13, the declarant as the initial owner of Lot No. 13 and time declarant's heirs, successors and assigns may reasonably keep horses on Lot No. 13 for purposes of renting the same to third parties and boarding said horses for third parties. Lot No. 13 shall be no maintained by the declarant and any successor, assign or grantee of the declarant so that no offensive odors as a result of horses being thereon shall adversely affect any abutting lots.

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g. No rubbish, junk, cuttings or other refuse shall be deposited or permitted to remain on any Lots. No trash, ashes or other refuse may be thrown or dumped on any land. The burning of refuse outdoors shall not be permitted. No incinerator or other device for the burning of refuse indoors shall be constructed, installed or used by any person except as approved by the Directors, or its successors or assigns.

h. No clothesline, air conditioning equipment or other personal property of a similar nature shall be maintained, kept, stored, placed or left where it may be seen by the general public or other owners, without the prior written consent of the Directors.

i. No trees of greater than four (4) inches in diameter at a point two feet above ground level on any Home Lot shall be cut or removed without written approval of the Board of Directors except as permitted under the Design Review Process.

j. No unregistered or inoperable motor vehicle shall be moved onto or kept on any Home lot or on the Association land.

k. No temporary structure, excavation, basement, trailer or tent shall be permitted, placed, moved onto, or erected on any Home Lot. This provision shall not prevent the construction of a foundation and excavation useful or necessary for the construction of the dwelling or out building on any Lot. Tents may reasonably be erected for use by children and reasonably used by children of the Lot owner and cannot be used as any type of permanent dwelling and shall not be placed upon Lots for extended uses as sleeping accommodations. The Board of Directors may adopt such rules as the Board deems from time to time as appropriate pertaining to restrictions on the use of tents on any Home Lot.

l. Each owner shall, at his own expense, keep this Lot and its equipment and appurtenances, including landscaping in good order, condition and repair. Each owner shall immediately notify the Association or its agents of any damage to or malfunction of any facilities for the furnishing of utility services or waste removal.

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m. No owner shall, without prior consent of the Directors, make or permit to be made, any structural alteration, improvement or addition to the exterior of his home nor impair any easement or right or personal property which is part of the Home Lot.

n. No Home Lot owner shall, without prior consent of the Directors, paint or redecorate the exterior of his residence or accessory buildings as to alter its approved appearance or disrupt the harmonious integrity of the homes.

o. All sewage disposal systems shall be constructed in compliance with applicable law. All subsurface sewage disposal systems shall be maintained and kept in good operating condition as not to permit any sewage or waste to reach the surface. Any sewage disposal system that fails shall be properly replaced and shall be operated, maintained and controlled so as not to create a nuisance or any health hazard.

p. No hunting, trapping or other interference with the natural life cycles and pattern of birds and animals shall be permitted on the property except as may be necessary to control pests and vermin. No firearms shall be discharged on any property and any common area whatsoever.

q. All homes constructed shall be completed and landscaped within one year from commencement of excavation on the property.

r. Private swimming pools and tennis courts or similar areas located on a Lot for outdoor physical activities and games, if any, shall not be erected or constructed in the front of any residence, on a Home Lot and shall be adequately fenced. No above-ground pools shall be erected on any Home Lot. No such areas for outdoor physical activities or games shall be allowed to become offensive to abutters or to become a nuisance by reason of noise. The front of the residence is the roadside portion thereof.

s. No obstruction to traffic on any roads or blocking of entries of Home Lots by reason of the parking of vehicles shall be allowed. Owners shall be responsible for any and all obstruction by members of their household, their

lessees and guests. Vehicles shall not exceed 15 mph while traveling on road including but not limited to roads leading from public ways to the subject premises.

t. Gravel, loam, compost, leaves, fertilizers or other mineral waste product or commodity shall not be piled nor stored on any Home Lot without prior written permission of the Directors. Snow and ice shall not be dumped on roads so as to create an obstruction to traffic or interfere with the view of adjoining property.

u. That gardens may be created and maintained on Lots that providing that a vegetable garden on the roadside of any home shall not exceed 240 square feet in area without written permission of the Board of Directors.

v. That all electric lines leading from a roadway to a home other building on a lot shall, from the roadway, be under ground, should be installed in compliance with all state and local regulations pertaining to the installation of under ground electrical wires, conduit and the like.

w. That the Association's board of Directors, upon a vote of three-quarters (3/4) thereof, is empowered to adopt and amend, from time to time, reasonable rules and regulations concerning the use of the Association Land provided that such rules are not contrary to or inconsistent with this Declaration. Copies of the rules shall be furnished in writing to all Home Owners at least thirty (30) days prior to the time when they shall become effective. A vote of the owners by majority interest of the lot owners present or voting by proxy at a meeting of the Association may overrule and declare void any rule adopted by the Board provided that notice of the proposal to overrule such accrue shall be included in the notice of the meeting. An Association meeting shall be scheduled within 30 days by the Board of Directors whenever one shall be requested in writing by at least twenty-five (25%) in voting interest of the owners.

x. No use shall be made of any Home lot which will reasonably affect the flowage of ground water and no use shall be made that will affect the flowage or quality of water of any stream running through the development without prior approval by all local, state and county regulatory agencies and approval of the Board of Directors.

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y. Where strict conformity with the provisions of these restrictions shall cause undue hardship of injustice to an owner, the Board of Directors shall have authority to grant a variance therefrom by a three-quarters (3/4) vote, provided that there is substantial compliance with these provisions and provided that any other owner is not adversely affected to any material degree.

ARTICLE VII
DISREPAIR AND DESTRUCTION

VIII.1 In the event any structure or a Home Lot falls into such a state of disrepair as to be deemed a 'hazardous building', being defined as any structure or part of a structure which, because of inadequate maintenance, dilapidation, physical damage, unsanitary condition or abandonment, constitutes a fire hazard or a hazard to public safety or health, the Board of Directors may order the owner thereof to correct the hazardous condition of such building. The order of the Board shall state in writing the grounds therefore, specifying the necessary repairs and providing ninety (90) days for compliance. In the event of failure of the owner to comply, the Board may cause any such building to be repaired at the cost and expense of the owner or, if in its opinion the same is necessary, for safety purposes, razed or put in a safe condition at the cost and expense of the owner.

VIII.2 For purposes of enforcement hereof, each owner's policy of hazard insurance shall name the Association an insured as its interest may appear.

VIII.3 The Board of Directors shall keep an accurate account of expenses incurred in carrying out its order and of all other expenses theretofore, incurred in connection with its enforcement, including specifically, but not exclusively, any and all attorneys' fees, construction charges connected with labor, materials and services in repair and/or rebuilding or the premises from the time the order was originally made and shall credit thereon the amounts, if any, originally made and shall credit thereon the amounts, if any, received from the sale of the salvage or building or structure and any casualty insurance payments. if the amount received from the sale of the salvage, including any personal property and fixtures situated therein and insurance proceeds does not equal or exceed the amount of expenses, the Board shall establish the amount of the

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difference as a deficiency which amount shall be continuing lien against the property together with interest thereon computed from the expiration of the ninety (90) day period for compliance at the rate of one and one-half (1 1/2%) percent per month along with all costs of collection including attorneys' reasonable fees. Said lien shall also be the personal obligation of the owner of such property and shall be enforced in the same manner as a Power of Sale Foreclosure pursuant to New Hampshire Revised Statutes annotated Chapter 479.

ARTICLE IX
RESERVED EASEMENTS AND RIGHTS

IX.1 Developer expressly reserves in all Home Lots and in the Association land and each shall be conveyed subject to, easements to allow any of the following uses and purposes:

- a. Service boxes, poles, wires and conduits, above or below ground, for the transmission of electricity and telephone messages, and other purposes and for necessary attachments in connection therewith;
- b. Facilities (pumps, etc.), ditches, pipes and culverts for surface water drainage and sewer, water and gas mains and water supply systems including water lines for irrigation and for the community water system, and pipes and appurtenances thereto including storm drains;
- c. The construction and maintenance of slopes and cuts in conjunction with roadways and pathways upon the property;
- d. Any other method of conducting and performing any public or quasi-public utility or service function over or beneath the surface of the ground;
- e. Cables, conduits and wires above or below ground for community radio or television antenna services;
- f. Installing, replacing, repairing and servicing any of the foregoing, including trimming and cutting;

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g. Use of Association land and Association property for building construction and sales purposes conducive to the completion of this development and for construction of recreational facilities and related amenities.

h. A potential purchaser should carefully examine any lot prior to entering into a contract to purchase the same to determine how, if at all, easements referred to above including but not limited to easements for electricity, telephone, water lines, drainage easements, etc., effect the use of a lot.

IX.2 The Developer specifically gives notice that roadways in the development are subject to the rights of others to use them, be it known that roadways per the plan can lead to abutting property with such abutter having the right to pass and repass over roadways in the development.

IX.3 The Developer for itself, its heirs, successors and assigns (including as a possible assignee, the Association) and the Association shall have the right to enter any premises within the development in order to effect emergency repairs or to do any other act necessary to protect the property, health and safety of any owner in the development.

ARTICLE X
AMENDMENTS

X.1 During the first five (5) years following the recording of this Declaration in the Carroll County Registry of Deeds, the Covenants and Restrictions set forth herein or in any Declaration supplementary hereto may be amended at any time by a vote of three-quarters (3/4) of the aggregate voting strength of the Association, ratified by the Developer and three-quarters (3/4) of the Board of Directors, provided:

a. No such amendment shall be effective unless written notice of proposal thereof shall be sent to every member of the association at least thirty (30) days in advance of the meeting at which the same is considered; and

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b. An instrument setting forth such amendment and signed by the Secretary of the Association in the same manner required for the conveyance of real property is recorded in the Registry of Deeds for the County in which this Declaration is recorded.

c. No such amendment shall be effective to relieve the Association of the obligation to maintain the Associations's land or impair any easements established hereunder.

X.2 After the expiration of said five (5) years, amendments to this Declaration or any Declaration supplementary hereto may be made in the same manner provided in Paragraph VIII.1 hereof except that the ratification of the Developer shall not be required.

ARTICLE XI
EXPANSION OF SOARING HEIGHTS

XI.1 the Developer expressly reserves to itself, its heirs, successors and assigns (including as a possible assignee, the Association) the right to expand the land subject to this Declaration for additional residential Home Lots. The right to expand such property shall not be limited in any fashion except that the property that which may be added to become a part of the Development shall only be abutting land. Expansion shall not require the consent of any owner or mortgagee and is only subject to those requirements which exit by statute, rule or regulation per the rules and regulations of the Attorney General's office. This does not impose upon the Developer or its successors, heirs or assigns the obligation to expand the development.

ARTICLE XIII
MISCELLANEOUS

XIII.1 The Covenants, Restrictions and Easements of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the owner of any land subject to this Declaration or any Declaration supplemental hereto, their respective legal representatives, heirs, successors and assigns for a term of thirty (30) years from the date this

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Declaration is recorded, after which time said Covenants and Restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument certifying that a vote of the then owners of the Lots has been taken and three-quarters (3/4) in voting interest of such owners, not including the Developer, have agreed to change said Covenants and Restrictions in whole or in part; provided, however, that no such agreement to change shall be effective unless written notice of the proposed agreement is sent to every owner at least thirty (30 days in advance of any action taken.

XIII.2 Any notice required to be sent to any member under the provisions of this declaration shall be deemed to have been properly sent when mailed in a sealed envelope postpaid, to the last known address of the person who appears as a member on the records of the Association at the time of such mailing.

XIII.3 Enforcement of these Covenants, Restrictions and Easements shall be by any proceedings at law or in equity against any person or persons violating or attempting to violate any Covenant or Restriction either to restrain violation or to recover damages, and against the land to enforce any lien created by these Covenants; and failure by the Association or any owner to enforce any Covenant or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

XIII.4 Invalidation of any one of these covenants or Restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

ARTICLE XIV
UNDERGROUND UTILITIES LEADING TO
IMPROVEMENTS ON A LOT

XIV.1 That to the extent telephone and electric service and the like do not exist to a lot, the purchaser of a lot shall be responsible for any costs and expenses incurred in causing the electrical/telephone companies servicing the area to install electrical/telephone transmission poles and lines leading to a lot. The same shall be constructed as close as is practicable to the roadways in the development. Any electrical or telephone lines from a pole to a home or other

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improvement on a lot shall be underground such that there shall be no overhead electrical/telephone wires or the like leading from a pole to a structure on a lot. Any cost or expense of installing the electrical/telephone service and the like in an underground manner shall be done as is required by State, Local and Utility regulations at the cost and expense of the home owner purchaser.

ARTICLE XV
ROADWAYS IN THE DEVELOPMENT

The roadways in the development are private roadways. The roadways in the development in the future shall continue to be private roadways in part, such that lot owners that have appurtenant to them aviation rights may, pursuant to rules and regulations that are from time to time enacted by the Board of Directors, reasonably taxi aircraft to and from houselots to the Windsock Village Aviation Airstrip. Notwithstanding any provisions to the above to the contrary, lot owners that own aircraft may reasonably cause aircraft, not to exceed two in number, to be hangered or tied down on a lot. At this point in time the roadway has not been paved or tarred. The developer expressly reserves the right to install a paving type material, known as "mixed in place" upon the roadway or such other paving material that it determines at a later time to install. Developer is not obligated to install any paving material whatsoever. In the event it elects to do so, it shall do so in its sole discretion and is not obligated to install any type of paving.

ARTICLE XVI
INSTALLATION OF WELLS AND SEPTIC SYSTEMS

Each purchaser of a lot shall be responsible for costs and expenses of installing a sewerage system on each lot. Any sewerage system shall be installed in compliance with State regulations and any local regulations that apply. There is no community water system. Each lot owner shall be responsible for installing the lot owner's own water supply system on the lot. Any well or water supply system on a lot shall be installed in compliance with State and local laws and

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regulations and shall be so installed such that it does not adversely impact upon the location of a septic system on an abutting lot unless an appropriate agreement is entered into with any abutting lot or lots that would be impacted as to future construction of a septic system and improvements with the abutting lot owner(s).

ARTICLE XVII

DESIGN REVIEW PROCESS

XVII.1 That the developer has enacted a Design Review Process as set forth in an appendage hereto. Construction, improvements and landscaping of a lot shall be subject to the terms, conditions and provisions thereof.

ARTICLE XVIII

TITLE HEADINGS

XIV.1 The title headings as to the contents of particular Articles are inserted only as a matter of convenience and for reference, and in now way are, nor are they intended to be, a part of this Declaration nor in any way define, limit or describe the scope of intent of the particular section or clause to which they refer.

ARTICLE XIX

XIX.1 The property will be subject to a Design Review Process pursuant to and in furtherance of the Design Review Process heretofore established by Soaring Heights, Inc.

SOARING HEIGHTS, INC.

Dated:

Exp 1 19

BY:

Ralph Floria, President

Ralph Floria, President

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STATE OF NEW HAMPSHIRE
COUNTY OF CARROLL, SS

Dated: *Ex 1 10 0*

Personally appeared the above named, Ralph Floria , and acknowledged the foregoing document by him/her made to be his/her voluntary act and deed.



~~Notary~~ Public/Justice of the Peace
My Commission Expires: *10/1/05*

SOARING HEIGHTS, INC.
PUBLIC OFFERING STATEMENT
(Effective _____, 1997)

This subdivision is registered with the Consumer Protection and Antitrust Division of the Attorney General's Office of the State of New Hampshire pursuant to the provisions of the New Hampshire Land Sales Full Disclosure Act, RSA 356-A. The Act requires that a Public Offering Statement be furnished to a purchaser prior to or at the time he enters into a purchase agreement. The purpose of the statement is to disclose material facts pertaining to this subdivision. It is recommended that the purchaser read this statement carefully, physically inspect the property, review all sales and other documents in detail, and consult an attorney for advise. Nothing contained herein should be construed as suggesting that the Consumer Protection and Antitrust Division or any other public agency has determined that the disposition of any subdivision lot or interest therein is legally sufficient to protect the rights of purchasers.

Unless a purchaser has received this statement prior to or at the time he enters into a purchase agreement, he may void the contract at any time by giving written notice to the seller.

Receipt of this statement must be acknowledged in writing by the purchaser.

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I M P O R T A N T

NOTICE OF PURCHASER'S CANCELLATION RIGHTS

New Hampshire law provides that you have an express and unqualified right to cancel your Purchase and Sales Agreement within five (5) calendar days from the date the agreement was entered into or the delivery to you of the Public Offering Statement, whichever is later. If you elect to cancel, you may do so by written notice thereof hand-delivered or deposited in the United States mail, return receipt requested, within the five (5) day period, to the subdivider or to any agent of the subdivider; provided, however, that if you elect to mail the Notice of Cancellation, you must also provide the developer with telephonic notice of cancellation within the five (5) day period. Such cancellation shall be without penalty and any deposit made by you must be refunded in its entirety no later than ten (10) calendar days from the subdivider's receipt of your written notice of cancellation.

100-1-100

AMENDMENT TO
PUBLIC OFFERING STATEMENT

NOW COMES Soaring Heights, Inc. and supplements its Public Offering Statement as follows:

Soaring Heights, Inc. is a New Hampshire corporation with a principal place of business in Ossipee, New Hampshire. Its so-called "principals" in the corporation are Ralph Floria of Ossipee, New Hampshire and George Swansburg of Ossipee, NH. That is, they are the officer, directors and shareholders of the corporation at this time. The corporation was formed for the purpose of developing the property that it has acquired in Ossipee, NH known as the Soaring Heights Subdivision. That subdivision consists of 63 lots of land. Approvals have been obtained by Soaring Heights, Inc. to develop the land from the Department of Environmental Services as well as the Town of Ossipee, New Hampshire, the Town of Ossipee, New Hampshire having approved the 63 lot subdivision in 1997. It is the intention of the developer to develop the 63 lot subdivision known as Soaring Heights into a prestigious residential community.

Daniel Hayford and Aviation Realty Corporation were, years ago, involved in development of a subdivision in Ossipee, NH known as The Bluffs. The Bluffs has as appurtenant to it and adjacent to the Development itself, an airfield suitable for use by light aircraft. The runway is a grass runway suitable for use by aircraft, single engine land and aircraft, multiengine land as normally used in general aviation. Mr. Hayford and Aviation Realty Corporation did reserve the right to expand that Development by developing through themselves or their assignees property now known as Soaring Heights, Inc.

As shown in deeds from Mr. Hayford and Aviation Realty Corporation to Ralph Floria, a copy of the same being attached hereto, Ralph Floria did acquire certain property and aviation rights and the ability to assign those rights to subdivided lots for the Development now known as Soaring Heights, Inc. As set forth in deeds appended hereto, Mr. Floria has conveyed the real estate commonly known as Soaring Heights and aviation rights to Soaring Heights, Inc.

In addition as set forth in Easement Deed to Ralph Floria and Easement Deed by Mr. Floria to Soaring Heights, Inc. there are a total of ten beach rights which can be enjoyed by and up to the lot owners in the Soaring Heights Development.

SCHROEDER, MCLEITCHIE & CLOUGH, ROUTES 171 & 28, OSS�PEE, NH 603-539-2266

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All lots in the development except for Lot #2 and Lot #13 are subject to a uniform Declaration of Covenants, Conditions and Restrictions. The Restrictions do not apply to any degree to Lot #2 which may be used for commercial purposes by the developer, Soaring Heights, Inc., and its successors and assigns. In addition, Restrictions have been modified as to Lot #13 such that horses may be maintained on Lot #13 as set forth in the Restrictions. The remaining lots in the development are subject to the uniform set of Declaration of Covenants, Conditions and Restrictions. The Restrictions provide for the appropriate and orderly development of the subdivision restricting uses to residential uses in general with certain business or professional home occupations being permitted as set forth in the Restrictions. Any improvements made upon a lot, i.e. a home and outbuildings, etc., are subject to a design review process.

A purchaser in the development is allowed, without restriction, to have such person or entity that it desires construct improvements on a lot in the development. In the future, Soaring Heights, Inc., may build one or more speculation houses, so-called, in the development and it is willing to enter into contracts with purchasers, if they so desire, to construct residential homes for a purchaser on a lot. There is no restriction requiring Soaring Heights to be the builder. As to any improvements, the individual purchaser would be responsible for all materials and construction, including installation of a driveway, electrical/phone/utility services which must be underground from the roadway to any structures, as well as installing the purchaser's own sewage disposal system, i.e. a septic system, and water supply system. No guarantee is made by the developer that a lot will have potable water with it. Each lot shall have to have its own water system and septic systems.

The Development itself which in part abuts the Windssock Village Aviation airstrip, so-called, consists in total of 106.7 acres. The Development consists of the 63 lots that have been subdivided as well as roadways situated within the Development. The roadways are private roadways, will always be private and will be maintained by the Lot Owners Association. The roads in the Development are dirt roads. While the developer may improve the same with a "mixed in place" type of pavement, it makes no representation or guaranty that this will occur. All purchasers of a lot in the Development shall be entitled to use the roadways for

all purposes that roadways are normally used, including purposes of ingress and egress to public roads outside the Development. The Lot Owners Association will be responsible for the maintenance and repair of roadways in the Development.

As set forth in deeds submitted herewith, Lots in the Development may have as appurtenant to them, aviation rights, so-called. When a lot is initially sold to a purchaser by Soaring Heights, Inc., the lot may have as appurtenant to it, aviation rights. When a purchaser initially purchases a lot, the purchaser shall be making an election as to whether or not the property shall have as appurtenant to it, aviation rights. If aviation rights are not initially granted by the developer to the initial purchaser of a lot, the lot will not, at any time in the future, have aviation rights appurtenant to it. If when a lot is purchased, it does initially have aviation rights appurtenant to it, those rights shall always be appurtenant to the lot no matter who may later own the property. Lots that have appurtenant to it aviation rights, have the ability to taxi aircraft upon roadways in the Development and will have the right to taxi to and from the Windsock Village Aviation Airstrip. If a lot has conveyed appurtenant to it aviation rights, the lot owner will become a member of the Windsock Village Aviation Corporation which is not owned or controlled by the developer. A lot having aviation rights will be able to use the Windsock Village Airstrip, so-called, subject to the rules and regulations of Windsock Village Aviation Corporation. The lot owners will be required to pay dues and assessments to Windsock Village Aviation Corporation as it determines in addition to abiding by all of its rules and regulations.

Lots in the Development that have appurtenant to them aviation rights shall have the ability to have hangers constructed thereon for purposes of storing aircraft. In addition lots that have appurtenant to them aviation rights, shall be entitled to use the aircraft parking easement area shown on the plans. Such lots shall also be under an obligation to pay all common expenses associated with maintenance of that aircraft parking area including obligations for taxes, maintenance of the same and insurance.

As set forth in Easement Deed to Ralph Floria and Easement Deed by him to Soaring Heights, Inc., there is the ability for purchasers in the Development to acquire beach rights which, once acquired, would be appurtenant to a lot. Such

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beach rights would enable the owners of a lot to be members of Windsock Village Beach Club. As members they would be able to use the facilities of the beach club, so-called, being subject to its rules, regulations and obligations to pay for dues and assessments. Soaring Heights has acquired a total of ten beach rights, to wit Interest #3091 through and including #3100. The first numbered beach right will be appurtenant to Lot #29 and the second numbered beach right will be appurtenant to Lot #43, leaving eight beach rights that could be purchased by purchasers in the Development.

It is noted that the purchaser of a lot in the Development does not need to acquire aviation rights and does not need to acquire beach rights. If the same are acquired then the purchaser and the purchaser's heirs, successors and assigns of the lot would be a member of the aviation association and beach right association, being subject to their rules and regulations. Windsock Aviation and Windsock Village Beach Club are separate entities and are not related to Soaring Heights, Inc.