

Lots S1 - S21 and Lots WA1 – WA10 as depicted on the plan entitled "Gray Cove and Smith Cove Subdivision, Cathance Shores Drive, No. 14 Township, Washington County, Maine" all dated February 12, 2007 and recorded in the following:

- a) Cabinet 3, Drawer 15, Plan 99 (Cover Sheet);
- b) Cabinet 3, Drawer 16, Plan 1 (Plan V1);
- c) Cabinet 3, Drawer 16, Plan 2 (Plan V2);
- d) Cabinet 3, Drawer 16, Plan 3 (Plan V3);
- e) Cabinet 3, Drawer 16, Plan 4 (Plan V4);
- f) Cabinet 3, Drawer 16, Plan 5 (Plan V5);
- g) Cabinet 3, Drawer 16, Plan 6 (Plan V6); and
- h) Cabinet 3, Drawer 16, Plan 7 (Plan V7).

(All plans collectively referred to herein as "Plan" or "Plans")

Declaration. Declarant declares that the Lots previously described and as depicted on the aforesaid Plans, shall be held, sold, and conveyed subject to the terms of this Declaration for the purposes of protecting the value and desirability of the Lots (and other land which may hereafter fall within the definition of "Lot" as provided below). The rights and obligations hereunder shall run with the Lots and, as applicable, be binding on all parties having or acquiring any right, title or interest in the Lots or any part thereof, whether as owners, joint owners, mortgagees, tenants or occupants. All rights hereunder may be enforced, as applicable, by Declarant, the Association, and Members as provided herein.

I. <u>Definition of Terms</u>.

A. "Association" shall mean and refer to Cathance Shores Property Owners Association, a Maine non-profit corporation.

B. "Lot" shall mean and refer respectively to Lots as previously described above and depicted on the aforesaid Plans, or to any land hereafter brought within the jurisdiction of the Association as a Lot.

C. "Member" shall mean and refer to the record owner of a Lot, whether one or more persons or entities, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. "Member" shall also include any landowner who becomes a Member of the Association by written agreement with the Association.

D. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the current possessory estate (for example, fee simple title or a life estate) to any Lot including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

E. "Common Area" shall mean all interests in real property held or to be held by the Association for the common use of its Members. The current Common Area hereby submitted to the terms of this Declaration, and intended to benefit the Association as of the date of this Declaration, shall consist of the following:

- i) Lots OS1 OS11 depicted on the Plans;
- ii) Lots C1 C4 depicted on the Plans; and
- iii) The areas on the Plans labeled Gray Cove Road, Highland Road, Partridge Knoll, Moose Trail and Smith Cove Road.

Declarant Reserved Easements: Reserving, for the benefit of other land of Declarant, rights of way for all purposes of a way, including ingress, egress and utility services, located upon the Common Area. Said reserved easements may in the future be granted by the Declarant to serve property of other landowners, and may be granted to any owners association. Also reserving the right to grant the reserved utility services easements to utility services.

No rights or easements for the benefit of the Lots shall be created or implied as to any roads or Local Access Driveways (as hereinafter defined) depicted on the aforesaid plans, unless expressly granted hereunder or in deeds from the Declarant. All rights and title of Declarant in any roads or property of Declarant, except as expressly granted, are reserved to Declarant.

The access and utilities services easement rights hereby granted to the Association are more particularly described in Article VII below and in the deed from Declarant to the Association to be recorded in the Washington County Registry of Deeds.

Declarant does not hereby dedicate the above described Common Area to public uses or for the benefit of any land other than the Lots. Declarant claims for itself and its successors and assigns, and for the Association, and its Members, all of the rights and immunities against liability for injury to the public to the fullest extent of the law under Title 14 M.R.S.A. § 159-A as amended and successor provision thereof (The Maine Recreational Use Statute), and under any other applicable provision of law and equity.

All Members' and the Association's use of the Common Area shall be at their sole risk and Declarant shall not be liable to the Members or the Association for any claims arising from use of the Common Area or any Local Access Driveways by the Members or the Association, or their employees, contractors, agents, successors and assigns, including but not limited to claims for personal injury, death, damage to property or loss of business, except to the extent such damage is caused by gross negligence or

the willful misconduct of Declarant, or its agents, contractors or employees. The Members and the Association shall hold harmless Declarant, its affiliates, directors, officers, trustees, employees, contractors, successors and assigns from (a) any claims and costs and expenses (including reasonable attorneys' fees) arising from use of the Common Area by Members or the Association, or their employees, contractors, agents, successors and assigns, except to the extent caused by the gross negligence or willful misconduct of Declarant, its agents, contractors, or employees, and (b) any costs and expenses (including reasonable attorneys' fees) incurred by Declarant in connection with curing any default of the Members or the Association hereunder or enforcing Declarant's rights under this Declaration.

II. <u>Association</u>. The Members shall associate for the following purposes.

A. Maintaining the Common Area.

B. Enforcing any and all covenants, restrictions and agreements applicable to the Lots, and Common Area, including the enforcement of all provisions of this Declaration of Covenants.

C. Fixing, levying, collecting and enforcing payment by any lawful means of all charges or assessments pursuant to the terms of this Declaration, and to pay all expenses in connection therewith.

D. Acquiring (by gift, purchase or otherwise), owning, holding, improving, building upon, operating, maintaining, conveying, selling, leasing, transferring, dedicating for public use or otherwise disposing of real or personal property in connection with the affairs of the Association. Provided, however that any transfer of rights in the Common Area for public purposes (including transfers to the State of Maine, or any of its agencies, or to any municipality) shall require the written approval of Declarant.

E. Having and exercising any and all powers, rights and privileges which a corporation organized under the Maine Non-Profit Corporation Act may now or hereafter have or exercise.

III. <u>Member Voting</u>. The Association shall have one class of voting membership, being the Lot Owners. Such owners shall be entitled to one (1) vote for each Lot. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any such Lot. Membership shall be appurtenant to and may not be separated from Lot ownership.

IV. <u>Bylaws</u>. The Association is established by Articles of Incorporation filed with the Maine Secretary of State, and by this Declaration, and its operation will be governed by the Bylaws. The conduct of persons on the property will be governed by this Declaration, the Bylaws and rules and regulations adopted by the Board of Directors.

V. <u>Rules and Regulations</u>. In order to assure the peaceful and orderly use and enjoyment of the Lots and Common Area, the Board of Directors may, from time to time, adopt, modify and revoke in whole or in part, such reasonable rules and regulations, to be called Rules and Regulations, governing the conduct of persons on said properties as it may deem necessary, including, but not limited to methods and procedures for enforcing compliance with the Declaration. Such Rules and Regulations upon adoption, and every amendment, modification, and revocation thereof, shall be delivered promptly to each Member and the Association, and shall be binding upon all Members.

VI. Protective Covenants And Restrictions

A. The following protective covenants and restrictions shall bind all Lots:

1. <u>Buildings and Structures</u>.

(a) No building or structure shall be erected, placed, or permitted to remain upon any Lot except one single-family residence not to exceed thirty-five feet or less depending on LURC requirements, or two stories in height, and a freestanding or attached garage. The word "structure" or "building" means any thing or object, the placement of which upon any Lot may affect the appearance of such Lot including, without limitation, any shed, barn, greenhouse, coop, cage, house trailer, or any other improvement on such Lot. For the purposes of the covenants and restrictions the word "structure" or "building" does not include covered or uncovered patios, basketball poles, swimming pools, bath houses, walls fences, driveways, walkways, storage sheds containing less than seventy-two (72) square feet of floor space. LURC rules however, define structures as anything constructed or erected with a fixed location on or in the ground, or attached to something having a fixed location on or in the ground, including but not limited to, buildings, mobile homes, retaining walls, billboards, signs, piers and floats.

(b) The residence shall be a minimum of 1500 square feet of habitable area above the foundation. The residence must be at least 1 $\frac{1}{2}$ stories above the foundation.

(c) No house trailer, mobile home, or doublewide manufactured housing (as defined in 30-A M.R.S.A. § 4358) shall be placed on any Lot. Modular construction in the above mentioned size is permitted.

2. <u>Finished Structures</u>. All structures shall be painted or have finished siding and be maintained in a sightly condition. Construction of any type shall have a finished siding within one year of commencement. Finished or improved siding shall not include underlayment, insulation, or moisture barrier material.

3. <u>Grounds</u>. The grounds of all Lots and the Common Area must be kept clean and free from all trash, waste, white goods, and (except during active construction) miscellaneous building materials. Trash, garbage, or other waste shall be kept in sanitary containers which must be stored within a building or storage shed.

4. <u>Unregistered and Commercial Vehicles</u>. No unregistered motor vehicles shall be allowed on any Lot.

5. <u>Animals.</u> No animals (including, but not limited to, horses), livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except that dogs, cats, or other common household pets may be kept in numbers which do not interfere with other Lot owners' quiet and undisturbed enjoyment of their Lots. Overnight housing of dogs or other animals in kennels, or any other outbuildings, is expressly prohibited.

6. <u>Commercial Use of Lot</u>. No Lot shall be used for commercial purposes unless a specific commercial use of a Lot is permitted within the language of the deed of that Lot given by the Declarant, and the commercial use of such a Lot shall be limited only to the specific commercial use stated in said deed. This provision is not intended to apply to leasing or renting of any Lot and its buildings for residential or recreational purposes.

7. <u>Signs</u>. No sign or advertisement of any kind shall be displayed on or about any Lot to public view except for street numbers and the names of residents (of an unobtrusive size not to exceed that customarily used for homes in residential subdivisions) and signs advertising the property for sale or rent.

8. <u>Burning</u>. The burning of garbage or trash out of doors shall not be permitted.

9. <u>Offensive Uses Prohibited.</u> No Lot shall be used for any purpose which is noxious or unreasonably offensive because of noise, smoke, dust, or odors. No outdoor hydronic heaters (also known as outdoor wood boilers) are allowed on any Lot.

10. Any Owner of two or more contiguous lots may, but is not required to, use said contiguous lots as one lot provided that title to said lots is held in identical ownership.

11. Except (i) for transfers to contiguous Lot Owners to clarify boundaries, or cure encroachments and similar problems; or (ii) if expressly permitted in a deed from Declarant, the Lots shall not be further subdivided, including for purposes of renting, leasing, or sale, and no part of any Lot less than the whole shall be rented, leased or sold.

B. <u>NO EFFECT ON DECLARANT'S OTHER LAND.</u> The foregoing restrictions shall run with the Lots, but shall not be binding upon other nearby and adjacent land of Declarant.

VII. Easements.

A. The respective rights and easements pertaining to the Lots shall pass with the title to each Lot, as applicable, subject to the provisions of this Declaration.

B. <u>Access and Utilities</u>. Every Lot Owner shall have an easement, in common with Declarant, its successors or assigns, for access and utilities over the Common Area. Utility services installations in the Common Area shall be located or serviced in a manner which does not unreasonably hinder the use or enjoyment of the Common Area by any Member.

VIII. Common Area Maintenance.

A. Road Maintenance Standards.

1. Roads within the Common Area will be kept open and free of debris during all snow-free times for the passage of Declarant's and Members' vehicles. The Association will be solely responsible for costs of maintenance of Common Area roads, in accordance with all applicable laws (including land use and environmental regulations). Such maintenance obligations shall not affect the Association's rights to or claims against third parties for damages or contribution for damages to the roadways exceeding ordinary wear and tear.

2. All culverts and cross drainages will be kept open and free of debris to allow the unrestricted passage of water.

3. The surface of the travel way shall be of a gravel or crushed rock surface.

4. Unless a special assessment is approved for improvements and repairs under the provisions of this Declaration, upkeep and maintenance of the Common Area roads will be limited to that required by virtue of erosion and ordinary wear to the road surface (including, without limitation, correction of the effects of ordinary winter travel). The terms of this Declaration shall not be construed to obligate the Association or Members to correct or repair any damage to the Common Area due to use attributable to third parties having rights in the road.

5. If the Association determines that the Association shall be responsible for the costs of winter snowplowing, said assessments must be approved by special assessment. In the absence of such approval, individual Members may plow the Common Area roads at their own risk and expense.

IX. <u>Member's Responsibility for Repairs</u>. Each Member shall repair or cause to be repaired, at his or her own expense, any damage caused by such Member, or such Member's family, agents, or invitees, to the Common Area which exceeds ordinary all season wear and tear which would occur through usage for ordinary family and residential purposes.

X. <u>Unobstructed Passage</u>. No Member shall obstruct, hinder, or interfere or permit the obstruction, hindrance or interference with the free and uninterrupted use of the Common Area by Declarant, its successors and assigns; and all Members, and their families, tenants, or guests.

XI. <u>Assessments</u>. Each Member is required to pay annual and special assessments.

A. <u>Application</u>. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Members and to improve and maintain the Common Area. The rights of membership, including voting rights, are subject to the payment of the annual and special assessments levied by the Association and imposed against each Member and, as hereafter specified, such assessments become a lien upon the Lot owned by the Member and the personal obligation of the Member. Barring exceptional circumstances, each Lot shall be assessed its pro-rata share of each annual and special assessment, based on the total number of Lots in the Association.

B. <u>Purpose of Assessments</u>. The assessments may be levied against the Lots for the purpose of establishing such reserves as the Association deems necessary and for raising funds in order to provide for the costs of administering and enforcing the terms of this Declaration. Assessments shall be used to pay the administrative costs and expenses of the Association and for purposes of payment of insurance, taxes, improving and maintaining the Common Area, services, and facilities related to the Common Area, and repair, replacement, and additions to the Common Area, and for the cost of labor, equipment, materials, management, and supervision thereof.

C. <u>Computation of Operating Budget and Assessment</u>. The Board of Directors of the Association, at least thirty (30) days prior to the Association's annual meeting, shall prepare a budget covering the estimated costs of establishing the reserves, administering and enforcing the Declaration, and maintaining the Common Area during the coming year. The Board shall cause the budget and the proposed assessments to be levied against each Lot for the following year, to be delivered to each Member at least twenty-one (21) days prior to the meeting. The budget and assessments shall be deemed ratified and approved unless disapproved at the annual meeting by a vote of seventy-five percent (75%) of the total votes cast at the meeting whether or not a quorum is present at that meeting. In the event the budget is disapproved, the budget last approved by the Members shall be continued until such time as the Members approve a subsequent budget proposed by the Board.

The Board shall determine the total amount required, including the operational items such as insurance, repairs, reserves, maintenance, and other operating expenses, as well as charges to cover any deficits from prior years and capital improvements approved by the Board. The total annual requirements and any supplemental requirements shall be allocated between, assessed to, and paid by the Members as follows:

1. Except as provided above, each Lot shall be assessed and the Member or Members thereof shall pay a fraction of said requirements, the numerator of which shall be one (1) and the denominator of which shall be equal to the number of lots subject to this Declaration. The maximum annual assessment for a Member of a single Lot shall not exceed One Thousand Dollars (\$1,000.00) unless so approved by Members entitled to vote for sixty percent (60%) of all Lots at an annual or special meeting. The sum due the Association from each individual Member shall constitute an assessment of the Board of Directors and unpaid assessments shall constitute liens on the individual Lots, subject to foreclosure as hereinafter provided.

The annual assessments shall be due and payable within thirty (30) days after the annual meeting.

2. <u>Special Assessments</u>. In addition to the annual assessments, the Association, acting through its Board of Directors, may levy special assessments in any year for the purpose of defraying the cost of any construction or reconstruction, or unexpected repair or replacement of any portion of the Common Area and improvements, including the necessary fixtures and personal property related thereto, and the establishment of reasonable reserves and payment of debts of the Association, provided that such special assessment shall have the assent of Members voting for at least sixty percent (60%) (which percentage must include at least two (2) of the Lots owned by Declarant during any period when Declarant owns two (2) or more lots) of the Lots at the annual meeting or a special meeting called for such purpose.

If certain of the Lots are served by driveways outside the bounds of the Common Area traversing one or more Lots ("Local Access Driveways"), the Board of Directors may in its sole discretion also levy special assessments for shared Local Access Driveway maintenance and repairs (which special localized assessments may be limited to the Members owning the Lots benefited by the assessments).

Special assessments shall be due and payable within ten (10) days of approval unless the Board of Directors adopts another due date which shall be not less than ten (10) days after such approval.

Effect of Non-Payment of Assessment. If any assessment or any other 3. charges payable pursuant to this Declaration are not paid on the date when due as provided herein, then such assessments and charges shall become delinguent and shall, together with interest thereon and costs of collection, become a continuing lien upon the Lot and appurtenant easements, against which such assessments are made and shall bind such property in the hands of the then Owner and such Owner's heirs, devisees, personal representatives, successors and assigns. Such lien shall be prior to all other liens except: (a) tax or assessment liens on the lot by the taxing subdivision of any governmental authority, including but not limited to State, County, and Town taxing agencies; and (b) all sums unpaid on any mortgage of record encumbering the lot. The personal obligation of the then Owner to pay such assessment or charges shall remain such Owner's personal obligation and shall not pass to such Owner's successors in title (except insofar as the Lot remains subject to the lien imposed by this Declaration) unless expressly assumed by them.

If any assessment or charges are not paid within thirty days after the delinquent date, the assessments or charges shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum and Declarant or the Association, whichever is applicable, may bring an action at law against the person personally obligated to pay the same or to foreclose the lien against the

property in like manner as a mortgage on real estate, and there shall be added to the amount of such assessment or charges the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment or charges as above provided and a reasonable attorney's fee to be fixed by the court, together with the costs of the action. No Owner may waive or otherwise escape liability for assessments provided herein by non-use of such Owner's Lot.

XII. <u>Enforcement</u>. Enforcement of the covenants and restrictions contained in this Declaration shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any such covenant or restriction. Such actions may be either to restrain violations or to recover damages, or against the land to enforce the rights created by these covenants. Failure by Declarant, the Association, or any Member to enforce any covenant or restriction herein contained in no event shall be deemed a waiver of the right to do so at thereafter. Notwithstanding Declarant's reserved rights hereunder, Declarant shall not be obligated to enforce the terms and covenants hereunder.

XIII. <u>Annexation</u>. Additional property and Common Area may be made subject to this Declaration with the consent of a two-thirds (2/3) vote of the Members of the Association. Provided, however, the consent of the Association shall not be required for the annexation of land under this Declaration by Declarant.

XIV. <u>Amendment</u>. This Declaration may be amended only by a written agreement of the Members. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive five (5) year periods. This Declaration may be amended by an instrument signed by not less than two-thirds (2/3rds) of the Members. Provided, however, that any amendment must include the affirmative vote of Declarant during any period when Declarant owns one or more Lots. Any amendment must be recorded.

XV. <u>Successors and Assigns</u>. This Declaration shall be binding upon and inure to the benefit of the undersigned and its respective successors or assigns.



Declaration of Open Space Covenants and Restrictions

THIS DECLARATION is made this 26th day of March, 2007, by **CATHANCE SHORES**, **LLC**, a Maine limited liability company, having a mailing address of 805 Cooper Highway, Cooper, Maine 04657 (hereinafter called "Declarant").

BACKGROUND

This Declaration of Restrictive Covenants is made to comply with Declarant's obligations to maintain open space under the requirements of the Maine Land Use Regulation Subdivision Permit SP 4071 and other regulations of the Land Use Regulation Commission, and affects the portion of Grantor's land in Township 14, E.D., Washington County, State of Mainehereinafter referred to as the "Open Space."

The Open Space is one hundred six and thirty-eight hundredths (106.38) acres consisting of the following:

Lots OS1 – OS11 as depicted on the plan entitled "Gray Cove and Smith Cove Subdivision, Cathance Shores Drive, No. 14 Township, Washington County, Maine" all dated February 12, 2007 and recorded in the following:

- a) Cabinet 3, Drawer 15, Plan 99 (Cover Sheet);
- b) Cabinet 3, Drawer 16, Plan 1 (Plan V1);
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- e) Cabinet 3, Drawer 16, Plan 4 (Plan V4);
- f) Cabinet 3, Drawer 16, Plan 5 (Plan V5);
- g) Cabinet 3, Drawer 16, Plan 6 (Plan V6); and
- h) Cabinet 3, Drawer 16, Plan 7 (Plan V7).

(All plans collectively referred to herein as "Plan" or "Plans")

Declarant is the Owner of thirty-one (31) residential lots ("the Lots") shown on the Plans, and Owner of other adjacent land, which will benefit from the maintenance of the Open Space as Open Space under the terms of this Declaration.

DECLARATION

Declarant hereby declares that the Open Space shall be held and conveyed subject to the terms of this Declaration for the purposes of protecting the value and desirability of the Lots and other adjacent land of Declarant. The rights and obligations hereunder shall run with the Open Space and be binding on all parties having or acquiring any right, title or interest in the Open Space. All rights hereunder may be enforced, as applicable, by one or more Owners of the Lots, by the Declarant (or its successors or assigns), or by any incorporated homeowners' association

whose members are Lot Owners, or are Owners of other adjacent land now owned or hereafter acquired by Declarant ("Other Declarant Land").

As used herein "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Other Declarant Land, or that estate or interest which is most nearly equivalent to the fee simple title, but shall not mean or refer to any mortgage holder, unless and until such holder has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

COVENANTS AND RESTRICTIONS

The Open Space shall be held and conveyed SUBJECT TO the following covenants and restrictions:

- 1. The Open Space shall not be further subdivided
- 2. The Open Space shall be used solely for purposes intended to conserve

land

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and preserve important features of the site.

- 3. No structures are allowed on the Open Space, except signs, boardwalks, railings, steps, gates, benches, bridges, culverts, utility lines and their appurtenances, and other similar items necessary or desirable for accomplishing permitted and reserved uses.
- 4. Except as necessary for the exercise of Declarant's Reservations as set

below, no cutting of trees or removal of vegetation shall be allowed on the Open Space.

- 5. No Snowmobiles or ATV's may enter the Open Space, except on trails designated by Declarant (or its successors and assigns).
- 6. No fires may be maintained on the Open Space.

DECLARANT'S RESERVATIONS

Declarant reserves to itself and its successors and assigns, for the benefit of the Lots and Other Declarant Land, all rights accruing from ownership of the Open Space, including the right to engage in or permit, or invite others to engage in, all uses of the Open Space that are not expressly prohibited herein and are not inconsistent with the purpose of this Declaration or any other declaration related to property depicted on the Plans. Without limiting the generality of the foregoing the following rights are expressly reserved:

(a) The right to post the Open Space against trespassers, and to control unauthorized use of the Open Space.

(b) The right to construct and maintain utility lines, and to grant utility services easements within the bounds of the Open Space to serve the Lots and Other Declarant Land.

(c) The right to locate, construct, and maintain roads on the Open Space as depicted on the Subdivision Plan. Also, reserving the right to grant easements for ingress, egress and utility services within said easement strips to serve the Lots and Other Declarant Land.

(d) The right to alter the surface as necessary to accomplish the activities permitted herein, and the right to locate, relocate, and maintain recreational trails, including trails for snowmobiles and ATV's.

(e) The right, but not the obligation, to co-manage the Open Space with any homeowner's association established to oversee the Open Space.

SEVERABILITY

Invalidation of any of the provisions of this Declaration by judgment or Court Order in no way shall affect any other provisions, which shall remain in full force and effect.

ENFORCEMENT

Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction. Such action may be either to restrain violations or to recover damages, or against the land to enforce the rights created by these covenants. Failure by Declarant, by any Owner, or by an incorporated homeowners' association to enforce any covenant or restriction herein contained in no event shall be deemed a waiver of the right to do so thereafter.