

May 2006

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HORIZONS CONDOMINIUM

DECLARATION

KNOW ALL MEN BY THESE PRESENTS that L. JOHN DAVIDSON ASSOCIATES, a limited partnership organized an existing under the laws of the State of Vermont and qualified to do business in the State of Maine, hereinafter referred to as the "Sponsor", hereby submits certain premises together with all improvements thereon, owned by Sponsor in the Village of Ogunquit, Town of Wells, County of York and State of Maine, hereinafter more particularly described, to the terms and conditions of the Unit Ownership Act of Maine, Title 33 of the Maine Revised Statutes Annotated, Sections 560-587 inclusive (Hereinafter referred to as the "Act"), for the specific purpose of creating and establishing a condominium to be known as HORIZONS CONDOMINIUM, and for the further purpose of defining the plan of unit ownership and imposing thereon certain restrictive and protective covenants for the benefit of said condominium.

Section 1. Submission of Property. The Sponsor hereby submits the land, together with buildings and improvements now and hereafter thereon, owned by the Sponsor (hereinafter referred to as the "Property"), situated in the Village of Ogunquit, Town of Wells, County of York and State of Maine, more particularly described in Schedule A attached hereto and incorporated herein by reference, together with all the easements, privileges, appurtenances and interests in real and personal property appurtenant to the Property, described in said Schedule A; subject, however, to those certain easements, licenses, rights-of-way, and encumbrances upon the Property encumbering the same described herein or in said Schedule A.

The foregoing Property is shown on a survey of the Property entitled "Land of L. John Davidson Associates, Site and Survey Plan of Horizons condominium, Ogunquit, Maine", dated January 1978, by Moulton Engineering Co., (hereinafter referred to as the "Survey"), recorded simultaneously herewith in the York County Registry of Deeds which Survey and the information thereon are incorporated herein by reference.

Floor plans of the units and buildings comprising the Horizons Condominium have been filed simultaneously herewith in the York County Registry of Deeds, consisting of seven (7) sheets, and entitled "Horizons Condominium, Survey, Buildings & Floor Plans in Ogunquit, Maine, L. John Davidson Associates" prepared by Moulton Engineering Co., Kittery, Maine; which floor plans are of the individual units and their location on the Property and are duly signed and certified by Paul A. Henry, registered professional engineer, which survey and floor plans and the information thereon are incorporated herein by reference.

The survey and floor plans are recorded simultaneously herewith in the York County Registry of Deeds in Unit Ownership File #15.

Section 2. Description of Buildings. The buildings comprising Horizons Condominium shall consist of:

2.1 One four-story wood frame structure with basement, with wood shingled exterior and asphalt shingled roof designated as "Horizons Resort Hotel", more particularly located and defined on the Survey and floor plans incorporated herein by reference. The number of stories and basements of said building and the number of units contained therein is more particularly located and described in the floor plans which are incorporated herein by reference;

2.2 Six wood frame structures with shingled exterior and asphalt shingled roof, designated Cottage 1, Cottage 2, Cottage 3, Cottage 4, cottage 5, and Cottage 6 inclusive. The number of stories, basements, if any, and crawl spaces, if any, of each cottage and the number of units contained therein are more particularly located and described in the Survey and floor plans incorporated herein by reference.

Section 3. Identification and Number of Units. Reference is hereby made to the Survey and floor plans of Horizons Condominium for the identification number of each unit showing its location, immediate common area to which it has access and the approximate area. Reference is made to Schedule B attached hereto and made a part hereof for the number of rooms in each unit.

Section 4. Purposes. The buildings and each of the units are intended to be utilized for the purposes of a resort hotel in the condominium form of ownership.

Section 5. Description of Limited Areas and Facilities. Limited common areas and facilities, being those parts of the common areas and facilities wherein the exclusive use is reserved as an appurtenance to a particular unit or particular units, shall mean the individual areas reserved for the exclusive use of and as an appurtenance to a unit or units and are indicated on said floor plans. The allocation of limited common areas and facilities to respective units is set forth on Schedule B annexed hereto and incorporated herein by reference.

Section 6. Description of Common Areas and Facilities. The common areas and facilities shall consist of all of the property so declared, except the individual units, and shall include the land, buildings, foundations, roofs, outside walls, pipes, ducts, stairways and staircases, elevator, storage spaces, pumps, water tanks, hallways, laundry areas, pipes, wires, electrical wires and conduits, and public utilities and public utility lines that run through any wall or partition for the furnishings of utility services to units and common areas and facilities, floors and ceilings (other than the interior surfaces thereof located within the units), perimeter walls of units (other than the interior surfaces thereof), structural parts of the building including structural columns, gutters, beams and supports, parking areas, pool area, pool and pool system, tennis courts and other recreational areas, cabanas, lounge area, music room, card and library room, meeting room, reception area, front desk, and in addition, all other parts of the property necessary and convenient to its existence, maintenance and safety. Each unit owner in any building shall have the right and easement to use the common areas and facilities in common with all other unit owners, as may be required or the purposes of ingress and egress to and from the unit and for the use and enjoyment of the common areas and facilities, as well as the right and easement to the use, occupancy and enjoyment of the respective unit owned by such unit owner, the limited common areas appurtenant to said unit and, (subject to the terms, conditions, covenants, restrictions and regulations of the Declaration and the By-laws of the association of unit owners annexed hereto as Schedule C and incorporated herein by reference, and all other rules and regulations promulgated hereunder and thereunder), the common areas and facilities.

Section 7. Percentage of Ownership. The percentages of interest of the individual units in the common areas and facilities have been determined by the Sponsor on the basis of the proportion which the fair value of each individual unit bears to the fair value of all the units. The percentage of the undivided interest of each individual unit owner in said common areas and facilities has a permanent character and shall not be altered without the consent of the record owners of all units and record holders of all mortgages thereon expressed in an amendment to this Declaration duly recorded in the York County Registry of Deeds. Said percentages of interest in common areas and facilities pertaining to each individual unit are set forth in said Schedule B.

Section 8. Access to Common Areas and Units. Horizons Condominium Owners Association, the association of unit owners described in the Act, or its authorized agents and representatives shall have the irrevocable right to be exercised by the Manager or Board of Trustees (being the board of directors described in Section 576.1 of the Act) to have access to each unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the common areas and the facilities therein, including water and sewer systems, or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the common areas, and facilities, or to other unit or units.

Section 9. Uses and Restrictions.

9.1 Each unit is hereby restricted to resort hotel uses by the owner or owners thereof, which shall include temporary vacation residence and shall not preclude the rental or lease of any units by the owners thereof for any term or duration subject, however, to the terms, conditions, restrictions and regulations set forth in Section 9.10, the By-Laws or promulgated by the Board of Trustees of Horizons Condominium Owners Association pursuant thereto.

9.2 Each unit owner or owners shall, by virtue of holding title to a unit, become a member of said Horizons Condominium Owners Association and shall be bound by all the provisions contained in the Articles of incorporation and the By-laws of said Horizons Condominium Owners Association as the same may be amended from time to time.

9.3 Each unit owner shall comply strictly with the By-Laws and with the rules and regulations promulgated by the Board of Trustees, with the covenants, conditions and restrictions set forth in this Declaration and in the deed to each unit owner's respective unit. Failure to so comply shall be grounds for an action to recover damages or for injunctive relief or both maintainable by the Manager or Board of Trustees on behalf of the Horizons Condominium Owners Association or in a proper case by an aggrieved unit owner.

9.4 No unit owner shall do any work which in the judgment of the Board of Trustees of the association of unit owners may jeopardize the soundness or safety of the Property, reduce the value thereof or impair any easement, rights, appurtenances or other hereditament consisting of common areas and facilities.

9.5 The Horizons Condominium Owners Association, acting by and through the Board of Trustees may delegate the maintenance, repair, management and operation of the common areas and facilities to persons, firms or corporations selected by it in the exercise of its sole discretion, which persons, firms and corporations are herein designated "Manager".

9.6 No unit owner may exempt himself from liability for his contribution towards the common expenses and payment of assessments by waiver of the use or enjoyment of any of the common areas and facilities, limited common areas and facilities and/or by the abandonment of the unit of such unit owner.

9.7 Each unit owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by such unit owner's act, neglect or carelessness or by that of any member of such unit owner's family, or such unit owner's guests, employees, agents, or lessees, but only to the extent that such expense is not paid by the proceeds of insurance carried by the Board of Trustees. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of any unit or its appurtenances. Nothing herein contained however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation against such unit owner.

9.8 The failure of the Board of Trustees or a unit owner to enforce any right, provision, covenant or condition provided in this Declaration, the By-Laws, or any rules or regulations promulgated hereunder or thereunder shall not constitute a waiver of the right of the Board of Trustees or unit owner to enforce such right, provision, covenant or condition in the future.

9.9 In any proceeding, under any provision of this Declaration, the By-Laws, or said rules and regulations promulgated from time to time by the Board of Trustees arising because of an alleged default or violation by a unit owner, the Manager and/or the Board of Directors, if the prevailing party, shall be entitled to recover the cost of the proceeding action or suit and such reasonable attorney's fees as may be awarded by the Court.

9.10 All rentals of units exceeding thirty (30) consecutive days shall be in writing. Such leases shall be in form approved by the Executive Board, and shall include all of the information contained in a standardized lease form to be made available by the Executive Board to all Unit Owners upon reasonable request. Written leases may include additional terms not set forth in such standardized lease, so long as the additional terms

do not conflict with the standardized lease form. The standardized lease form will include a reference to the posted rules and regulations regarding use of the swimming pool and tennis courts, and other recreational facilities. The Executive Board is authorized to demand a copy of any lease from any unit owner of a unit currently rented, and if not produced within seven (7) days of receipt of written demand to the Unit Owner's last known address, the Board may demand a copy of said lease from the tenant then in possession, if such tenant is reasonably available, but no such demand of a tenant is necessary to effectuate the remaining terms of this section. In the event that a Unit Owner fails to provide or produce a copy of such lease, or in the event that the lease provided fails to comply with this section, then in either of those events, the tenant shall be deemed to be an occupant of the Condominium as a resort hotel, subject to the statutory right of ejectment for violation of Condominium rules and regulations, if such violations have occurred. The Executive Board reserves the right to notify any occupant of the Condominium of the provisions of this, and other, sections of the Declaration pertaining to occupancy and tenancy, and shall in all events requires strict and proper compliance with the Declaration By-Laws and rules and regulations of the Condominium.

If the Executive Board determines that an occupant other than a Unit Owner has violated any provision of the Declaration By-Laws or rules and regulations of the Condominium, the Board shall cause such occupant to be notified (if not notified previously) of the terms and conditions of the Declaration, By-Laws and rules and regulations of the Condominium, and the nature of the alleged violation. The terms and conditions of the Declaration, By-Laws and rules and regulations shall be deemed to be conditions of any occupancy of the condominium, whether or not a written lease exists, and, to the extent necessary to effectuate the terms of this section, each Unit Owner does make and appoint the Executive Board and/or its authorized agents attorneys-in-fact for each Unit Owner to the extent necessary to enforce the provisions hereof, or to commence ejectment or eviction proceedings for such violations. The Executive Board shall not eject or evict any occupant for violation of the Declaration, By-Laws, or Rules and Regulations of the Condominium without first delivering to such occupant, or such occupant's unit, a true copy of the Declaration, By-Laws and rules and regulations, and a clear statement of those conditions which the occupant has violated, and stating that in the event of any future violation of any provision of the Declaration, By-Laws or rules and regulations of the Condominium, such occupant shall be ejected or evicted (as the case may be) without further notice. The Executive Board shall take all reasonable steps to notify a Unit Owner of any such notification to such Unit Owner's occupant prior to ejectment or eviction, but such notification shall not be a condition of ejectment or eviction hereunder.

Such notice shall not be required in the event that the grounds for eviction or ejectment is that the occupant has conducted or allowed to be conducted an illegal activity of any kind upon the premises, being any activity equivalent to a Class E crime or greater pursuant to the Maine Criminal Code.

Section 10. Separate Taxation. Each unit and its percentage of undivided interest in the common areas and facilities shall be deemed to be a separate parcel and shall be subject to separate assessment and taxation by the Town of Ogunquit. Neither the buildings, the land nor any of the common areas and facilities shall be deemed to be a separate parcel. Each unit owner shall promptly pay all assessments and taxes as received and as each becomes due.

Section 11. By-Laws. The By-Laws of Horizons Condominium Owners Association, which is the Association of unit owners described in Section 561.1 of the Act, are annexed hereto as Schedule C and incorporated herein by reference; provided, however, that the By-Laws shall be amended only as prescribed therein.

Section 12. Encroachments. If any portion of the common areas and facilities encroaches upon any one unit, or if any unit now encroaches upon any other unit or upon any portion of the common areas and facilities, as a result of the construction of the buildings or if any such encroachment shall occur as a result of settling or shifting of the buildings, a valid easement for the encroachment, and for the maintenance of the same so long as the building stands, shall exist. In the event the building, the unit, and adjoining unit, or any adjoining common areas and facilities, shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, and then rebuilt, encroachments of

parts of the common areas and facilities upon any unit or of any unit upon any other unit or upon any portion of the common areas and facilities, due to such rebuilding, shall be permitted, and valid easements or such encroachments and the maintenance thereof shall exist so long as the buildings shall stand.

Section 13. Discrepancies. In the event of discrepancy between the boundaries of units as described on the Survey, the floor plans, the deeds to respective units and the physical boundaries of said units as they may exist, or as they may change from time to time due to the shifting and settling of buildings, the then-existing physical boundaries of the units shall be conclusively presumed to be their boundaries rather than the description of boundaries expressed in said Survey, floor plans and deeds, and the unit owners, by acceptance of their respective deeds to units subject to this Declaration, waive variances between the boundaries shown on the Survey, floor plans, deeds and the physical boundaries of the building and units and any right to an amendment or reallocation of percentage interest in common areas and facilities.

Section 14. Removal from Unit Property Act. The dedication of the Property to the plan of unit ownership herein shall not be revoked, or the property removed from the plan of unit ownership, or any of the provisions herein amended unless ninety percent (90%) of all the unit owners and holders of all the mortgages of all the units shall agree to such revocation or removal of the Property from the provisions of the Act expressed by written instrument duly recorded in the York County Registry of Deeds.

Section 15. Service of Process. The person to receive service of process shall be any member of the Board of Trustees or such other person as the Board of Trustees may appoint.

Section 16. Amendment of Declaration. This Declaration of Condominium, except as otherwise provided herein, may be amended at any regular or special meeting of the Association, duly held in accordance with the provisions of the By-Laws at which a quorum shall be present, by a vote of not less than seventy-five percent (75%) in common interest of all unit owners cast in person or by proxy; provided that notice of the proposed amendment shall be included in the notice of meeting at which the proposed amendment is to be considered, which amendment shall be in writing, signed by the president and secretary of the Horizons Condominium Owner's Association and recorded in the York County Registry of Deeds; provided, however, that:

16.1 No amendment shall change any unit nor the share of the common areas and facilities appurtenant to it nor increase an owner's share in the common areas and facilities contrary to the provisions of Section 7 of this Declaration.

16.2 No amendment shall discriminate against any unit or group of units without the consent of the owner or owners of such units.

Section 17. Unpaid Common Charges; Violations; Assignment of Rents; Attorney's Fees.

17.1 Each Unit is subject to a statutory lien in favor of the Association for the unpaid Common Charges thereof as provided in Section 580 of the Act, and/or as provided in 33 M.R.S.A. §1603-116. All unpaid Common Charge shall carry interest at a rate to be determined by the Board, not to exceed 18% per annum, until fully paid.

17.2 After notice by certified mail to addressee only to the last known address of a Unit Owner and opportunity to be heard, the Executive Board may impose such reasonable fines and penalties as it may deem appropriate for violations of any of the covenants, conditions and restrictions set forth in this Declaration, the By-Laws or the rules and regulations of the Condominium, for any continuing violation, such fines or penalties to be collected as additional Common Charges. In addition, in the event the Executive Board is required to take any action, legal or equitable, to abate such violation or enforce the covenants, conditions and restrictions set forth in this Declaration, or to collect condominium fees or assessments, then in any such action in which the Executive Board is successful, the Unit Owner shall pay to the Association all

costs associated with such action, including court costs and reasonable attorney's fees. Such costs and fees may be collected as additional Common Charges.

17.3 In addition to any other remedies herein provided, or provided by the Unit Ownership Act or the Maine Condominium Act as it may apply, or in the event of any unpaid assessment, common charge or fee of any kind, including fines and penalties set forth in the preceding paragraph, to the extent any portion thereof remains unpaid for more than three (3) months after it becomes due, the Association shall have a conditional assignment of leases, rental agreements and occupancy agreements then or thereafter in existence with respect to the affected unit, together with all rents, income and profits arising from said leases and any renewals thereof to secure the obligations aforesaid. In such event, the Association, without in any way waiving any other rights it may have, may at its option, without notice, and without regard to the adequacy of any other security, with or without bringing any action or proceedings, or by a receiver appointed by a court, take possession of the premises and secure, have, hold, manage, lease and operate the same on such terms and for such period as is necessary to recoup said amounts, and, either with or without taking possession of the premises in its own name, sue for, or otherwise collect and receive, all rents, income and profits of the premises, including those past due and unpaid, with full power to make from time to time all alterations, renovations, repairs and replacements thereto or thereof as may seem proper to the Association, and to apply such rents, income and profits to the payment of all such outstanding obligations of the affected Unit Owner. The conditional assignment shall terminate upon full and complete payment of all assessments, charges and fees owed by the affected Unit Owner. This conditional assignment shall not operate to place responsibility for the control, care, management and repair of the premises upon the Association, nor for the carrying out of any of the terms and conditions of said leases; nor shall it operate to make the Association responsible or liable for any waste committed on the premises by a Tenant or any other parties, or for any dangerous or defective condition of the premises, or for any negligence in the management, upkeep, repair or control of said premises resulting in loss, injury or death to any tenant, licensee, employee or stranger.

17.4 In the event of any unpaid assessment, common charge or fee of any kind, to the extent any portion thereof remains unpaid for more than three (3) months after it becomes due, the Unit Owner and said tenants, licensees and invitees shall have no right of access to, nor shall utilize, all or any portion of the Condominium common elements, including but not limited to, parking spaces, tennis courts, pool and pool areas, or other recreational areas of any kind until such charges are paid in full. The Executive Board shall have the authority to enforce this section in any reasonable manner, including the towing and/or storage of motor vehicles.

Section 18. General Provisions.

18.1 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 Declaration or the intent of any provisions hereof.

18.2 The use of the singular number in this Declaration shall be deemed to include the plural the plural the singular, and the use of any one gender shall be deemed applicable to all genders.

18.3 No provision contained in this Declaration 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.

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

18.5 In the event any provision of this Declaration conflicts with the provisions of the By-Laws, the Declaration shall control the By-Laws.

18.6 All rights, remedies and privileges granted to the Board of Directors or a unit owner pursuant to any terms, provisions, covenants or conditions of the condominium documents shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other ad additional rights, remedies, or privileges as may be granted to such party hereunder or by any instruments or documents incorporated herein by reference or at law or in equity.

IN WITNESS WHEREOF, L. JOHN DAVIDSON ASSOCIATES, has caused this instrument to be signed and sealed in its partnership name and behalf by L. JOHN DAVIDSON, its General Partner, hereunto duly authorized, this _____ day of February, 1998.

SIGNED, SEALED and DELIVERED
IN PRESENCE OF L. JOHN DAVIDSON ASSOCIATES

By: L. John Davidson
Its: General Partner

STATE OF MAINE

COUNTY OF YORK, ss. _____, 1998

Personally appeared the above-named L. JOHN DAVIDSON, General Partner of L. John Davidson Associates, and acknowledged the foregoing Declaration to be his free act and deed in said capacity and the free act and deed of said L. John Davidson Associates.

Before me,

Notary Public

My commission expires: _____

EXHIBIT A

Four certain lots or parcels of land with buildings thereon on or near Israel Head Road situated in Ogunquit village corporation, Town of Wells, York County, State of Maine, being that land as shown on a plan titled "Land of L. John Davidson Associates Site & Survey Plan of Horizons Condominium" prepared by Moulton Engineering Co. of Kittery, Maine, and sealed by Paul A. Henry, R.L.S. and dated January 1978, recorded herewith and more fully described as follows:

Lot #1

Beginning at an iron pipe set in the southeasterly corner of Ontio Hill Cemetery as shown on said plan and the northerly sideline of the Marginal Way; thence N 57° 38' 05" E by said Marginal Way one hundred three and one hundredths (103.1) feet to an iron pipe set; thence N. 52° 22' 35" E by said Way forty-eight and ninety-nine hundredths (48.99) feet to a drill hole set; thence N 26° 42' 35" E by said Way forty-two and

eighty-three hundredths (42.83) feet to an iron pipe set; thence by said Way by a curve to the right, its radius being twenty (20.00) feet and arc length of fifteen and nine hundredths (15.09) feet to land now or formerly of Florence W. Hooper at an iron pipe set; thence S 72° 48' 15" W by land of said Hooper sixty-nine and seventy-one hundredths (69.71) feet to the southeasterly corner of land now or formerly of Jean Grantham at an iron pipe found; thence S 70° 49' 40" W by land of said Grantham and the remains of a stone wall eighty-one and sixty-one hundredths (81.61) feet to the northeasterly corner of the said Cemetery at a drill hole set; thence S 09° 46' 00" W by said Cemetery and a faced stone wall eighty-seven and forty-three hundredths (87.43) feet to a point; thence N 79° 14' 45" E two and forty-nine hundredths (2.49) feet to the point of beginning. Said parcel containing 7,900 square feet. All bearings are magnetic and calculated from a single observation in 1977.

Lot #2

Beginning at a "T" iron found in the southwesterly corner of the lot herein described as shown on said plan and the northerly sideline of Israel Head Road; thence S 86° 53' 05" E by said Road four hundred fifty-one and forty-five hundredths (451.45) feet to Ontio Hill Road and an iron pipe found; thence N 38° 51' 50" E by said Ontio Hill Road one hundred seventy-eight and eighty-two hundredths (178.82) feet to land now or formerly of Ann Sharples Merrill and an iron pipe found; thence N 54° 17' 35" W by land of said Merrill and a stone wall eighty-two and sixty-two hundredths (82.62) feet to an iron pipe found; thence N 33° 51' 10" W by land of said Merrill eighty-four and four hundredths (84.04) feet to the southerly sideline of an unnamed undeveloped street as shown on a plan of Josiah Chase's Israel Head Property dated July 27, 1892 and recorded in the York County Registry of Deeds in Plan Book 3, Page 33, at an iron pipe found; thence N 08° 36' 10" W across said undeveloped street forty-one and twenty-eight hundredths (41.28) feet to an iron pipe found; thence N 23° 23' 15" W by land now or formerly of Martin T. Mace one hundred twenty-three and eighty-six hundredths (123.86) feet to the southerly sideline of the Marginal Way at an iron pipe found; thence S 72° 02' 30" W by said Way eighty-six and seventy-six hundredths (86.76) feet to a point; thence S 69° 56' 20" W by said Way sixty-three and one hundredth (63.01) feet to a granite monument found; thence S 69° 56' 20" W by said Way thirty and sixty hundredths (30.60) feet to a granite monument found; thence S 69° 56' 20" W by said Way forty-five and fifty-nine hundredths (45.59) feet to an iron pipe set; thence S 26° 42' 35" W by said Way forty-seven and thirty-eight hundredths (47.38) feet to a granite monument found; thence S 52° 22' 35" W by said Way fifty-four and forty-six hundredths (54.46) feet to a granite monument found; thence S 57° 38' 05" W by said Way one hundred seven and seventy-five hundredths (107.75) feet to a railroad spike in ledge set; thence S 79° 14' 45" W by said Way thirty-eight and ten hundredths (38.10) feet to land now or formerly of Louisa M. Mace at a "T" iron found; thence S 04° 07' 40" E by a 10-foot right-of-way and land of said Mace ninety-four and twenty-one hundredths (94.21) feet to the northerly sideline of said undeveloped street at an iron pipe found; thence S 04° 07' 40" E by said undeveloped street forty-two and thirty-three hundredths (42.33) feet to an iron pipe found; thence S 04° 07' 40" E by land of said Mace thirty-six and twenty-five hundredths (36.25) feet to the point of beginning.

Said parcel containing 153,341 square feet.

EXCEPTING from said parcel the said unnamed and undeveloped street as shown on said Horizons Condominium Plan and on said Plan of Josiah Chase's Israel Head Property, BUT INCLUDING all of the Sponsor's right, title and interest to said street, the Sponsor and its predecessors in title having used and landscaped said street as its and their exclusive property for more than 40 years past.

Also including the right to use as a driveway for vehicular access between Shore Road and the above parcel the 10-foot right-of-way along the southerly side of the Marginal Way as shown on said Horizons Condominium Plan and as described in deed by H.L. Merrill Hotel Company to Sponsor dated December 16, 1977, recorded in York County Registry of Deeds in Book 2296, Page 72.

All bearings are magnetic and calculated from a single observation in 1977.

Lot #3

Beginning at a PK nail set at the intersection of the southerly sideline of Israel Head Road and the westerly sideline of Cherry Lane as shown on said plan; thence N. 86° 54' 20" W by said Israel Head Road one hundred nineteen and ninety-five hundredths (119.95) feet to land now or formerly of Martin T. Mace and an iron pipe set; thence S 03° 05' 40" W by land of said Mace one hundred twenty-five and no hundredths (125.00) feet to a point; thence N 86° 54' 20" W by said Mace twenty-three and fifty-nine hundredths (23.59) feet to a point; thence S 01° 42' 55" E by land now or formerly of John D. Bassette one hundred two and thirty-six hundredths (102.36) feet to the northerly sideline of Ledge Road at an iron pipe set; thence S 87° 49' 20" E by said Ledge Road one hundred forty-three and thirty-seven hundredths (143.37) feet to the intersection of the westerly sideline of said Cherry Lane at a railroad spike set; thence N 01° 42' 55" W by said Lane one hundred and six hundredths (100.06) feet to an iron pipe set; thence N 03° 05' 40" E by said Lane one hundred twenty-five and no hundredths (125.00) feet to the point of beginning.

Said parcel containing 29,470 square feet. All bearings are magnetic and calculated from a single observation in 1977.

Lot #4

Beginning at a granite monument found at the intersection of the northerly sideline of Ledge Road and the westerly sideline of land now or formerly of Margaret E. Maloney as shown on said plan; thence N 03° 32' 15" E by said Maloney and in part by a stone wall sixty-eight and two hundredths (68.02) feet to an iron pipe found; thence N 86° 21' 20" W by land now or formerly of Charles L. Seaman fifty-five and sixty-nine hundredths (55.69) feet to an iron pipe set; thence S 01° 42' 55" E sixty-eight and fifty-four hundredths (68.54) feet to a granite monument; thence S 86° 36' 20" E by Ledge Road forty-nine and forty-two hundredths (49.42) feet to the point of beginning.

Said parcel containing 3,581 square feet. All bearings are magnetic and calculated from a single observation in 1977.

The foregoing lots or parcels of land are declared SUBJECT to:

(a) Ten-foot right-of-way reserved in deed by Charles Seaman, et ux., to H. L. Merrill Hotel Company dated November 21, 1961, recorded in York County Registry of Deeds in Book 1460, Page 571.

(b) Easement for life described in deed by L. John Davidson Associates to Martin T. Mace, et ux., dated December 16, 1977, recorded in said Registry of Deeds in Book 2296, Page 78.

(c) Easements and rights more particularly described in deed by Sponsor to Ogunquit Village Corporation acknowledged January 28, 1980, recorded or to be recorded in the York County Registry of Deeds.

(d) Easements more particularly described in deed by Sponsor to Central Maine Power Company et al. dated October 10, 1979, recorded in the York County Registry of Deeds in Book 2591, Page 318.

(e) The covenants and agreements of sponsor set forth in that certain Mortgage and Security Agreement by Sponsor to Harold Brown dated August 21, 1979, recorded in the York County Registry of Deeds in Book 2555, Page 151, and as assigned to Harbor National Bank of Boston by Assignment dated August 22, 1979, recorded in said Registry in Book 2557, Page 34.

Together with rights in common with others entitled to use Marginal Way and a right of way along the shore as set forth in the said deed by H. L. Merrill Hotel Company to Sponsor.

Together with all right, title and interest of Sponsor now owned and hereafter acquired as more particularly

described in deed dated February 6, 1980 by Ogunquit Village Corporation to Sponsor recorded in the York County Registry of Deeds, including, but not limited to, such right, title and interest now owned and hereafter acquired in the right of encroachment by Cottage #3 upon Marginal Way.

Together with all easements and rights of Sponsor described in deed by Louisa M. Mace to Sponsor dated February 4, 1980, recorded or to be recorded in said Registry of Deeds, but subject to the rights reserved therein by the grantor of said deed.

Being the same premises conveyed to Sponsor by H. L. Merrill Hotel company under said deed dated December 16, 1977, recorded in said Registry of Deeds in Book 2296, Page 72.