



STATE OF NEW HAMPSHIRE
 DEPARTMENT of CULTURAL RESOURCES
*Division of Historical Resources, State Council on the Arts,
 State Library, Film & Television Office,
 Commission on Native American Affairs (administratively attached)*

20 Park Street
 Concord, New Hampshire 03301



MICHAEL YORK
 Acting Commissioner
 michael.york@dcr.nh.gov

TEL: 603-271-2397
 FAX: 603-271-6826
 www.nh.gov/nhculture

January 5, 2017

His Excellency, Governor Christopher T. Sununu
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Cultural Resources, Division of Historic Resources, to accept, upon Governor and Council approval, a Term Historic Preservation Easement consisting of the real property and structure situated thereon, known as Castle in the Clouds (aka Lucknow Estate) located at 455 Old Mountain Road, Moultonborough, NH and no appraised value, from Castle Preservation Society for the term of twenty years from Governor and Council Approval.

EXPLANATION

The Castle in the Clouds was determined eligible for listing in the National Register of Historic Places on May 26, 2010. Castle in the Clouds was awarded a grant in the amount of \$238,245.00, from the Division of Historical Resources under the Disaster Relief Appropriation Act of 2013 for the repair of the Shannon Lake Dam 10/21/2015 #29. The terms of the grant require the grantee to hold a term preservation easement as a means of protecting the public's investment in that property.

This easement will ensure that the architectural, historical, and cultural features of the property will be maintained in their current or better condition for preservation purposes.

Sincerely,

Kathleen M. Starick

Michael York
 Michael York
 Acting Commissioner

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NOV 25 2016

TERM HISTORIC PRESERVATION EASEMENT

For and in consideration of the award of a grant-in-aid from the Hurricane Sandy Storm Recovery and Disaster Planning Grant Program for Historic Properties, the receipt of which is hereby acknowledged, we the **CASTLE PRESERVATION SOCIETY**, a New Hampshire non-profit having its principal place of business and mailing address at 455 Old Mountain Road, P.O. Box 687, Moultonborough, New Hampshire, 03254, "Grantor," for consideration paid, do hereby voluntarily grant and convey to the **STATE OF NEW HAMPSHIRE, DEPARTMENT OF CULTURAL RESOURCES**, acting through the **DIVISION OF HISTORICAL RESOURCES**, having its place of business and mailing address at 19 Pillsbury Street, Concord, Merrimack County, New Hampshire 03301-3570, "Grantee," with **QUITCLAIM COVENANTS**, in accordance with and pursuant to the provisions of New Hampshire RSA 477:45-47 and RSA 227-M, a **TERM HISTORIC PRESERVATION EASEMENT** in the real property and structure situated thereon, known as Castle in the Clouds (aka Lucknow Estate), and more particularly described on Schedule A, attached and made a part hereof, the "Property," upon the terms and conditions set forth herein, and more completely described in Baseline Documentation, Schedule B, which is attached hereto and incorporated by reference herein.

1. BACKGROUND AND NATURE OF EASEMENT

1.1 Grantor and Grantee desire to guarantee the preservation of the unique historical character and architectural qualities of the Property and to impose "preservation restrictions" on the Property in accordance with RSA 477:46.

1.2 The Castle in the Clouds (aka Lucknow Estate) was determined eligible for listing in the National Register of Historic Places on May 26, 2010, as required under Section 170(h)(4)(B) of the Internal Revenue Code, the "Code."

1.3 The preservation values of the Property are documented in the New Hampshire Individual Inventory Form, the grant application materials, interim and final reports and photographs, which the Grantor and Grantee agree provide an accurate representation of the Property as of the date of this Easement. These materials and a photographic record shall be maintained for the life of this easement in the Grantee's easement file for the Property.

1.4 This Easement is given in consideration of the sum of \$238,245.00 received by the Grantor from the Grantee under the Disaster Relief Appropriations Act of 2013, as administered by the National Park Service of the United States Department of the Interior and is granted for a period of twenty (20) years pursuant to and in accordance with Section 170(h) of the Code, and NH RSA 477:45, II.

1.5 The terms of the Hurricane Sandy Storm Recovery and Disaster Planning Grant Program for Historic Properties require the Grantee to hold a term preservation

easement on any property rehabilitated using funds provided by the Act, as a means of protecting the public's investment in that property.

1.6 This Easement specifically grants the Grantee all rights necessary:

1.6.1 To ensure that the architectural, historical, and cultural features of the Property will be retained and maintained in their current or better condition for preservation purposes, and

1.6.2 To prevent any use or change of the Property that will significantly impair or interfere with the preservation value of the Property.

2. COVENANTS OF GRANTOR

2.1 Affirmative Covenants. Grantor agrees to comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d)), the Americans with Disabilities Act (42 U.S.C. 12204), and with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794). These laws prohibit discrimination based on race, religion, national origin, or disability. In implementing public access, Grantor shall make reasonable accommodation to qualified disabled persons in consultation with the Grantee.

2.1.1 Grantor covenants and agrees at all times during the term of this Easement to maintain the Property in the same or better structural condition and state of repair as that existing on the date of this Easement. The obligation to maintain shall require replacement, rebuilding, repair, and/or reconstruction by Grantor whenever necessary, subject to the casualty provisions of Section 4, to preserve the Property in substantially the same structural condition and state of repair as that existing as of the date of this Easement.

2.1.2 Grantor covenants and agrees that all work under this paragraph shall be undertaken in accordance with the United States Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings, as they may be amended from time to time, the "Secretary's Standards" (36 CFR 68).

2.1.3 Grantor agrees to submit to Grantee, an annual stewardship report for Castle in the Clouds detailing all physical work, if any, undertaken on the Property on both the exterior and interior of the Building over the course of the previous year, as well as any stewardship development activities and any changes to the stewardship plan for the Property.

2.1.4 Grantor agrees to grant Grantee the right to enter unto the Property upon reasonable notice for the purpose of making periodic inspections of said property to ensure compliance with this Easement.

2.1.5 Grantor shall make the public-access portions of Castle in the Clouds reasonably accessible to the public during regular operating hours, and a minimum of twelve (12) scheduled days a year. Nothing in this agreement will prohibit a reasonable non-discriminatory admission fee, comparable to fees charged at similar facilities in the area.

2.1.6 At other times deemed reasonable by Grantor, the Grantor shall admit persons affiliated with education organizations, professional architectural associations, and historical societies to study Castle in the Clouds. Grantee may make photographs, drawings or other representations documenting the significant historical, cultural, and architectural character and features of the Property, and may distribute them to magazines, newsletters, or other publicly available publications, or use them to fulfill its charitable and educational purposes; provided Grantee does not use such materials for sale or profit.

2.2 Negative Covenants

Grantor covenants and agrees that the following acts or uses are expressly forbidden on, over, or under the Property, except as otherwise permitted in this paragraph:

2.2.1 The Buildings on the Property shall not be demolished, removed, or razed except as provided in Section 4;

2.2.2 No action shall be undertaken that would adversely affect the structural soundness of the Buildings;

2.2.3 Nothing shall be erected or allowed to grow on the Property that would impair the visibility of the Property from street level;

2.2.4 No dumping of ashes, trash, rubbish, or any other unsightly or offensive materials is permitted on the Property;

2.2.5 No subdivision of the Property shall be permitted, nor shall the Property be conveyed except as a unit;

2.2.6 No above-ground utility transmission lines may be created on the Property, except those reasonably necessary for the existing Buildings, and those utility easements already on record, if any;

2.2.7 No other buildings or structures, including satellite dishes, shall be erected or placed on the Property, except such temporary structures required for the maintenance or rehabilitation of the Property;

2.2.8 No resource asset acquired under the Disaster Relief Appropriations Act of 2013 grant to Grantor shall be used for purposes not

consistent with the purposes of NH RSA 227-M, as prohibited by NH RSA 227-M:14;

2.2.9 No resource asset may be sold, transferred, conveyed, or released from the public trust, as prohibited by NH RSA 227-M:13.

2.3 Conditional Rights

2.3.1 Grantor covenants and agrees that it shall not undertake any of the following actions during the term of this Easement and shall take all reasonable steps to prevent inappropriate, incompatible, and/or irreversible changes to the Property in the future and agrees for the term of this Easement, that neither the Grantor, nor his heirs, executors, administrators and assigns, shall begin any work, make any modifications or improvements to said Property without the prior express written approval of the Grantee, which approval may be withheld or conditioned in the sole discretion of the Grantee:

2.3.1.1 Grantor will not increase or decrease the height of, make additions to, change the exterior construction materials or finishes of, or move, improve, alter, reconstruct, or change the facade, including the fenestration, and roof, of the Buildings.

2.3.1.2 Grantor will not erect any new external signs or external advertisements not existing as of the date of this Easement, except (i) signs that may be required under the terms of grants that have been made for the preservation of the property, (ii) a sign stating solely the address of the Property, (iii) a temporary sign to advertise a special event or the sale or rental of the Property, (iv) signs identifying entities that occupy the building, (v) and signs related to museum and interpretive activities. The design and content of all signs placed in conformity with this clause shall be reviewed and approved writing by the Grantee.

2.3.1.3 Grantor will not make any permanent substantial topographical changes to the Property.

2.3.1.4 Grantor agrees that no ground disturbing activity shall be undertaken or permitted to be undertaken on the Property which would affect historically significant archaeological resources without prior written permission of the Grantee affirming that such work will meet The Secretary of the Interior's Standards for Archeology and Historic Preservation.

2.3.1.5 Grantor will not change the existing use of the Property unless the Grantee determines such proposed uses do not impair the preservation values of the Property and do not conflict with the purposes of this Easement.

2.3.2 Grantor's written requests for approval by the Grantee shall include the following:

2.3.2.1 Information, including plans, specifications, and designs, where appropriate, identifying the proposed activity with reasonable specificity;

2.3.2.2 A timetable for the proposed activity sufficient to permit Grantee to monitor such activity.

2.3.3 Grantee shall act upon such written requests within sixty (60) days of receipt of the request. If such request is not responded to in writing within such sixty (60) days, the request shall be considered approved and permission shall be deemed granted.

2.3.4 In the event of an emergency, Grantor may take such reasonable and limited actions Grantor deems necessary to protect the preservation values of the Property. However, as soon as reasonably practical thereafter, Grantor shall submit to Grantee information concerning the nature of the emergency and the actions taken by Grantor.

2.3.5 In exercising its authority under this Easement to review any construction, alteration, repair, or maintenance, or to review casualty damage, or to reconstruct or approve reconstruction of the Building following casualty damage, the Grantee shall apply the Secretary's Standards.

2.3.6 Grantee reserves the right to consult with governmental agencies, nonprofit preservation organizations, and/or other advisors deemed reasonably appropriate by the Grantee, concerning the appropriateness of any activity proposed under this paragraph.

2.3.7 Grantor shall be responsible for and shall pay reasonable costs incurred by Grantee to review requests under this paragraph, which costs may include reasonable architectural fees and Grantee's reasonable administrative expenses in processing Grantor's request.

3. RIGHTS RESERVED BY GRANTOR

3.1 Subject to the overriding obligation imposed by this Easement to preserve the preservation values of the Property, the Grantor retains and reserves the following rights that do not require further approval by the Grantee:

3.1.1 The right to engage in all those acts and uses that:

3.1.1.1 Are permitted by governmental statute or regulation;

3.1.1.2 Do not substantially impair preservation values of the Property; and

3.1.1.3 Are not inconsistent with the purpose of the Easement.

3.1.2 In accordance with the affirmative covenant in 2.1.1 and 2.1.2, the right to maintain and repair the Building on the Property in accordance with the Secretary's Standards is subject to the additional obligation that the Grantor must use for such maintenance and repair of the exterior of the Building on the Property in-kind materials and colors, applied with workmanship comparable to that used in the construction or application of the materials being repaired or maintained for the purpose of retaining in good condition the appearance and construction of the Building on the Property. This right to maintain and repair the exterior of the Building as used in this subparagraph shall not include the right to make changes in appearance, materials, colors, and workmanship from that existing prior to the maintenance and repair without the prior approval of the Grantee in accordance with the provisions of 2.3.1.

3.1.3 The right to continue all manner of existing uses and enjoyment of the Property, including, but not limited to public meetings consistent with the purpose of this easement.

3.1.4 The right to continue to conduct at or on the Property educational and nonprofit activities that are not inconsistent with the preservation values of the Property.

4. INSURANCE; CASUALTY

4.1 Grantor shall keep the Property insured against loss from the perils commonly insured under standard fire and extended coverage policies and comprehensive general liability insurance against claims for personal injury, death, and property damage. Such insurance shall include Grantee's interest and shall name Grantee as an additional insured. Within ten (10) business days of receipt of Grantee's written request, Grantor shall deliver to Grantee Certificates of such insurance coverage.

4.2 In the event the Building on the Property or any part thereof shall be damaged or destroyed by fire, flood, windstorm, hurricane, earth movement, or other casualty, Grantor shall notify Grantee in writing within fourteen (14) days of the damage or destruction and such notification shall include information concerning the nature of the emergency and the actions taken by Grantor. As set forth in 2.3, above, Grantor shall undertake no repairs or reconstruction of any type, other than temporary emergency work to prevent further damage to the Building on the Property and to protect public safety, without Grantee's prior written approval. Within thirty (30) days of the date of damage or destruction, if required by Grantee, Grantor at its expense shall submit to the Grantee a written report prepared by a qualified restoration architect and/or an engineer acceptable to Grantor and Grantee, which report shall include an assessment of the nature and extent

of the damage, a determination of the feasibility of the restoration of the Building and/or reconstruction of damage or destroyed portions of the buildings, and a report of such restoration/reconstruction work necessary to return the Building and the Property to the condition existing as of the date of this Easement.

4.3 After reviewing the report of the restoration architect or engineer and assessing availability of insurance proceeds after satisfaction of any mortgagee's/lender's claims to those proceeds, Grantor and Grantee will determine either that the purpose of the Easement will be served by such restoration/reconstruction, or that such restoration/reconstruction of the Property is impractical or impossible, or agree that the purpose of the Easement would not be served by such restoration/reconstruction. If the Grantor and Grantee agree that restoration/reconstruction is appropriate, they shall establish a schedule under which Grantor shall complete the restoration/reconstruction of the Building in accordance with plans and specifications approved by the parties up to at least the total of the casualty insurance proceeds available to Grantor. In the event the parties agree that such restorations/reconstruction is not practical or possible, Grantor may, with the prior written consent of the Grantee, alter, demolish, remove, or raze the building and/or construct new improvements on the Property. Under those circumstances, Grantor and Grantee may agree to extinguish this Easement in whole or in part in accordance with the laws of the State of New Hampshire and Section 10, hereof.

4.4 In the event Grantor and Grantee are unable to come to an agreement as to whether or not to restore or reconstruct the Building after casualty, the matter may be referred by either party to binding arbitration and settled in accordance with the New Hampshire Arbitration Statute then in effect. However, either party may request that any arbitration ruling set forth detailed findings of fact and any rulings of law made by the Arbitrator.

4.5 As indicated above, nothing contained in this section shall jeopardize the prior claim, if any, of any mortgagee/lender to the proceeds of any insurance policy.

5. INDEMNIFICATION

5.1 Grantor agrees to protect, indemnify, hold harmless, and defend, at its own cost and expense, the Grantee, its agents, trustees, directors, officers, and employees, or independent contractors, from and against any and all claims, liabilities, expenses, costs, damages, losses, and expenditures, including reasonable attorneys' fees and disbursements hereafter incurred, arising out of or in connection with injury to or death of any person in or on the Property, physical damage to the Property, or the presence or release in, on, or about the Property at any time of any substance now or hereafter defined, listed, or otherwise classified pursuant to any law, ordinance, or regulation as a hazardous, toxic, polluting, or contaminating substance, or against any other injury or other damage occurring on or about the Property unless such injury or damage is caused by Grantee or an agent, trustee, director, officer, employee, or independent contractor of Grantee. In the event Grantor is required to indemnify Grantee in accordance with this section, the amount of such indemnity, until discharged, shall constitute a lien on the

Property and shall have the same priority as a mechanic's lien. Nothing contained in this section shall jeopardize the priority of any lien on the Property given by Grantor to secure a Promissory Note or Promissory Notes.

6. TAXES

6.1 Grantor shall pay immediately, when first due and owing, all general taxes, special taxes, special assessments, water charges, sewer service charges, and other charges that may become a lien on the Property unless the Grantor timely objects to the amount or validity of the assessment or charge and diligently prosecutes an appeal thereof, in which case the obligation to pay such charges may be suspended for the period permitted by law for prosecuting such appeal and any applicable grace period following completion of such action, if any, if such suspension of payment is lawfully permitted. Grantee is hereby authorized, but in no event is Grantee required or expected, to make or advance, upon three (3) days prior written notice to Grantor, any payment relating to taxes, assessments, water rates, sewer rentals and other governmental or municipality charge, fine, imposition, or lien asserted against the Property. Grantee may make such payment according to any bill, statement, or estimate procured from the appropriate public office without inquiry of the accuracy of such bill, statement, or assessment, or without examination of the validity of such tax, assessment, sale, or forfeiture. Such payment, if made by Grantee, shall constitute a lien on the Property with the same priority as a mechanic's lien, except that such lien shall not jeopardize the priority of any recorded lien given by Grantor to secure any Promissory Note or Notes.

7. NOTICE; INSPECTION, REMEDIES

7.1 Notices from Grantor or Grantee to each other shall be in writing and shall be delivered to the Grantor at P.O. Box 687, Moultonborough, New Hampshire, 03254 , and to the Grantee at 19 Pillsbury Street, Concord, NH 03301-3570. Such notices either shall be delivered in hand or shall be sent by overnight courier, postage prepaid, by facsimile transmission, or by registered or certified mail with return receipt requested. The party receiving notice shall have two weeks to respond to the notice before any action is undertaken by the sending party. Each party may change its address set forth herein by a notice to that effect to the other party.

7.2 Grantor shall deliver to Grantee copies of any notices of violations or liens relating to the Property received by the Grantor from any governmental authority within five (5) days from receipt by Grantor. Upon request of the Grantee, the Grantor shall promptly furnish Grantee with evidence of Grantor's compliance with such notice or lien where compliance is required by law.

7.3 Grantor shall promptly notify Grantee in writing of any proposed sale of the Property and shall provide the opportunity to the Grantee to explain the terms of this Easement to any potential new owner prior to the closing on such sale. The existence of this Easement shall be disclosed to any potential purchaser as well as to any real estate professional involved in the listing of the Property.

7.4 Upon request of the Grantor the Grantee shall promptly furnish Grantor with certification that, to the best of Grantee's knowledge, Grantor is in compliance with the obligations of Grantor contained in this Easement or that otherwise certifies the status of this Easement to the extent of Grantee's knowledge thereof.

7.5 With appropriate and prior notice to Grantor, representatives of Grantee shall be permitted at all reasonable times to inspect the Property, including the interior of the building.

7.6 Grantee, following reasonable notice to the Grantor, may institute a suit to enjoin any violation of the terms of this Easement and may seek *ex parte*, temporary, preliminary, and/or permanent injunctive relief, which relief may also include prohibitory and/or mandatory injunctive relief, and may further require the restoration of the Property to the condition and appearance that existed prior to the violation complained of. Grantee shall also have available all legal and other equitable remedies to enforce Grantor's obligations under this Easement. In the event Grantor is found to have violated any of its obligations under this Easement, Grantor shall reimburse Grantee for any costs or expenses incurred in connection with the enforcement of the terms of this Easement, including, but not necessarily limited to, all reasonable Court costs and attorneys, architectural, engineering, and expert witness fees. Grantee's exercise of one remedy hereunder shall not have the effect of waiving or limiting its right to any other remedy and the failure to exercise any remedy shall not have the effect of waiving or limiting the use of that remedy or any other remedy or the use of such remedy at any other time. Grantee shall have a lien upon the Property for any costs or expenses incurred under this Section. Any such lien may be confirmed by a judgment and executed upon in the same manner as a mechanic's lien, except that no lien created pursuant to this Section shall jeopardize the priority of any recorded lien of a mortgage or deed of trust given in connection with a promissory note that is secured by the Property.

8. EFFECTIVE DATE; ASSIGNMENT

8.1 Grantee shall promptly record this instrument in the Carroll County Registry of Deeds once it has been fully executed. The Grantor and the Grantee intend that the restrictions arising under this Easement shall take effect on the day and the year this instrument is recorded.

8.2 Without further action, this Easement will expire twenty (20) years from the date of execution of this Easement.

8.3 The obligations imposed by this Easement shall be effective for the entire term of this Easement and shall be deemed to run as a binding servitude with and upon the Property. This Easement shall extend to and be binding upon Grantor and Grantee, their respective successors and interests and all persons or entities hereafter claiming under or through Grantor and Grantee, and the words Grantor and Grantee shall include such successors and interest. The restrictions, stipulations, and covenants contained in

this Easement shall be inserted by Grantor, verbatim or by express reference, in any subsequent deed or other legal instrument by which Grantor may divest itself of either the fee simple title to or any lesser estate in the Property or any part thereof, including by way of example and not by limitation, a lease of all or a portion of the Property. In the event of a bona fide transfer of the Property, the obligations set forth in this Easement shall bind the new owner of the Property and the prior owner shall have no further obligation pursuant to this Easement.

9. CONDEMNATION

9.1 If all of any part of the Property is taken by eminent domain, or otherwise acquired by a condemning authority by a purchase in lieu of a taking, Grantor and Grantee shall join in appropriate proceedings at the time of such taking or purchase in lieu of such taking to recover the full value of those interests in the Property that are subject to the taking together with all incidental and direct damages resulting from the taking.

10. EXTINGUISHMENT

10.1 Grantor and Grantee hereby recognize that circumstances may arise that may make impossible the continued ownership or use of the Property in a manner consistent with the purpose of this Easement and necessitate extinguishment of the Easement. Such circumstances may include, but are not necessarily limited to, partial or total destruction of the Building on the Property resulting from casualty or by eminent domain. No such extinguishment or termination of this Easement shall be effective until an instrument to that effect is recorded in the Carroll County Registry of Deeds.

11. INTERPRETATION

The following provisions shall govern the effectiveness, interpretation, and duration of the Easement.

11.1 Any rule of strict construction designed to limit the breadth of restrictions on alienation or use of Property shall not apply in the construction or interpretation of this Easement, and this instrument shall be interpreted broadly to effect its Purpose and the transfer of rights and the restrictions on use herein contained.

11.2 This instrument may be executed in two counterparts, one of which may be retained by Grantor and the other, after recording, to be retained by Grantee. In the event of any disparity between the counterparts produced, the recorded counterpart shall in all cases govern.

11.3 This instrument is made pursuant to RSA 477:46, RSA 227-M:5, VI, and RSA 227-M:8, III(b) and (c), but the invalidity of such laws or any part thereof shall not affect the validity and enforceability of this Easement according to its terms, it being the

intent of the parties to agree and to bind themselves, their successors, and their assigns for the term of this easement to each provision of this instrument whether this instrument be enforceable by reason of any statute, common law, or private agreement in existence either now or hereafter. The invalidity or unenforceability of any provision of this instrument shall not affect the validity or enforceability of any other provision of this instrument or any ancillary or supplementary agreement relating to the subject matter thereof.

11.4 Nothing contained herein shall be interpreted to authorize or permit Grantor to violate any ordinance or regulation relating to building materials, construction methods, or use. In the event of any conflict between any such ordinance or regulation and the terms hereof, Grantor promptly shall notify Grantee of such conflict and shall cooperate with Grantee and the applicable governmental entity to accommodate the purposes of both this Easement and such ordinance or regulation.

11.5 To the extent that Grantor owns or is entitled to development rights which may exist now or at some time hereafter by reason of the fact that under any applicable zoning or similar ordinance the Property may be developed to a more intensive use (in terms of height, bulk, or other objective criteria related by such ordinances) than to which the Property is devoted as of the date hereof, such development rights shall not be exercisable on, above, or below the Property during the term of the Easement, nor shall they be transferred to any adjacent parcel and exercised in a manner that would interfere with the Purpose of the Easement, without approval of such plans by the Grantee in regard to their impact upon the historic integrity of the Property under Easement.

11.6 To the extent that any action taken by Grantee pursuant to this Easement gives rise to a claim of breach of contract, Grantor and Grantee agree that the sole remedy on the part of Grantor shall be reimbursement of actual direct out-of-pocket expenses reasonably incurred by Grantor as a result of such breach and that Grantor shall not have any right to indirect, consequential or monetary damages in excess of such actual direct out-of-pocket expenses.

12. **AMENDMENT**

12.1 If circumstances arise under which an amendment to or modification of this Easement would be appropriate, Grantor and Grantee may by mutual written agreement jointly amend this Easement, provided that no amendment shall be made that will adversely affect the qualification of this Easement or the status of Grantee under any applicable laws, including Sections 170(h) and 501(c)(3) of the Code and the laws of the State of New Hampshire. Any such amendment shall be consistent with the protection of preservation values of the Property and the purpose of this Easement; shall not affect its duration; shall not permit additional development on the Property other than the development permitted by this Easement on its effective date; shall not permit any private inurement to any person or entity; and shall not adversely impact the overall architectural and historical values protected by this Easement. Any such amendment shall be recorded in the Carroll County Registry of Deeds. Nothing in this paragraph shall require Grantor

or Grantee to agree to any amendment or to consult or negotiate regarding any amendment.

THIS EASEMENT and attached exhibits reflect the entire agreement of Grantor and Grantee in consideration of grants from the Hurricane Sandy Storm Recovery and Disaster Planning Grant Program for Historic Properties to the Grantor. Any prior or simultaneous correspondence, understandings, agreements, and representations are null and void upon execution hereof, unless set out in this instrument.

TO HAVE AND TO HOLD, the said Term Historic Preservation Easement, unto the said Grantee and its successors and permitted assigns.

IN WITNESS THEREOF, Grantor and Grantee have set their hands under seal on the days and year set forth below.

WITNESS:

[Handwritten Signature]

GRANTOR:

Castle Preservation Society

By: *[Handwritten Signature]*

Name: Charles Clark
Ex. Dir., Duly Authorized

STATE OF NEW HAMPSHIRE
COUNTY OF CARROLL

The foregoing instrument was acknowledged before me this 20th day of November, 2016 by Charles Clark and Sarah Clement, the duly authorized Executive Director of the Castle Preservation Society, a New Hampshire voluntary corporation, on behalf thereof.

[Handwritten Signature]
Justice of the Peace/Notary Public
My Commission Expires: _____



ACCEPTANCE OF EASEMENT

GRANTEE:
NEW HAMPSHIRE DIVISION OF
HISTORICAL RESOURCES

By: Elizabeth H Muzzey

Name: Elizabeth H Muzzey
Its Director

By: Richard A Boisvert

Name: Richard A. Boisvert
Its Deputy State Historic Preservation
Officer

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

The foregoing instrument was acknowledged before me this 13th day of
December, 2016, by Elizabeth H Muzzey and Richard A Boisvert,
the duly authorized director and deputy director, respectively, of the New Hampshire
Division of Historical Resources, on behalf thereof.

[Signature]
Justice of the Peace/Notary Public
My Commission Expires: April 18, 2017

Approved as to Form and Execution Jeanine M. Gigenti 2/1/17
Signature Date

Jeanine M. Gigenti
Name
New Hampshire Department of Justice

Assistant Atty General
Title

Legal Description of Land SCHEDULE A

LOCATION, ADDRESS AND BOUNDARIES OF PROPERTY (legal description): A certain tract or parcel of land limited to the footprint of a building thereon situated in the Town of Moultonborough, Carroll County, and State of New Hampshire with an address of 455 Old Mountain Road. Being the property bounded by the footprint of a building identified as "The Castle" on Subdivision Plan "Castle in the Clouds", Tax Map 408 Parcel 002, Moultonborough, Carroll Co., NH, prepared by Associated Surveyors for Lakes Region Conservation Trust, October 6, 2009, the property is located within a tract more particularly described as follows:

Lot 1

Beginning at a rebar set in the ground on the northerly sideline of Ossipee Park Road at its easterly terminus;
thence along land of CG Roxane LLC, N 85° 54' 32" E, a distance of 122.58 feet to a rebar set in the ground;
thence along land of said CG Roxane LLC, N 27° 34' 24" W, a distance of 458.60 feet to a rebar set in the ground;
thence along land of said CG Roxane LLC, N 57° 30' 23" W, a distance of 586.34 feet to a rebar set in the ground;
thence along land of Lakes Region Conservation Trust, N 61° 31' 39" E, a distance of 1,205.92 feet to a rebar set in the ground;
thence along land of Lakes Region Conservation Trust, S 38° 23' 19" E, a distance of 1,645.16 feet to a rebar set in the ground;
thence along land of Lakes Region Conservation Trust, S 26° 15' 40" E, a distance of 808.78 feet to a rebar set in the ground;
thence along land of Lakes Region Conservation Trust, S 11° 43' 17" E, a distance of 1,141.32 feet to a rebar set in the ground;
thence along land of Lakes Region Conservation Trust, S 71° 27' 03" W, a distance of 862.47 feet to a rebar set in the ground;
thence along land of Lakes Region Conservation Trust, S 86° 11' 13" W, a distance of 1,570.01 feet to a rebar set in the ground;
thence along land of Lakes Region Conservation Trust, N 15° 28' 30" W, a distance of 472.85 feet to a rebar set in the ground;
thence along land of Lakes Region Conservation Trust, N 42° 36' 26" E, a distance of 658.11 feet to a rebar set in the ground;
thence along land of Lakes Region Conservation Trust, N 07° 45' 07" E, a distance of 574.70 feet to a rebar set in the ground;
thence along land of Lakes Region Conservation Trust, N 24° 41' 51" W, a distance of 649.93 feet to a rebar set in the ground;
thence along the southerly side of Ossipee Park Road, N 73° 00' 01" E, a distance of 150.00 feet to the northwesterly corner of a stone wall surrounding a cemetery;
thence along said stone wall N 70° 55' 06" E, a distance of 43.30 feet to the northeasterly corner of the stone wall surrounding said cemetery; and
thence along the easterly terminus of Ossipee Park Road N 14° 25' 39" W, a distance of 49.50 feet to a rebar set in the ground at the point of beginning.
Said Lot 1 containing 128.19 acres, more or less.

Castle Preservation Society
PO Box 687
Moultonborough, NH 03254

Schedule B

Baseline Documentation

Baseline documentation for the Castle in the Clouds (aka Lucknow Estate) on file with both the Grantor and Grantee consists of the draft National Historic Landmark nomination for the Estate as well as additional digital photography and mapping completed on November 2, 2016. The draft National Historic Landmark nomination will be supplanted by the finalized nomination once approved by the National Park Service.