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**PRESERVATION RESTRICTION AGREEMENT**

between

**THE HOUSE OF SEVEN GABLES SETTLEMENT ASSOCIATION**

and the

**CITY OF SALEM, MASSACHUSETTS**

**BY AND THROUGH THE SALEM HISTORICAL COMMISSION**

THIS PRESERVATION RESTRICTION AGREEMENT is made this 13 day of July, 2016 by and between the HOUSE OF SEVEN GABLES SETTLEMENT ASSOCIATION, located at 115 Derby Street, Salem, Massachusetts, 01970 ("Grantor"), and the CITY OF SALEM ("Grantee"), a municipality duly organized under the laws of the Commonwealth of Massachusetts and located in Essex County, Massachusetts, to be administered, managed and enforced by its agent, the SALEM HISTORICAL COMMISSION, located at 120 Washington Street, Salem, Massachusetts, 01950 ("Commission"),

WHEREAS, the Grantor is the owner in fee simple of certain real property with improvements known as the House of the Seven Gables and which is located at 115 and 117 Derby Street, hereinafter referred to as "the Property", comprising numerous buildings and is described in a series of deeds, plans, certificates, and wills, and in Exhibit A incorporated herein by reference and attached hereto. The Property is also depicted as Parcel 41-0300 and Parcel 41-0303 on the City of Salem, MA Assessors' Map attached as Exhibit B hereto and incorporated by reference; and

WHEREAS, the Property includes a building thereon known as Nathaniel Hawthorne Birthplace (a pre-Federal, gambrel roof house constructed in the 1700s), referred to hereinafter as "the Building", described as follows:

The Nathaniel Hawthorne Birthplace is a wood-frame, two-and-one-half story house built between 1730 and 1745 on Union Street in Salem. In 1958, the house was moved to the Hardy Street side of The House of the Seven Gables Property where it now sits on a concrete block foundation with its gable end to the street. The house is rectangular in plan (24' 9" x 32' x 8") with a symmetrical three-bay facade facing south and is capped by a gambrel roof with a large chimney constructed of brick in a running bond pattern piercing the center of the ridge line.

The body of the house is clad in red cedar wood clapboards with 4" exposures except for the bottom 11 courses (below the sills of first story windows), which are laid with narrower weathers than upper boards. Plain 7 1/2" wide cornerboards finish each elevation. Windows consist of larger wood sash with 12/12 configurations on the first story and smaller windows with 8/12 configurations on the second and third stories. All windows are detailed with simple molded surrounds consisting of 4 1/2" casing and 1 1/2" ovolo moldings and 3" thick sills. Second story window frames abutting the cornice. Windows currently have exterior mounted wood frame storm windows.

The house's gambrel roof features little overhang with shallow boxed eaves and a simple closure board at the junction of the upper and lower roof pitches. The roof is sheathed in Western Red Cedar shingles with a solid 8" wide cedar cap. Shingles have 5" exposure on the lower roof and 4" exposure on the upper portion. Under the soffit, the clapboards

meet an 8" apron, accented by a 3" bed molding that terminates at the inside edge of corner boards. The fascia board has a 4 1/2" crown molding that runs the entire length of the building meeting the underside of roof sheathing. This treatment extends around in cornice returns with matching crown moldings. Gable rake boards are 7 1/2" wide accented by a 1 1/4" ogee profile rake molding. Just to the right of the center chimney in the front of the building is a copper clad roof hatch of approximately 2' x 3' dimension. The roof is finished with copper-lined wood gutters and copper downspouts set within square wood casings.

#### Façade (South) Elevation

The three-bay façade is highlighted by a center entrance that includes a door with six raised panels set within a well-defined classical frontispiece of 9" pilasters on 11" high plinths with caps carrying an entablature featuring a 3" cap molding, a 14" high frieze accented by a 4 1/4" architrave with ogee profile bottom edge, a 1 1/2" band molding, and an overhang with 2 1/2" bed molding under a dentil molding topped with a 4 1/2" crown molding. The top of the overhang is covered in metal flashing. The door is protected by a wooden 12-light storm door and a single granite step provides access to the entry. Fenestration is symmetrically arranged on this elevation with windows aligned in the first and second stories of the outside bays and a window located on the second story centered above the entrance.

#### Rear (North) Elevation

The rear (north) elevation features an irregular fenestration pattern. The first story is arranged with a 12/12 window and 6-panel door in the east bay, no window in the center bay, and a 12/12 window in the west bay. The door features plain 4 1/2" casings with 1 1/2" band molding around its edge. The second story features three 8/12 windows: one in the east bay that does not align with the window below; one in the center bay that is located slightly to the east of the center chimney, and one in the west bay that is aligned over the first story window.

#### East Elevation

On the building's east elevation, windows are located in the south and center bays of the first and second stories with an 8/12 window set within the gable on the third story.

#### West Elevation

The west elevation features a more symmetrically-arranged fenestration pattern than found on the east elevation. Windows are located near both end walls on the first and second stories with an 8/12 window located in the gable of the third story.

The house is painted red.

The house underwent a major restoration following its relocation to this site. Window sash were replaced at that time, (these have since been replaced 2013) and it appears that many of the window casings and sills have been replaced. The majority of the siding likely dates to the 1958 restoration. The entire roof, rakes boards etc. were replaced in 2015. The crown molding cornice return was restored at this time using evidence from archive photos.

Some of the other earlier features that remain are the majority of the entryway trim (although there is evidence of some past repairs). Much of the window trim on the front of the house remains from an earlier period as well.

WHEREAS, the cultural, historical and architectural significance of the Building and the Property emanates from its construction in the 1700s, as a contributing property to the Derby Waterfront Historic District, listed in the National Register of Historic Places on May 17, 1976; as a contributing property to the House of the Seven Gables Historic District, listed as a National Historic Landmark on March 29, 2007; as a property within the Derby Street Local Historic District established by the City of Salem on December 17, 1974; and as a property included in the House of the Seven Gables Complex, certified as a Massachusetts Historic Landmark on June 9, 1970. The Building is significant as the birthplace of Nathaniel Hawthorne, the great American novelist who wrote *The Scarlet letter* and *The House of the Seven Gables*, is important to the public's enjoyment and appreciation of Salem's architectural and historical heritage, and, as a property historically significant for its architecture, associations, and/or archaeology, qualifies for the protections of a perpetual preservation restriction under Massachusetts General Laws, Chapter 184, section 31; and

WHEREAS, Grantor and Grantee recognize the architectural, historic, and cultural values (hereinafter "preservation values") and significance of the Building and the Property, and have the common purpose of preserving the aforesaid preservation values and significance of the exterior of the Building and the Property; and

WHEREAS, the preservation values of the Building and the Property are documented in a series of photographs and documents (hereinafter, "Baseline Documentation") incorporated herein and attached hereto as by reference as Exhibit B, which Baseline Documentation the parties agree provides an accurate representation of the Building as of the date of this grant; and

WHEREAS, the Baseline Documentation (Exhibit B) shall consist of the following:

1. Salem Assessors' Parcel Map 41, Lot 300 with Building Footprint;
2. A set of four (4) exterior photographs of the Building taken on April, 2016; and

WHEREAS, the Building is in need of preservation and restoration; and

WHEREAS, upon the recommendation of the Community Preservation Committee and approved as Project by the City Council, the sum of Twenty-nine Thousand Three Hundred Fifty Dollars (\$29,350.00) (plus \$500 for a Project sign) from the Community Preservation Fund ("Funds") was appropriated for the purpose of funding a grant for the restoration of the Building; and

WHEREAS, the Grantor and the Grantee have reached an Agreement whereby the Grantee shall provide the Funds so appropriated to the Grantor to be expended for the preservation and renovation of the aforementioned Building, under the terms and conditions set forth herein and in such other documents as the parties may execute, and the Grantor agrees to accept such Funds to be used exclusively for such purposes and under such terms and conditions ("Restriction" or "Preservation Restriction");

WHEREAS, the Grantor in further consideration of the receipt of such Funds and to ensure the preservation of the aforementioned Building agrees and desires, to impose certain restrictions, obligations and duties upon itself, its successors and assigns, so as to maintain, protect and preserve the architectural and historical integrity of the Building;

WHEREAS, the preservation of the Building is important to the public for the enjoyment and appreciation of its architectural and historical heritage and serves the public interest in a manner consistent with the purposes of Massachusetts General Laws, Chapter 184, Sections 31, 32 and 33 ("Act"); and

WHEREAS, the Commission is authorized to accept preservation restrictions in the name of the City of Salem and the Commission is a governmental body duly organized under the laws of the Commonwealth of Massachusetts, including the General Laws, Chapter 40C, authorized and directed by the Grantee to manage the Property and Buildings burdened by such restrictions, consistent with the provisions of the Act and to administer and enforce this preservation restriction;

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the Grantor does hereby irrevocably grant and convey to the Grantee in gross in perpetuity this Restriction over the Property and exterior of the Building to be administered, managed and enforced by the Commission.

1. Purpose: It is the Purpose of this Restriction to assure that, the architectural, historic, and cultural features of the exterior of the Building will be retained and maintained forever substantially in its current condition or in a restored condition approved by the Commission for preservation purposes and to prevent any use or change of the Property or the exterior of the Building that will significantly impair or interfere with the Building's preservation values or alter views of the exterior of the Building.

2. Preservation Restriction: The Grantor grants the Grantee the right to forbid or limit:

- a. any alteration to the appearance, materials, workmanship, condition or structural stability of the Building unless (i) clearly of a minor nature and not affecting the characteristics which contribute to the architectural or historical integrity of the Building and the Property, or (ii) the Grantee has previously determined that it will not impair such characteristics after reviewing plans and specifications submitted by Grantor in accordance with the requirements of paragraph 7, which determination shall not be unreasonably withheld, or (iii) required by casualty or other emergency promptly reported to Grantee in accordance with the requirements of paragraph 9. For the purposes of this Agreement, interpretation of what constitutes alterations of a minor nature and ordinary maintenance and repair is governed by the Restriction Guidelines, which are attached hereto as Exhibit C and hereby incorporated by reference.
- b. any other act or use that may be harmful to the historic preservation of the Building or the Property.

3. Restriction as to Expenditure of Funds: Subject to Paragraph 2 and the terms and conditions of this Restriction and such other terms and conditions as the Commission may reasonably impose to accomplish the purposes of this Restriction, the Grantor shall expend such Community Preservation Funds to rehabilitate and restore the Building.

4.1. Grantor's Covenants: Covenant to Maintain. Subject to Paragraph 2 and the terms and conditions of this Restriction and such other terms and conditions as the Commission may reasonably impose to accomplish the purposes of this Restriction, the Grantor covenants and agrees at all times to maintain the Building in the same structural condition and state of repair to that existing following the substantial completion of restoration work to be completed as a result of the expenditure of Community Preservation Funds. Grantor's obligation to maintain shall require replacement, repair, and reconstruction by Grantor whenever necessary to preserve the exterior of the Building. Subject to the casualty provisions of paragraphs 9 and 10, this obligation to maintain shall require replacement, rebuilding, repair, and reconstruction of the Building whenever necessary in accordance with the policies and procedures of the Commission and in accordance with The Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings (36 CFR 67 and 68), as these may be amended from time to time (hereinafter the "Secretary's Standards").

4.2. Grantor's Covenants: Prohibited Activities. The following acts or uses are expressly forbidden except as otherwise conditioned in this paragraph:

- a. the Building shall not be demolished, removed, or razed except as provided in Paragraphs 9 and 10;
- b. the dumping of ashes, trash, rubbish, or any other unsightly or offensive materials is prohibited on the Property near the Building;
- c. no above-ground utility transmission lines, except those reasonably necessary for the existing Building, may be created on the Property, subject to utility easements already recorded;
- d. no additions and/or outbuildings may be attached to the Building without prior approval of the Grantor; and
- e. moving the Building to another location shall be forbidden without prior approval of the Commission.

5. Conditional Rights Requiring Grantee Approval: Subject to Paragraph 4 and the terms and conditions of this Restriction and such other terms and conditions as the Commission may reasonably impose to accomplish the purposes of this Restriction, the Grantor shall not alter the Building without prior express written approval of the Commission. Without said approval Grantor shall not make any changes to the Building, including the alteration, partial removal, construction, remodeling, or other physical or structural change, including permanent signs, and any change in material or color or any change to the footprint, size, mass, ridge-line, and rooflines of the Building. Grantor shall similarly not make any alterations to the surrounding Property that would obscure the current view of the Building, such as the installation of permanent signage or trees or very large shrubs without approval of the Commission.

Activities by Grantor to maintain the Building and the Property which are intended to be performed in accordance with the provisions of paragraph 4.1, and which are of a minor nature, shall not require the prior approval of the Commission. For the purposes of this section, interpretation of what constitutes ordinary maintenance of a minor nature is governed by the Restriction Guidelines (Exhibit C), which are attached to this Agreement and hereby incorporated by reference.

6. Grantor's Reserved Rights Not Requiring Further Approval by the Grantee: Subject to the provisions of paragraphs 2 and 4.2, the following rights, uses, and activities of or by Grantor on, over, or under the Property are permitted by this Restriction and by the Commission without further approval by the Commission:

- a. the right to engage in all those acts and uses that:
  - (i) are permitted by governmental statute or regulation;
  - (ii) do not substantially impair the preservation values of the Building and Property; and
  - (iii) are not inconsistent with the Purpose of this Restriction;
- b. pursuant to the provisions of Paragraph 4.1, the right to maintain and repair the Building strictly according to the Secretary's Standards and subject to a Certificate of Non-applicability from the Salem Historical Commission. As used in this sub-paragraph, the right to maintain and repair shall mean the use by the Grantor of in-kind materials and colors, applied with workmanship comparable to that which was used in the construction or application of those materials being repaired or maintained, for the purpose of retaining in good condition the appearance and construction of the exterior of the Building. The right to maintain and repair as used in this sub-paragraph shall not include the right to make changes in appearance, materials; workmanship from that existing prior to the maintenance and repair without the prior approval of the Commission in accordance with the provisions of Paragraph 5;

7. Review of Grantor's Requests for Approval: Grantor shall submit to the Commission for the Commission's approval of those conditional rights set out at Paragraphs 2 and 5 and two copies of information (including plans, specifications, and designs where appropriate) identifying the proposed activity with reasonable specificity. In connection therewith, Grantor shall also submit to the Commission a timetable for the proposed activity sufficient to permit the Commission to monitor such activity. Within sixty (60) days of the Commission's receipt of any plan or written request for approval hereunder, the Commission shall certify in writing that (a) it approves the plan or request, or (b) it disapproves the plan or request as submitted, in which case the Commission shall provide Grantor with written suggestions for modification or a written explanation for the Commission's disapproval. Any failure by the Commission to act within sixty (60) days of receipt of Grantor's submission or resubmission of plans or requests shall be deemed to constitute approval by the Commission of the plan or request as submitted and to permit Grantor to undertake the proposed activity in accordance with the plan or request submitted, so long as the request sets forth the provisions of this section relating to deemed approval after the passage of time.

8. Standards for Review: In exercising any authority created by this Restriction to inspect the Building; 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 Commission shall apply the Secretary's Standards.

9. Casualty Damage or Destruction: In the event that Building or Property shall be damaged or destroyed by fire, flood, windstorm, hurricane, earth movement or other casualty, Grantor shall notify the Commission in writing within fourteen (14) days of the damage or destruction, such notification including what, if any, emergency work has already been completed. No repairs or reconstruction of any type, other than temporary emergency work to prevent further damage to the Building and Property and to protect public safety, shall be undertaken by Grantor without the Commission's prior written approval of the work. Within sixty (60) days of the date of damage or destruction, if required by the Commission, Grantor at its expense shall submit to the Commission a written report prepared by a qualified restoration architect and an engineer who are acceptable to the Grantor and the Commission, which report shall include the following:

- a. an assessment of the nature and extent of the damage;
- b. a determination of the feasibility of the restoration of the Building and/or reconstruction of damaged or destroyed portions of the Building; and
- c. a report of such restoration/reconstruction work necessary to return the Building to the condition existing at the date hereof or the condition subsequently approved by the Commission.

10. Review After Casualty Damage or Destruction: If, after reviewing the report provided in Paragraph 9 and assessing the availability of insurance proceeds after satisfaction of any mortgagee's/lender's claims under paragraph 11, Grantor and the Commission agree that the Purpose of the Restriction will be served by such restoration/reconstruction, Grantor and the Commission shall establish a schedule under which Grantor shall complete the restoration/reconstruction of the Building in accordance with plans and specifications consented to by the parties up to at least the total of the casualty insurance proceeds available to Grantor.

If, after reviewing the report and assessing the availability of insurance proceeds after satisfaction of any mortgagee's/lender's claims under paragraph 11, Grantor and the Commission agree that restoration/reconstruction of the Building is impractical or impossible, or agree that the Purpose of the Restriction would not be served by such restoration/reconstruction and Grantor may, with prior written consent of the Commission, alter, demolish, remove or raze the Building, and/or construct new

improvements on the Property, Grantor and Grantee may agree to extinguish this Restriction in accordance with the laws of the Commonwealth of Massachusetts and paragraph 23 hereof.

If, after reviewing the report and assessing the availability of insurance proceeds after satisfaction of any mortgagee's/lender's claims under paragraph 11, Grantor and the Commission are unable to agree that the Purpose of the Restriction will or will not be served by such restoration/reconstruction, the matter may be referred by either party to binding arbitration and settled in accordance with the Commonwealth of Massachusetts arbitration statute then in effect; and all other applicable laws, rules, regulations, and ordinances. Arbitrator shall have experience in historic preservation matters.

11. Insurance: Grantor shall keep the Building insured by an insurance company rated "A-1" or better by Best's or equivalent rating agency for the full replacement value 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. Property damage insurance shall include change in condition and building ordinance coverage, in form and amount sufficient to replace fully the damaged Building without cost or expense to Grantor or contribution or coinsurance from Grantor. Grantor shall deliver to the Commission, within ten (10) business days of the Commission's written request thereof, certificates of such insurance coverage. Provided, however, that whenever the Property is encumbered with a mortgage or deed of trust nothing contained in this paragraph shall jeopardize the prior claim, if any, of the mortgagee/lender to the insurance proceeds.

12. Indemnification: Grantor hereby agrees to pay, protect, indemnify, hold harmless and defend, at its own cost and expense, Grantee, its boards, commissions, appointees, agents, directors, employees, or independent contractors from and against any and all claims, liabilities, expenses, costs, damages, losses and expenditures (including attorneys' fees and disbursements hereafter incurred) arising out of or in connection with injury to or death of any person as a result of the existence of this Restriction; physical damage to the Building; 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 other injury or other damage occurring on or about the Building; unless such injury, death, or damage is caused by Grantee or its boards, commissions, appointees, agents, directors, employees, or independent contractors. In the event that Grantor is required to indemnify Grantee pursuant to the terms of this paragraph, the amount of such indemnity, until discharged, shall constitute a lien on the Property with the same effect and priority as a mechanic's lien.

13. Written Notice: Any notice which either Grantor or Grantee may desire or be required to give to the other party shall be in writing;

Grantor: House of Seven Gables Settlement Association  
115 Derby Street  
Salem, MA 01970

Grantee: City of Salem  
c/o Salem Historical Commission  
Department of Planning & Community Development  
120 Washington Street  
Salem, MA 01970

Each party may change its address set forth herein by a notice to such effect to the other party.

14. Evidence of Compliance: Upon request by Grantor, 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 herein, or that otherwise evidence the status of this Restriction to the extent of Grantee's knowledge thereof.

15. Inspection: With the consent of Grantor, Grantee or its representatives shall be permitted at reasonable times to inspect the Building and the Property on an annual basis. Grantor covenants not to withhold unreasonably its consent in determining dates and times for such inspections.

16. Grantee's Remedies: The Grantor, for itself, its assigns and successors, expressly acknowledges that a violation of this Preservation Restriction Agreement, including a failure to expend such Funds for their intended purposes, may result in the Commission exercising its right to enforce the terms and conditions of the Restriction by seeking appropriate legal and equitable relief, including, but not limited to, restoration of the Building, repayment of the Funds, and such other legal and equitable remedies as may be available to the Commission to effectuate the purposes of this Restriction and to enforce the Grantor's obligations hereunder.

In the event Grantor is found to have violated any of its obligations, Grantor shall reimburse Grantee for any costs or expenses incurred in connection with Grantee's enforcement of the terms of this Restriction, including all court costs, and attorneys', architectural, engineering, and expert-witness fees. Grantor shall, at its own expense and with approval of Commission, reverse any actions or activities which violated this restriction and altered the Building.

Nothing in this Restriction shall impose upon the Commission any duty to maintain or require that the Building be maintained in any particular state or condition, notwithstanding the Commission's acceptance hereof. Enforcement of the terms of this Preservation Restriction shall be at the discretion of the Commission. Any election by the Commission as to the manner and timing of the exercising of its right to enforce this Preservation Restriction or otherwise exercise its rights hereunder shall not be deemed or construed to be a waiver of such rights. By its acceptance of this Preservation Restriction, the Commission does not assume any liability or obligation relating to the condition of the Building or the Property, including compliance with hazardous materials or other environmental laws and regulations.

17. Notice from Government Authorities: Grantor shall deliver to Grantee copies of any notice of violation or lien relating to the Building or Property received by Grantor from any government authority within five (5) days of receipt by Grantor. Upon request by Grantee, Grantor shall promptly furnish Grantee with evidence of Grantor's compliance with such notice or lien where compliance is required by law.

18. Notice of Proposed Sale: Grantor shall promptly notify Grantee in writing of any proposed sale of the Property and provide the opportunity for Grantee to explain the terms of the Restriction to potential new Grantors prior to sale closing.

19. Runs with the Land: Except as provided in Paragraphs 9 and 10, the restrictions, obligations and duties set forth in this Restriction shall run with the Property and shall inure to the benefit of the Commission and all parties claiming by, through or under the Commission and shall bind the Grantor and all parties claiming by, through or under the Grantor. The rights hereby granted to the Commission constitute the perpetual right of the Commission to enforce this Preservation Restriction Agreement. The Grantor hereby covenants for itself to stand seized and hold title to the Property subject to the terms of this Restriction. This Restriction shall extend to and be binding upon Grantor and Grantee, their respective successors in interest and all persons hereafter claiming under or through Grantor and Grantee, and the words "Grantor", "Grantee" when used herein shall include all such persons. Any right, title, or



interest herein granted to Grantee also shall be deemed granted to each successor and assign of Grantee and each such following successor and assign thereof, and the word "Grantee" shall include all such successors and assigns:

Anything contained herein to the contrary notwithstanding, Grantor of the Property shall have no obligation pursuant to this instrument where such Grantor shall cease to have any Grantorship interest in the Property by reason of a bona fide transfer. The restrictions, stipulations and covenants contained in this Restriction shall be inserted by Grantor, verbatim or by express reference, in any subsequent deed or other legal instrument by which Grantor divests 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 limitation, a lease of all or a portion of the Property.

20. Assignment: Grantee may convey, assign, or transfer this Restriction to a unit of federal, state, or local government or to a similar local, state, or national charitable corporation or trust that qualifies under the Act, and whose purposes, inter alia, are to promote preservation of historical, cultural, or architectural resources, provided that any such conveyance, assignment or transfer requires that the Purpose for which the Restriction was granted will continue to be carried out. Grantor shall give prior written approval of such conveyance, assignment, or transfer by Grantee, such approval not to be unreasonably withheld.

21. Alternate Designee: Grantee may, at its discretion, remove and replace the Commission as its designee to administer, manage, and enforce this Restriction, provided that any new designee is qualified as such under the Act and other applicable law.

22. Recording and Effective Date: Grantee shall do and perform at its own cost all acts necessary to the prompt recording of this Restriction which shall become effective upon its being duly executed by the Grantor, the City of Salem, and the Salem Historical Commission, its being approved by the Massachusetts Historical Commission, and its being recorded with the Southern Essex County District Registry of Deeds.

23. Extinguishment: Grantor and Grantee hereby recognize that an unexpected change in the conditions surrounding the Property may make impossible the continued Grantorship or use of the Property for the Purpose of this Restriction and necessitate extinguishment of the Restriction. Such a change in conditions may include, but is not limited to, partial or total destruction of the Building resulting from casualty. Such an extinguishment must meet all the requirements of the Act for extinguishment, including public hearings by the City of Salem and the Massachusetts Historical Commission to determine that such extinguishment is in the public interest. In the event of a sale of the Property, net proceeds of sale shall be paid to Grantor.

24. Condemnation: If all or any part of the Property is taken under the power of eminent domain by public, corporate, or other authority, or otherwise acquired by such authority through a purchase in lieu of a taking, Grantor and Grantee shall join in appropriate proceedings at the time of such taking to recover the full value of those interests in the Property that are subject to the taking and all incidental and direct damages resulting from the taking. All expenses reasonably incurred by Grantor and Grantee in connection with such taking shall be paid out of the recovered proceeds. Such recovered proceeds shall be paid to Grantor.

25. Interpretation: The following provisions shall govern the effectiveness, interpretation, and duration of the Restriction:

- a. Any rule of strict construction designed to limit the breadth of restrictions on alienation or use of the Property shall not apply in the construction or interpretation of this Restriction and this

instrument shall be interpreted broadly to affect its Purpose and the transfer of rights and the restrictions on use contained herein.

- b. This instrument may be executed in two counterparts, one of which is to 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. Except as provided in the preceding sentence, each counterpart shall constitute the entire Restriction of the parties.
- c. This instrument is made pursuant to the Act, but the invalidity of such Act or any part thereof shall not affect the validity and enforceability of this Restriction according to its terms, it being the intent of the parties to agree and to bind themselves, their successors and their assigns in perpetuity to each term of this instrument whether this instrument be enforceable by reason of any statute, common law or private Restriction either in existence now or at any time subsequent hereto.
- d. 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 Restriction and such ordinance or regulation.

If any court or other tribunal determines that any provision of this instrument is invalid or unenforceable, such provision shall be deemed to have been incorporated herein automatically to conform to the requirements for validity and enforceability as determined by such court or tribunal. In the event any provision invalidated is of such a nature that it cannot be modified, the provision shall be deemed deleted from this Preservation Restriction as though it had never been included herein. In either case, the remaining provisions of this instrument shall remain in full force and effect.

26. Amendment: If circumstances arise under which an amendment to or modification of this Restriction would be appropriate, Grantor and Grantee may by mutual written agreement jointly amend this Restriction, provided that no amendment shall be made that will adversely affect the qualification of this Restriction or the status of Grantee under any applicable law. Any such amendment shall be consistent with the protection of the preservation values of the Property and the Purpose of this Restriction; shall not affect its perpetual duration; shall not permit any private increment to any person or entity; and shall not adversely impact the overall architectural and historic values protected by this Restriction. Any such amendment shall be effective when the requirements of the Act with respect to amendments have been met and the amendment is recorded in the Southern Essex County District 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.

27. Release: This Preservation Restriction is intended to be a restriction in gross in perpetuity and may only be released, in whole or in part, by the Grantee pursuant to the procedures for release established by the Act and otherwise by law, including approvals following public hearings by the City of Salem and the Massachusetts Historical Commission to determine that such a release is in the public interest.

28. Archaeological Activities: The conduct of archaeological activities on the Property, including without limitation survey, excavation, and artifact retrieval, may occur only following the submission of an archaeological field investigation plan prepared by the Grantor and approved in writing by the Grantee and the State Archaeologist of the Massachusetts Historical Commission (M.G.L. C. 9, Sec. 27C, 950 C.M.R. 70.00).

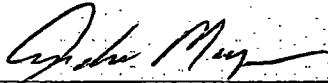
29. Subordination: Grantor and Grantee acknowledge that as of the date of this Agreement, the Property and the Building are subject to a perpetual Preservation Restriction Agreement held on the Property and

the Building by the Commonwealth of Massachusetts by and through the Massachusetts Historical Commission and recorded with the Essex South Registry of deeds on April 1, 2016 in Book 34818, Page 185 (hereinafter the "MHC Agreement"). Grantor agrees that in addition to complying with the restrictions contained in this Agreement, Grantor will continue to comply with the restrictions contained in the MHC Agreement, as it may be amended from time to time. Grantor and Grantee agree that this Agreement shall be subservient to the MHC Agreement, and further agree that should any dispute arise between Grantee and the Massachusetts Historical Commission in the process of fulfilling the requirements of these restrictions, the Grantee shall defer to the demands and requirements set out by the Massachusetts Historical Commission.

IN WITNESS WHEREOF, the Grantor sets its hand and seal this 13 day of July, 2016.  
By:

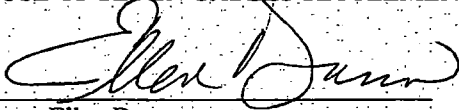
**GRANTOR:**

HOUSE OF SEVEN GABLES SETTLEMENT ASSOCIATION



Name: Andrew Meyers  
Title: President

HOUSE OF SEVEN GABLES SETTLEMENT ASSOCIATION

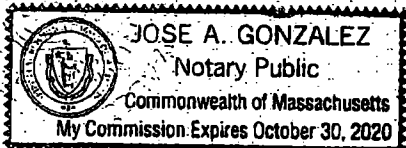


Name: Ellen Dunn  
Title: Treasurer

COMMONWEALTH OF MASSACHUSETTS

Essex,ss.

On this 13 day of July, 2016, before me, the undersigned notary public, personally appeared Andrew Meyers, proved to me through satisfactory evidence MA01 of identification, which was (a current driver's license) (a current U.S. passport) (my personal knowledge of the identity of the principal), to be the person whose name is signed on the preceding or attached document, and acknowledged to me that s/he signed it voluntarily for its stated purposes.

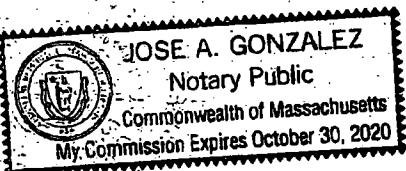


  
Notary Public  
My Commission Expires: 10/30/20

COMMONWEALTH OF MASSACHUSETTS

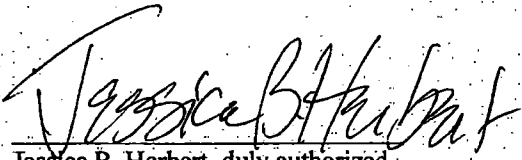
Essex,ss.

On this 13 day of July, 2016, before me, the undersigned notary public, personally appeared Ellen Dunn, proved to me through satisfactory evidence MA01 of identification, which was (a current driver's license) (a current U.S. passport) (my personal knowledge of the identity of the principal), to be the person whose name is signed on the preceding or attached document, and acknowledged to me that s/he signed it voluntarily for its stated purposes.



  
Notary Public  
My Commission Expires: 10/30/20

**ACCEPTANCE BY THE SALEM HISTORICAL COMMISSION**




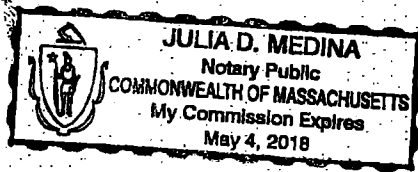
Jessica B. Herbert, duly authorized  
Chair, Salem Historical Commission

**COMMONWEALTH OF MASSACHUSETTS**

Essex, ss.

On this 20<sup>th</sup> day of JULY, 2016, before me, the undersigned notary public, personally appeared Jessica B. Herbert, proved to me through satisfactory evidence Mass ID of identification, which was (a current driver's license) (a current U.S. passport) (my personal knowledge of the identity of the principal), to be the person whose name is signed on the preceding or attached document, and acknowledged to me that s/he signed it voluntarily for its stated purposes as duly authorized Chair of the Salem Historical Commission.

  
Notary Public  
My Commission Expires: 5/4/18



**ACCEPTANCE AND APPROVAL BY THE CITY OF SALEM**

I, the undersigned City Clerk of the City of Salem, Massachusetts, hereby certify that at a meeting duly held on May 28, 2015, the City Council voted to approve and accept the foregoing Preservation Restriction Agreement for the preservation of the historic resources of said City and being in the public interest pursuant to Massachusetts General Laws Chapter 184, Section 32.

Cheryl LaPointe  
Cheryl LaPointe  
City Clerk

The undersigned hereby certifies that the foregoing preservation restrictions have been approved and accepted by the City of Salem:

Kim Driscoll  
Kimberley Driscoll  
Mayor

COMMONWEALTH OF MASSACHUSETTS

Essex, ss.

On this 20<sup>th</sup> day of July, 2016, before me, the undersigned notary public, personally appeared Cheryl LaPointe, proved to me through satisfactory evidence of identification, which was (a current driver's license) (a current U.S. passport) (my personal knowledge of the identity of the principal), to be the person whose name is signed on the preceding or attached document, and acknowledged to me that s/he signed it voluntarily for its stated purposes as Clerk of the City of Salem.

Maureen E. Fisher  
Notary Public  
My Commission Expires: \_\_\_\_\_  
COMMONWEALTH OF MASSACHUSETTS  
MAUREEN E. FISHER  
Notary Public  
COMMONWEALTH OF MASSACHUSETTS  
My Commission Expires  
May 8, 2020

COMMONWEALTH OF MASSACHUSETTS

Essex, ss.

On this 20 day of July, 2016, before me, the undersigned notary public, personally appeared, Kimberley Driscoll, proved to me through satisfactory evidence of identification, which was (a current driver's license) (a current U.S. passport) (my personal knowledge of the identity of the principal), to be the person whose name is signed on the preceding or attached document, and acknowledged to me that she signed it voluntarily for its stated purposes as Mayor of the City of Salem.

Jennifer Wesell  
Notary Public  
My Commission Expires: June 3, 2022  
COMMONWEALTH OF MASSACHUSETTS  
JENNIFER WESSELL  
Notary Public  
COMMONWEALTH OF MASSACHUSETTS  
My Commission Expires  
June 3, 2022

**APPROVAL BY THE MASSACHUSETTS HISTORICAL COMMISSION**

**COMMONWEALTH OF MASSACHUSETTS**

The undersigned Executive Director and Clerk of the Massachusetts Historical Commission hereby certifies that foregoing preservation restriction has been approved pursuant to Massachusetts General Law, chapter 184, section 32.

MASSACHUSETTS HISTORICAL COMMISSION

By: Brona Simon  
Brona Simon

COMMONWEALTH OF MASSACHUSETTS

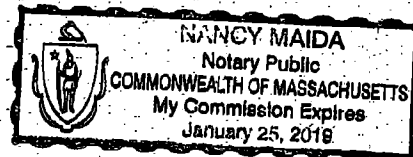
Suffolk, ss.

On this 9<sup>th</sup> day of August, 2016, before me, the undersigned notary public, personally appeared, Brona Simon, proved to me through satisfactory evidence of identification, which was (a ~~current driver's license~~) (a ~~current U.S. passport~~) (my personal knowledge of the identity of the principal), to be the person whose name is signed on the preceding or attached document, and acknowledged to me that she signed it voluntarily for its stated purposes.

Nancy Maida  
Notary Public

My Commission Expires:

January 25, 2019



**EXHIBIT A**

The land and buildings at 113 and 115-117 Derby Street Salem, Massachusetts as owned by The House of Seven Gables Settlement Association (also known as Parcels 41-0300 and 41-0303 on City of Salem, Mass. Assessor's Map No. 41) as follow:

**PARCEL 1**

In Salem, Essex County, Massachusetts, bounded and described as follows:

- NORTHWESTERLY: by Derby Street, fifty-four (54) feet;
- NORTHEASTERLY: by land now or formerly of Dominick, eighty-one (81) feet six (6) inches;
- SOUTHEASTERLY: by land now or formerly of Hodges, fifty-two (52) feet; and
- SOUTHWESTERLY: by Hardy Street, eighty-one (81) feet six (6) inches

There is excluded from the premises above described that portion taken by the City of Salem by instruments recorded in Essex South District Registry of Deeds, Book 2191, Page 596, and Book 2187, Page 425, and shown on a plan entitled "Widening of a Portion of Hardy Street, August 1912, George F. Ashton, City Engineer, recorded with Essex South District Registry of Deeds, December 17, 1912.

Being the premises conveyed to The House of Seven Gables Settlement Association by deed of William H. K. Donaldson dated October 20, 1967, recorded at Essex South District Registry of Deeds in Book 5485, Page 178.

**PARCEL 2:**

Beginning at the Northeast corner of the premises on Derby Street, thence running

- WESTERLY on Derby Street, 54 feet; thence turning and running
- SOUTHERLY by land now or formerly of Foye, 80 feet; thence turning and running
- EASTERLY by land formerly of Holyoke, now or late of Wright, 46 feet; thence turning and running
- NORTHERLY by land formerly of Allen, now or late of Granger, 11 feet; thence turning and running
- EASTERLY by land formerly of Allen, now or late of Granger, 8 feet; thence turning and running



NORTHERLY by land formerly of Allen, now or late of Granger, 69 feet to point begun at.

Containing about 4,232 square feet.

Being a portion of the premises conveyed to The House of Seven Gables Settlement Association by deed of Robert E. Curran, et al, Trustees, dated December 19, 1995, recorded in Essex South District Registry of Deeds, Book 13331, Page 356.

**PARCEL 3:**

A certain parcel of land bounded and described as follows:

NORTHWESTERLY by Derby Street 28.78 feet;

SOUTHWESTERLY by land of the City of Salem on a curved line 37.82 feet and then a straight line 49.27 feet;

SOUTHEASTERLY by land of the House of Seven Gable Settlement Association L.C. 4.62 feet, and 55.53 feet; and

SOUTHWESTERLY by land now or formerly of Dominick 69.64 feet.

Being shown as Lots 2 & 3 on a Plan entitled "Land of House of Seven Gables Settlement Assoc. Cor Derby & Turner Sts, Dec. 1964", Edwin T. Brudzinski, Surveyor, recorded as Essex County South District Registry of Deeds Plan No. 332 of 1965.

Being a portion of the premises conveyed to the House of Seven Gables Settlement Association by William E. O'Brine et al, Trustees, by deed dated January 12, 1962, recorded at said Registry Book 4870, Page 110. Also see deed by House of Seven Gables Settlement Association conveying Lot 1 on said Plan to the City of Salem, dated February 8, 1965 on record at said Registry Book 5280, Page 21.

**PARCEL 4:**

A parcel of land off of Turner Street bounded and described as follows:

NORTHEASTERLY by land of the City of Salem sixty seven and 86/100 (67.86) feet;

SOUTHEASTERLY by lands of Golin and Martin sixty-seven and 73/100 (67.73) feet;

SOUTHWESTERLY by land of Sylvia E. Millett sixty seven and 71/100 (67.71) feet; and

NORTHWESTERLY by land of Frances E. Gardner sixty two and 78/100 (62.78) feet.

Being Lot 3 shown on Land Court Plan No. 1086B on file with said Registry.

For title, see Transfer Certificate of Title No. 30281 on file at said Registry. Also, see subdivision of this parcel as shown on Plan 1086B, and House of Seven Gables Settlement Association deed of Lots 1 and 2 shown on said Plan to the City of Salem, dated Feb. 8, 1965, on record as Land Court Document No. 115586.

**PARCEL 5:**

The land and any buildings thereon bounded and described as follows:

NORTHEASTERLY by Turner Street, twenty eight and 63/100 (28.63) feet;

SOUTHEASTERLY twenty nine and 25/100 (29.25) feet,

SOUTHWESTERLY 0.79 of a foot,

SOUTHEASTERLY twelve and 19/100 (12.19) feet,

NORTHEASTERLY 0.34 of a foot; and

SOUTHEASTERLY six and 50/100 (6.50) feet and thirty three and 50/100 (33.50) feet, all by land now or formerly of Mary E. Hutchinson et al;

SOUTHWESTERLY eight and 97/100 (8.97) feet and twenty one and 27/100 (21.27) feet by lands now or formerly of Charlotte S. Archer et al and of Martin Golin et al respectively; and

NORTHWESTERLY by lot B as shown on plan hereinafter mentioned eighty and 42/100 (80.42) feet.

All of said boundaries are determined by the Court to be located as shown on plan numbered 2638-B drawn by Thomas A. Appleton, C. E., dated Dec 28, 1926, as modified and approved by the Court, filed in the Land Registration Office, a copy of a portion of which is filed with Certificate of Title #6546 in said Registry, and the above described land is shown as lot #A on last mentioned plan. For owner's title, see Land Court Transfer Certificate of Title No. 6546, on file at Essex County South District Registry of Deeds.

**PARCEL 6:**

A parcel of land and any buildings thereon situated on Turner Street further bounded and described as follows:

EASTERLY by Turner Street sixty-nine (69) feet;

SOUTHERLY by land formerly of Susan Ingersoll eighty-three (83) feet six (6) inches;

Lot B:

Also another parcel of land adjoining the above described lot and shown as Lot B on the Plan above referred to containing about seventeen thousand two hundred and twenty (17,220) square feet of land, and bounded: Beginning at the northeasterly corner of the lot above described at a point on the westerly line of Turner Street five (5) feet southerly of the intersection of the line of the southerly side of Turner Hall and the line of said Turner Street, and thence running southwesterly parallel to and five (5) feet distant southerly from the side of said Turner Hall about thirty-five (35) feet to a point, thence running northwesterly nearly northerly on a line which is five (5) feet easterly from and parallel to the easterly side of the Shop or Tea Room, so-called, five tenths (0.5) feet, thence running southwesterly nearly westerly on a line which is approximately halfway between the two buildings known as the Shop or Tea Room and Turner Hall, a distance of about fifty-three (53) feet thence turning at a right angle and running northwesterly about ten and five tenths (10.5) feet, thence running southwesterly nearly westerly on a line five (5) feet north westerly from and parallel to the northerly side of the Shop or Tea Room, so-called, about thirty-one (31) feet to a fence, thence running northwesterly by said fence and in a continuation of the same about twenty-three (23) feet to a fence, thence running northeasterly by a fence about thirty-five and five tenths (35.5) feet to a point on the southwesterly line of Turner Hall, thence running northwesterly by Turner Hall about ten (10) feet to a point about one and five tenths (1.5) feet northerly from the corner of said building, thence running northeasterly about seven (7) feet to a point on the northerly line of said Turner Hall, thence running north westerly nearly northerly by a fence about five (5) feet, thence running northeasterly about seventy-five (75) feet to a point on the westerly line of Turner Street, thence running southeasterly by Turner Street about fifty-two (52) feet to the point of beginning; containing approximately five thousand one hundred and seventy (5,170) square feet of land.

This deed conveyed portions of Lot 7 and 8, and all of Lot 9 to the House of Seven Gables Settlement Association. The remaining portions of Lots 7 & 8 were granted and devised to the House of Seven Gables Settlement Association by the Will of Caroline O. Emmerton, Essex County Probate and Family Court Case Docket No. 202581.

**PARCEL 10**

The land situated in Salem Hardy Street, bounded and described:

NORTHERLY	by land Rowell, now of the grantee herein, ninety-nine (99) feet;
EASTERLY	by land formerly of Upton, and now of the said grantee and land of the Salem Marine Society, and by flats of said Salem Marine Society eighty-five (85) feet;
SOUTHERLY WESTERLY	by flats nor or formerly of Hardy Phippen one hundred (100) feet; and by Hardy Street and flats at the end of said street seventy-nine (79) feet and six (6) inches.

Being the premise conveyed to Caroline O. Emmerton by Deed of Sarah A. Connor dated May 19, 1910, recorded at said Registry Book 2019, Page 265. This property was subsequently given and bequeathed to The House of Seven Gables Settlement Association by the Will of Caroline O. Emmerton, Essex County Probate and Family Court Case Docket No. 202581.

**PARCEL 11:**

The land in Salem, together with any buildings thereon, bounded and described as follows:

WESTERLY            by Hardy Street sixty-four (64) feet and ten (10) inches;  
SOUTHERLY        by land now or formerly of Real ninety-eight (98) feet and nine (9) inches;  
EASTERLY         by land formerly of James Everson sixty-five (65) feet three and (3) inches; and  
NORTHERLY        by land of Rowell ninety-eight (98) feet three (3) inches.

Being the premises conveyed to Caroline O. Emmerton by Deed of S. Herbert Wilkins, et al, dated July 13, 1908 and recorded at said Registry Book 1926, Page 349. This property was subsequently given and bequeathed to The House of Seven Gables Settlement Association by the Will of Caroline O. Emmerton, Essex County Probate and Family Court Case Docket No. 202581.

**PARCEL 12:**

The land in Salem, together with any buildings thereon, bounded and described as follows:

WESTERLY            by Hardy Street fifty (50) feet;  
NORTHERLY        by land now or formerly of Pingree and Archer about ninety-six (96) feet;  
EASTERLY         by land of the grantee fifty (50) feet; and  
SOUTHERLY        by land of the grantee about ninety-six (96) feet.

Being the premises conveyed to Caroline O. Emmerton by Deed of S. Herbert Wilkins dated August 30, 1922, recorded at said registry Book 2525, Page 541. This property was subsequently given and bequeathed to The House of Seven Gables Settlement Association by the Will of Caroline O. Emmerton, Essex County Probate and Family Court Case Docket No. 202581.

**PARCEL 13:**

The land in Salem, together with any buildings thereon, bounded and described as follows:

Beginning at the southeast corner, thence running

NORTHERLY        forty-six (46) feet by Hardy Street, thence running

EASTERLY         about ninety-four (94) feet by land of the late Nathaniel Phippen to land now or late of Hutchinson; thence running

SOUTHERLY        forty-seven (47) feet nine (9) inches by land now or late of Hutchinson and of Ingersoll, now or late to land of Rowell; thence running

WESTERLY         by land of Rowell to the point begun at.

Being the premises conveyed to Caroline O. Emmerton by Deed of David Pingree dated May 28, 1913, recorded at said Registry Book 2214, Page 205. This property was subsequently given and bequeathed to The House of Seven Gables Settlement Association by the Will of Caroline O. Emmerton, Essex County Probate and Family Court Case Docket No. 202581.

**PARCEL 14:**

The land in Salem, together with any buildings thereon known as 25 Hardy Street, bounded and described as follows:

Beginning at the northwest corner of the premises by Hardy Street, thence running

SOUTHERLY        about forty-seven (47) feet by Hardy Street, thence turning and running

EASTERLY         about ninety-four (94) feet by land which was formerly of Benjamin Phippen, now of Pingree; thence turning and running

NORTHERLY        about forty-seven (47) feet nine (9) inches by land formerly of Hutchinson and Bowditch, now of Emmerton; thence turning and running

WESTERLY         by land formerly of Webb, now or late of Dudet, about ninety-three (93) feet to Hardy Street and point begun at.

Being the premises conveyed to Caroline O. Emmerton by Deed of William H. Goldsmith, Executor of the last will of Charlotte L. Archer, to Caroline O. Emmerton dated May 27, 1913, recorded in said Registry Book 2214, Page 211, and Deed of William H. Goldsmith, Trustee under the last will of Charlotte L. Archer to Caroline O. Emmerton dated May 19, 1913, recorded at said Registry Book 2214, Page 212. This property was subsequently given and bequeathed to The House of Seven Gables Settlement Association by the

Will of Caroline O. Emmerton, Essex County Probate and Family Court Case Docket No. 202581.

**PARCEL 15**

The land in said Salem, together with the buildings thereon, bounded and described as follows:

WESTERLY: by Hardy Street;  
NORTHERLY: by land formerly of Henry A. Perkins;  
EASTERLY: by land formerly of Ebenezer Bowdwich; and  
SOUTHERLY: by land formerly of Joshua Phippen, now of the grantee.

Being the same premises conveyed to The House of Seven Gables Settlement Association by John H. Gavanda, et al, by deed dated October 30, 1964, recorded with Essex South District Deeds, Book 5219, Page 663.

**PARCEL 16**

The land in said Salem, together with the buildings thereon, bounded and described as follows:

NORTHERLY by land now or formerly of Richard Davis, about ninety-one (91) feet;  
EASTERLY by land now or formerly of Atwill and Bowditch, about thirty-one (31) feet;  
SOUTHERLY by land now or formerly of Webb, ninety-one (91) feet;  
WESTERLY by Hardy Street, thirty-two (32) feet.

All measurements being more or less.

For title see deed of William H.K. Donaldson, et al, to the House of Seven Gables Settlement Association, dated May 17, 1966, and recorded with Essex South District Registry of Deeds, Book 5361, Page 723.

**PARCEL 17**

WESTERLY by Hardy Street, thirty-five and 5/10 (35.5) feet more or less;  
SOUTHERLY by land now or formerly of Perkins, sixty-four and 4/10 (64.4) feet;  
EASTERLY by land of Kanaszczyc , eighteen and 46/100 (18.46) feet;  
NORTHERLY by land of Kanaszczyc land, twelve and 32/100 (12.32) feet.

NORTHEASTERLY by said Kanaszczyc land, twenty and 85/100 (20.85) feet;

NORTHERLY by said Kanaszczyc land, forty (40) feet.

Said Premises are shown on plan entitled "Subdivision of land in Salem, belonging to Stanley A. and Mildred G. Kanaszczyc Bass River Eng. Co." dated February 1, 1956, recorded with Essex South District Registry of Deeds Book 4255, Page 197.

For title see deed of William H.K. Donaldson to the House of Seven Gables Settlement Association dated May 17, 1966, recorded with Essex South District Registry of Deeds, Book 53261, Page 723.

**PARCEL 18**

The land with the buildings thereon, situated on Hardy Street, in said Salem, bounded and described as follows:

WESTERLY: by Hardy Street, twenty and 50/100 feet;

NORTHERLY: by land of owner unknown, ninety-seven (97) feet; more or less;

EASTERLY: by land of owner unknown, fifty-three (53) feet; more or less;

SOUTHERLY: by land of owner unknown, thirty (30) feet; more or less;

WESTERLY: by land now or late of Goodwin, eighteen and 46/100 (18.46) feet;

SOUTHERLY: by said Goodwin Land, twelve and 32/100 (12.32) feet;

SOUTHWESTERLY: by said Goodwin Land, twenty and 85/100 (20.85) feet; and

SOUTHERLY: by said Goodwin Land, forty (40) feet.

Said premises are conveyed subject to and with the benefit of a four (4) foot right of way between Lots A and B on a plan recorded in Essex South District Registry of Deeds, Book 4255, Page 197, to be used in common with the owners of the granted premises and said Goodwin Land.

For title see deed of George H. Audet et al, to the House of Seven gables Settlement Association dated April 18, 1966, recorded in said Registry of Deeds in Book 5354, Page 106.

WESTERLY by land formerly of Phippen sixty-nine (69) feet ten (10) inches; and

NORTHERLY by land formerly of the estate of Bowditch eight-one (81) feet six (6) inches.

Being the premises conveyed to Caroline O. Emmerton by Deed of George H. Shattuck, et ux, dated February 20, 1913, recorded at said Registry Book 2197, Page 550. This property was subsequently given and bequeathed to The House of Seven Gables Settlement Association by the Will of Caroline O. Emmerton, Essex County Probate and Family Court Case Docket No. 202581.

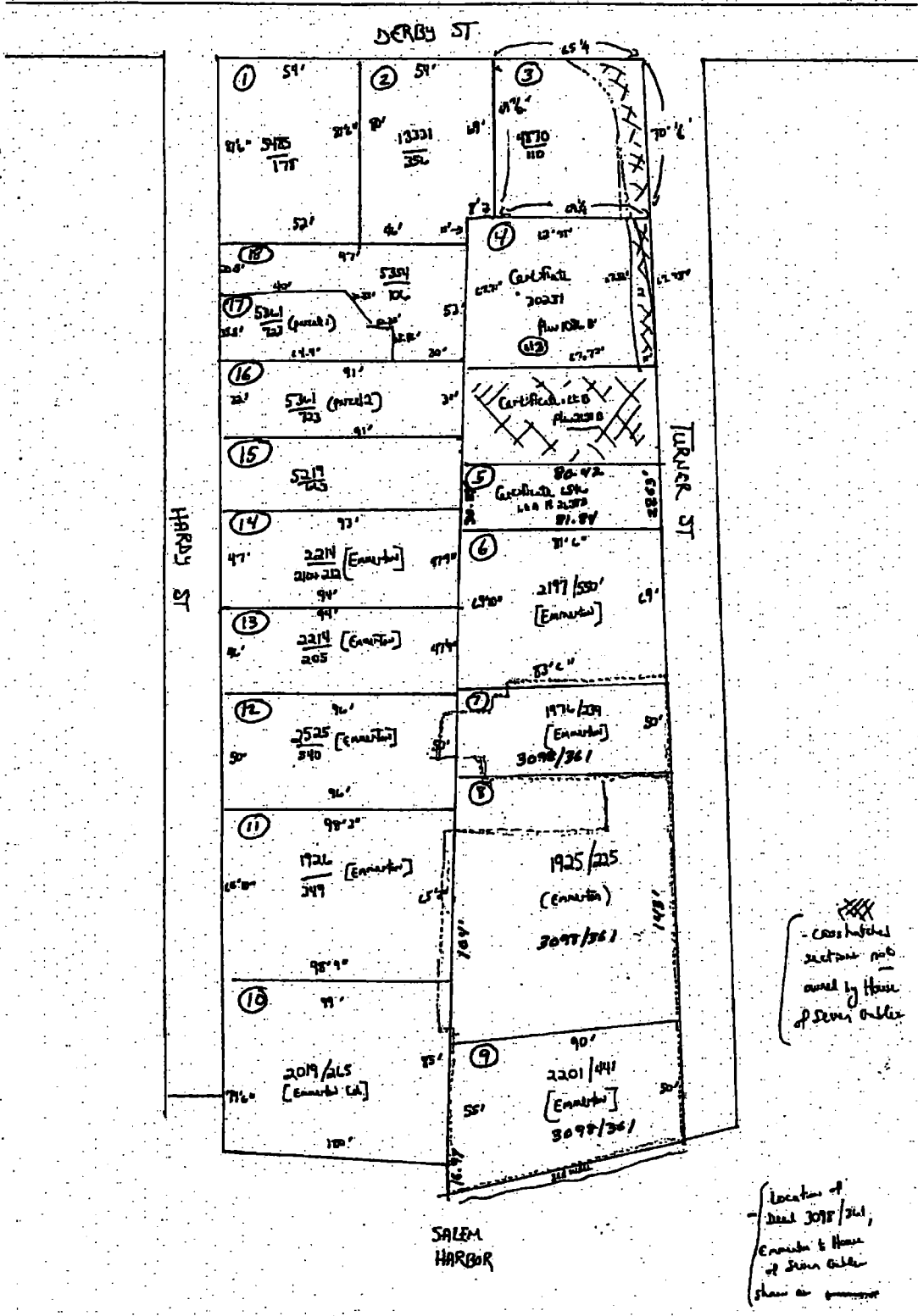
**PARCELS 7, 8 & 9:**

The land in Salem, together with buildings thereon, off of Turner Street and shown as Lots A and B on a plan entitled "Land of Caroline O. Emmerton, Salem, Mass." dated December, 1936, Thomas A. Appleton, C.E., said Plan recorded as at Essex County South District Registry of Deeds as Plan No. 180 of 1936, and recorded with the Deed of Caroline O. Emmerton to The House of Seven Gables Settlement Association, dated December 30, 1936, recorded at said Registry Book 3098, Page 361.

These parcels are further bounded and described in the deed as follows:

Lot A: Beginning at a point on the westerly line of Turner Street at a point five (5) feet south of the intersection of the southerly line of Turner Hall and said street line, thence running southeasterly by Turner Street about one hundred and forty-three (143) feet, thence running southwesterly as the fence stands ten and eighty-seven hundredths (10.87) feet, thence running southeasterly as the fence stands forty-two and thirty-seven hundredths (42.37) feet to the face of the sea wall, thence running southwesterly by the sea wall about eighty-five (85) feet to the corner of said wall, thence running northwesterly by said sea wall sixteen and ninety-seven hundredths (16.97) feet to an angle in said wall, thence running northwesterly, slightly more westerly, as the fence stands about fifty-six and one-half (56 ½) feet, thence running southwesterly as the fence stands thirteen and eight tenths (13.8) feet, thence running northwesterly in a straight line which passes through a point just five (5) feet easterly of the northeasterly corner of the Becket House, so-called, a distance of about one hundred and four and one-half (104 ½) feet to a point five (5) feet southerly of the southerly side of the Shop or Tea Room so-called, thence running northeasterly nearly easterly on a line five (5) feet from and parallel to the southerly side of the Shop or Tea Room, so-called, and continuing in the same straight line about sixty (60) feet, thence running northwesterly on a line parallel to and five (5) feet easterly from the said Shop or Tea Room, so-called, about twenty-eight (28) feet to a point five (5) feet southerly from the southerly Hall so-called, thence running northeasterly nearly easterly parallel to said Turner Hall about thirty-five (35) feet and the point of beginning, containing approximately seventeen two hundred and twenty (17,220) square feet of land, together right, title and interest of the grantor in and to the lot herein described and lying between the southern lot herein described and low water mark.





DERBY ST

HARDY ST

TURKER ST

SALEM HARBOR

~~XXXX~~  
- Cross hatched sections not owned by House of Salem unless shown as otherwise

- Location of Deed 3098/241, Enments & House of John Allen shown as otherwise

EXHIBIT B  
PARCEL MAP & PHOTOGRAPHS

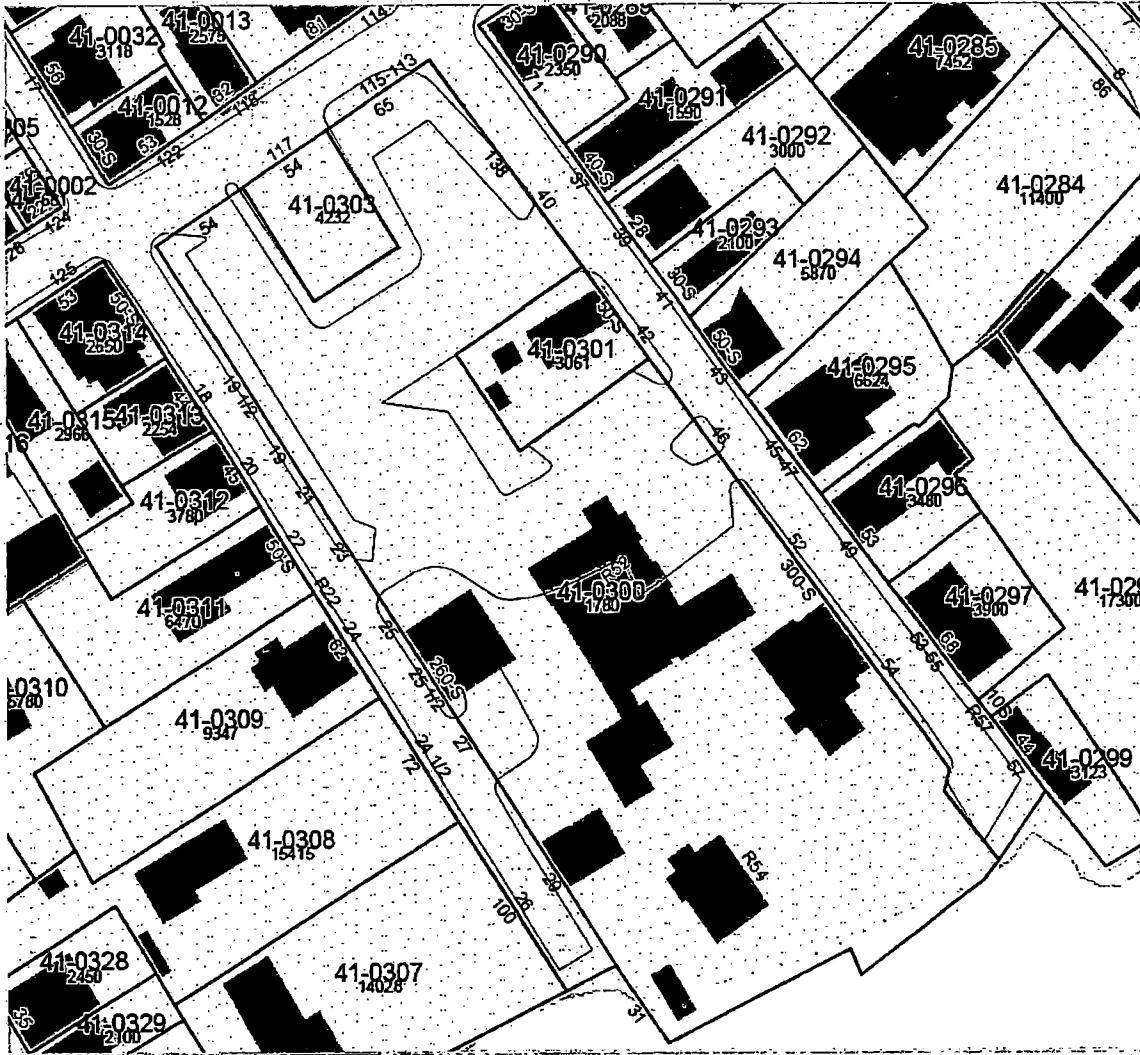




Photo 1: South Elevation (April, 2016)



Photo 2: West Elevation (April, 2016)



Photo 3: North Elevation (April, 2016)



Photo 4: East Elevation (April, 2016)

EXHIBIT C  
RESTRICTION GUIDELINES

The purpose of the Restriction Guidelines is to clarify paragraph three of the terms of the preservation restriction, which deals with alterations to the Property. Under this section permission from the SALEM HISTORICAL COMMISSION (COMMISSION) is required for any major alteration. Alterations of a minor nature, which are part of ordinary maintenance and repair, do not require COMMISSION review.

In an effort to explain what constitutes a minor alteration and what constitutes a major change, which must be reviewed by the COMMISSION, the following list has been developed. By no means is this list comprehensive: it is only a sampling of some of the more common alterations, which may be contemplated by the property owner.

**PAINT**

Minor - Exterior or interior hand scraping and repainting of non-decorative and non-significant surfaces as part of periodic maintenance.

Major - Painting or fully stripping decorative surfaces or distinctive stylistic features including murals, stenciling, ornamental woodwork, stone, masonry, decorative or significant original stucco or plaster.

**WINDOWS AND DOORS**

Minor - Regular maintenance including caulking, painting and necessary reglazing. Repair or in-kind replacement of existing individual decayed window parts.

Major - Wholesale replacement of units; change in fenestration or materials; alteration of profile or setback of windows. The addition of storm windows is also considered a major change; however, with notification it is commonly acceptable.

**EXTERIOR**

Minor - Spot repair of existing cladding and roofing including in-kind replacement of clapboards, shingles, slates, etc.

Major - Large-scale repair or replacement of cladding or roofing. Change involving inappropriate removal or addition of materials or building elements (i.e. removal of chimneys or cornice detailing; installation of architectural detail which does not have a historical basis); altering or demolishing building additions; spot repointing of masonry. Structural stabilization of the property is also considered a major alteration.

**LANDSCAPE/OUTBUILDINGS**

Minor - Routine maintenance of outbuildings and landscape including lawn mowing, pruning, planting, painting, and repair.

Major - Moving or subdividing buildings or property; altering of property; altering or removing significant landscape features such as gardens, vistas, walks, plantings, walls, fences; ground disturbance affecting archaeological resources.

**HEATING/AIR CONDITIONING/ELECTRICAL/PLUMBING SYSTEMS**

Minor - Repair of existing systems.

Major - Installing or upgrading systems which will result in major exterior appearance changes (i.e. exterior ducts, piping, ventilators, HVAC units); the removal of substantial quantities of original materials in the course of construction.

Changes classified as major alterations are not necessarily unacceptable. Under the preservation restriction such changes must be reviewed by the COMMISSION and their impact on the historic integrity of the property assessed.

It is the responsibility of the property owner to notify the COMMISSION in writing when any major alterations are contemplated. Substantial alterations may necessitate review of plans and specifications.

The intent of the preservation restriction is to enable the COMMISSION to review proposed alterations and assess their impact on the integrity of the building, not to preclude future change. COMMISSION will attempt to work with property owner to develop mutually satisfactory solutions, which are in the best interests of the Property.