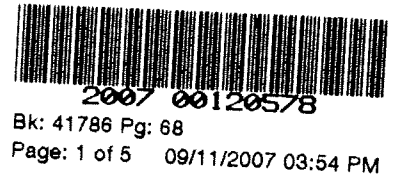


DECLARATION OF TRUST
TOWN OF GRAFTON
AFFORDABLE HOUSING TRUST



A Declaration of Trust is made as of this 10th day of Sept., 2007, by Peter Adams, Charles Pratt, Kathy Aberizk, Lou Boersma, Christophe Courchesne, and Christopher LeMay, hereinafter called "the Trustees," who pursuant to the provisions of Massachusetts General Laws Chapter 44, Section 55C, hereby acknowledge and agree for themselves and their successors in trust to hold the same together with such other property and funds as may be added thereto, for the purposes hereof in trust and nevertheless for the benefit of all of the Inhabitants of the Town of Grafton in the manner and under the terms and conditions set forth herein.

ARTICLE FIRST: Name of Trust

This trust shall be called the "Grafton Affordable Housing Trust." ("Trust"). This Declaration of Trust shall be recorded with the Worcester County Registry of Deeds ("Registry of Deeds") and the Worcester County Registry District of the Land Court ("Land Registration Office").

ARTICLE SECOND: Purposes

The purpose of this Trust shall be to provide for the creation and preservation of affordable housing in the Town of Grafton ("the Town") for the benefit of low and moderate income households and in furtherance of this purpose, to acquire by gift, purchase, or otherwise, real estate and personal property, both tangible and intangible, of every sort and description; to use such property, both real and personal, in such manner as the Trustees shall deem most appropriate to carry out such purpose; provided however, that all property comprising this Trust and the net earnings thereof shall be used only in the Town exclusively for the benefit of all of the inhabitants of the Town for the creation and preservation of affordable housing therein.

ARTICLE THIRD: Tenure of Trustees

The trustees hereunder shall be appointed by the Board of Selectmen. Trustees shall serve for a term not to exceed two years and may be re-appointed at the discretion of the Board of Selectmen. Only persons who are residents of the Town of Grafton shall be eligible to hold the office of Trustee. Any Trustee who ceases to be a resident of the Town shall cease to be a Trustee hereunder provided that a written notification of the change in residence has been filed with the Town Clerk.

Any Trustee may resign by written instrument signed and acknowledged by such Trustee and duly filed with the Town Clerk and recorded with the Registry of Deeds and filed with the Land Registration Office. Any Trustee may be removed or suspended by the Board of Selectmen pursuant to the Town Charter, Section 7-8.

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If a Trustee shall die, resign, be removed or suspended, or for any other reason cease to be a Trustee hereunder before his/her term of office expires, a successor shall be appointed by the Board of Selectmen to fill such vacancy provided that in each case the said appointment and acceptance in writing by the Trustee so appointed is filed with the Town Clerk and recorded with the Registry of Deeds and filed with the Land Registration Office. No such appointment shall be required so long as there are five Trustees in office. Upon the appointment of any succeeding Trustee and the filing of such appointment the title to the Trust estate shall thereupon and without the necessity of any conveyance be vested in such succeeding Trustee jointly with the remaining Trustees.

Reference to the Trustee shall mean the Trustee or Trustees for the time being hereunder. There shall be no more than six nor less than five Trustees of the Trust. Of the original Trustees, Christopher LeMay, Kathy Aberizk, and Christophe Courchesne shall hold office until the annual meeting of the Town in 2008; Peter Adams, Lou Boersma, and Charles Pratt shall hold office until the annual meeting in 2009.

ARTICLE FOURTH: Meetings of the Trust

There shall be monthly meetings of the Trust at such time and at such place as the Trustees shall determine. A written notice stating the place, day, hour, and agenda of each Meeting of the Trust shall be posted at Town Hall at least 48 hours before the date of such meeting in accordance with G.L. c. 39, § 23B. A quorum at any meeting shall be a majority of the Trustees qualified and present in person.

ARTICLE FIFTH: Powers of Trustees

The Trustees, for the carrying out of the above purposes and except as herein otherwise specifically provided, shall have the same powers with respect to all real and personal estate at any time held by them as if they were the absolute owners thereof, and without limiting the foregoing generality: to solicit and accept grants, gifts, devises and bequests or otherwise acquire real or personal property; to invest any of the trust property in such manner as they may deem advisable without being limited as to the kind or amount of any investment; to sell and exchange any real or personal property or any interest therein for such consideration and upon such terms and conditions as they deem advisable; to join with others in the acquisition of real property or any interest therein; to borrow money and mortgage or pledge any part of the trust estate assets and issue notes or other indebtedness; to join with others in borrowings, mortgages and pledges and to guarantee and become surety on obligations of others, in transactions in which the Trust has an interest; to execute, as lessor or lessee, leases, including for terms expiring after the possible expiration of the Trust; to restore, construct, repair and maintain buildings and make other improvements and establish such reserves as they deem necessary therefore; to pay, compromise, or adjust all obligations incurred and rights acquired in the administration of the Trust; to obtain advice of counsel and to rely thereon; to employ such other persons, agents, brokers, managers, accountants or advisors as they may deem advisable and to pay reasonable compensation and expenses, apportioning same between income and principal as the board deems advisable; and to execute, acknowledge and

deliver all such contracts, deeds, mortgages, leases, discharges, and partial releases of mortgages, or other instruments as they may deem advisable in the course of the administration of the Trust.

In accordance with G.L. c. 44, § 55C(16)(d), all moneys paid to the Trust shall be paid directly into the Trust and need not be appropriated or accepted and approved into the Trust. General revenues appropriated into the trust become Trust property, and to be expended, these funds need not be further appropriated. All moneys remaining in the trust at the end of any fiscal year, whether or not expended by the Trustees within one (1) year of the date that they were appropriated into the trust, remain trust property.

The Trustees shall have these and all powers set forth in G.L. c. 44, § 55C, and shall refrain from exercising any powers in such manner as to violate the provisions of said statute.

ARTICLE SIXTH: Acts of Trustees

A majority of Trustees may exercise any or all of the powers of the Trustees hereunder and may execute on behalf of the Trustees any and all instruments with the same effect as though executed by all the Trustees. The Trustees may, by instrument executed by all the Trustees, delegate to any attorney, agent, or employee such other powers and duties as they deem advisable, including power to execute, acknowledge or deliver instruments as fully as the Trustees might themselves and to sign and endorse checks for the account of the Trustees of the Trust. The Trustees shall not delegate the authority to amend the Trust and no such delegation shall be effective. No Trustee shall be required to give bond. No license of court shall be required to confirm the validity of any transaction entered into by the Trustees with respect to the Trust Estate. No one dealing with the Trustees need inquire concerning the validity of anything the Trustees purport to do or see to the application of anything paid to or upon the order of the Trustees. No Trustee shall be liable for the acts, negligence or defaults of any other Trustee or any employee, agent, or representative of the Trustees selected with reasonable care, not for errors in judgment, nor mistakes of law or fact made in good faith nor in reliance in good faith on advice of counsel nor for other acts or omissions in good faith.

ARTICLE SEVENTH: Liability

Neither the Trustees nor any agent or officer of the Trust shall have the authority to bind the Town. The Trust is a public employer and the Trustees are public employees for purposes of G.L. c. 268A. The Trust shall be deemed a municipal agency and the Trustees special municipal employees for the purposes of G.L. c. 258.

ARTICLE EIGHTH: Amendments

This declaration of Trust may be amended from time to time except as to those provisions specifically required under G.L. c. 44, § 55C, by instrument in writing signed by all of the Trustees and approved at a meeting called for that purpose, provided that in each

case, a certificate of amendment has been recorded with the Registry of Deeds and filed with the Land Registration Office.

ARTICLE NINTH: Accounts

The books and records of the Trust shall be audited annually by an independent auditor in accordance with accepted accounting practices. The results of the audit shall be provided to the Town. The Trust will give an annual report of its activities to the Town.

ARTICLE TENTH: Duration of the Trust

This Trust shall be of indefinite duration. However, it may be terminated by a two-thirds vote of Town Meeting provided that an instrument of termination, together with a certified copy of the Town Meeting vote, are duly recorded with the Registry of Deeds and the Land Registration Office.

Upon termination of the Trust, subject to the payment of or making provision for the payment of all obligations and liabilities of the Trust and the Trustees, the net assets of the Trust shall be transferred to the Town and held by the Board of Selectmen for affordable housing purposes. In making any such distribution, the Trustees may sell all or any portion of the Trust property and distribute the net proceeds thereof or they may distribute any of the assets in kind. The powers of the Trustees shall continue until the affairs of the Trust are concluded.

**ARTICLE ELEVENTH: Authority shown by Record to be Conclusive;
Certificate as to Facts**

Every contract, deed, mortgage, lease, and other instrument executed by a majority of the Trustees as appears from instruments or certificates recorded with said Registry of Deeds and Land Registration Office to be Trustees hereunder shall be conclusive evidence in favor of any person relying thereon or claiming thereunder, that at the time of the delivery thereof this Trust was in full force and effect and that the execution and delivery of such instrument was duly authorized by the Trustees except that delegations of authority pursuant to Article Sixth and instruments of amendment pursuant to Article Eighth shall be conclusive only if it appears that the delegations or amendments have been executed by all of the Trustees and an instrument of termination pursuant to Article Tenth shall be conclusive only if it appears that the termination has been effected by the required vote of Town Meeting. Any person dealing with the Trust property or the Trustees may always rely on a certificate signed by any person appearing from instruments or certificates so recorded to be a Trustee hereunder as to the identity of the then current Trustees or as to the existence or non-existence of any fact or facts which constitute conditions precedent to acts by the Trustees or in any other manner germane to the affairs of the Trust.

ARTICLE TWELFTH: Titles

The titles to the various articles herein are for convenience only and are not to be considered part of said Articles nor shall they affect the meaning or the language of any such article.

Witness the execution this 10th day of Sept., 2007

Peter Adams

Peter Adams, Trustee

Lou Boersma

Lou Boersma, Trustee

Charles Pratt

Charles Pratt, Trustee

Kathy Aberizk

Kathy Aberizk, Trustee

Christopher LeMay

Christopher LeMay, Trustee

Christophe Courchesne
Christophe Courchesne, Trustee

COMMONWEALTH OF MASSACHUSETTS

County of Worcester, ss.

On this 10th day of September, 2007, before me, the undersigned Notary Public, personally appeared Peter Adams, Trustee, and acknowledged to me that s/he signed voluntarily for its stated purpose as Trustee on behalf of the Grafton Affordable Housing Trust.

Donna J. Finchla
Notary Public

My commission expires:

DONNA J. PINGETON
Notary Public
Commonwealth of Massachusetts
My Commission Expires
May 9, 2008