

Exhibit "B"

FACADE PRESERVATION RESTRICTIONS

The existing building and appurtenant structures at 23 Essex Street (the Hardie Building) shall not be altered (and no new structures constructed) in any way that affects exterior architectural features unless the Beverly Historic District Commission (the "Commission") shall first have issued a certificate of appropriateness, a certificate of non-applicability or a certificate of hardship with respect to such construction or alteration. Any person who desires to obtain a certificate from the Commission shall file with the Commission an application for a certificate of appropriateness, a certificate of non-applicability or a certificate of hardship, as the case may be, in such form as the Commission may reasonably determine, together with such plans, elevations, specifications, material and other information, including in the case of demolition or removal a statement of the proposed condition and appearance of the property thereafter, as may be reasonably deemed necessary by the Commission to enable it to make a determination on the application.

No building permit for construction of a building or structure or for alteration of an exterior architectural feature of the Hardie Building and no demolition permit for demolition or removal of the Hardie Building (or any exterior component thereof) shall be issued by the City of Beverly or any department thereof until the certificate required by this restriction has been issued by the Commission.

In passing upon matters relating to or arising under this restriction, the Commission shall consider, among other things, the historic and architectural value and significance of the site, building or structure, the general design, arrangement, texture, material and color of the features involved, and the relation of such features to similar features of buildings and structures in the surrounding area. In the case of new construction or additions to existing buildings or structures the Commission shall consider the appropriateness of the size and shape of the building or structure both in relation to the land area upon which the building or structure is situated and to buildings and structures in the vicinity. When ruling on applications for certificates of appropriateness for solar energy systems, as defined in section one A of chapter forty A, the Commission shall also consider the policy of the commonwealth to encourage the use of solar energy systems and to protect solar access. The Commission shall not consider interior arrangements or architectural features not subject to public view.

The Commission shall not make any recommendation or requirement except for the purpose of preventing developments incongruous to the historic aspects or the architectural characteristics of the Hardie Building, its grounds and/or surrounding properties.

The restrictions and restraints provided herein shall not be deemed to include:

- (1) Temporary structures or temporary signs, subject, however, to such conditions as to duration of use, location, lighting, removal and similar matters as the Commission may reasonably specify.
- (2) Terraces, walks, driveways, sidewalks and similar structures, or any one or more of them, provided that any such structure is substantially at grade level.

- (3) Walls and fences, or either of them.
- (4) Storm doors and windows, screens, window air conditioners, lighting fixtures, antennae and similar appurtenances, or any one or more of them.
- (5) The color of paint.
- (6) The color of materials used on roofs.
- (7) One sign which is not more than twelve square feet in area, consisting of letters painted on wood without symbol or trademark and if illuminated is illuminated only indirectly.
- (8) The reconstruction, substantially similar in exterior design, of a building, structure or exterior architectural feature damaged or destroyed by fire, storm or other disaster, provided such reconstruction is begun within one year thereafter and carried forward with due diligence.

The Commission may determine from time to time after public hearing that certain categories of exterior architectural features, colors, structures or signs, including, without limitation, any of those enumerated under paragraphs 1-8, above, may be constructed or altered without review by the Commission without causing substantial derogation from the intent and purposes of this restriction.

(c) Upon request the Commission shall issue a certificate of nonapplicability with respect to construction or alteration in any category then not subject to review by the Commission in accordance with this restriction.

Nothing in this restriction shall be construed to prevent the ordinary maintenance, repair or replacement of any exterior architectural feature of the Hardie Building which does not involve a change in design, material, color or the outward appearance thereof, nor to prevent landscaping with plants, trees or shrubs, nor construed to prevent the meeting of requirements certified by a duly authorized public officer to be necessary for public safety because of an unsafe or dangerous condition, nor construed to prevent any construction or alteration under a permit duly issued prior to the effective date of this restriction.

Notwithstanding anything herein to the contrary, so long as Chittenden Trust Company, as Trustee (and hereinafter, the "Mortgagee"), under that certain Mortgage, security and Loan and Trust Agreement (hereinafter, the "Mortgage") among Massachusetts Industrial Finance Agency, Montserrat College of Art, Inc., and the Mortgagee dated as of December 1, 1997, is the holder of record of the Mortgage, the restrictions and covenants herein contained shall be void and of no further effect if as a result of a default on the Mortgage, the Mortgagee exercises any remedies under the Mortgage with respect to the Property (including but not limited to a consensual sale, foreclosure, or similar remedial action or upon the conveyance of the Property in lieu of foreclosure), provided that written notice of such default is given to the City of Beverly by certified mail, return receipt requested to:

Mayor
City of Beverly
191 Cabot Street
Beverly, MA 01915.

In the event of the exercise by Mortgagee of such remedies under the Mortgage after such notice of default by Mortgagor is given to the City of Beverly, then any conveyance, sale or other transfer of the Property by Mortgagee shall be free and clear of any and all restrictions contained herein, which restrictions will be of no further force or effect.

WITNESS the execution hereof under seal as of the day and year first above written.

Montserrat College of Art, Inc.

By:

City of Beverly

By: