

THE MOUNTAIN CLUB ON LOON
A Condominium
DECLARATION PURSUANT TO RSA 356-B*

WHEREAS, Mara-EK Development Company, a partnership having a principal place of business in Lincoln, New Hampshire, the mailing address for which is Box 508, Lincoln, New Hampshire 03251, is the owner of certain real estate situated in Lincoln New Hampshire; and

WHEREAS, said partnership desires to create a condominium on a portion of said real estate; and

WHEREAS, the partnership desires to sell condominium units to purchasers pursuant to RSA 356-B,

NOW THEREFORE, the partnership, being the owner of said land (there being no lessee), in compliance with RSA Chapter 356-B, hereby promulgates the following Declaration.

TITLE I

Disclosures Pursuant to RSA 356-B:16

I (a) The Condominium shall be called "The Mountain Club on Loon".

I (b) The Mountain Club on Loon is located in the Town of Lincoln, County of Grafton and State of New Hampshire.

I (c) The land submitted under RSA 356-B is bound and described as follows:

The following described parcel of land and interests in land, with any buildings thereon standing, situate on the southerly side of the East Branch of the Pemigewasset River, and westerly of Boyle Brook, so-called, in the Town of Lincoln, bounded and described as follows:

Beginning at a point which is located S82° 57' 40" W a distance of 100.52 feet from a stone bound marking the northwesterly corner of lot 35 and the northeasterly corner of lot 34 of Beechwood Acres, so-called, as shown on a plan recorded in Liber 1074, Folio 45 of the Grafton County Registry of Deeds; thence N 77° 08' W a distance of 143.22 feet to a point; thence N 12° 52' E a distance of 68.97 feet to a point; thence proceeding northwesterly and northeasterly following a curve having a radius of 13.00 feet a distance of 20.42 feet to a point, thence N 12° 52' E a distance of 35.00 feet to a point; thence S 77° 08' E a distance of 28.30 feet to a point; thence N 78° 52' E a distance of 36.46 feet to a point; thence N 12° 52' E a distance of 18.62 feet to a point; thence S 77° 08' E a distance of 8.30 feet to a point; thence S 12° 52' W a distance of 10.41 feet to a point; thence S 77° 08' E a distance of 14.80 feet to a point; thence S 11° 08' E a distance of 4.93 feet to a point; thence S 77° 08' E a distance of 50.66 feet to a point; thence S 09° 11' 10" E a distance of 36.26 feet to a point; thence S 08° 30' W a distance of 88.00 feet to a point; thence S 18° 30' W a distance of 14.22 feet to a point marking the place of beginning.

Said parcel comprising 0.44 acres, more or less.

Also included as appurtenances the easements described in Paragraph VI hereof.

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A legal description of additional land which may be added to the condominium from time to time is provided under Section III (d) hereinafter.

I (d) The boundaries of units including the horizontal and vertical boundaries are as follows:

The interior surfaces of all perimeter walls are the vertical boundaries of each unit, and the interior surfaces of the floors and the ceilings are the horizontal boundaries of each unit. The provisions of RSA 356-B:12 II, III and IV shall apply in ascertaining the boundaries of the units, while the provisions of RSA 356-B:12 V shall not apply in that all items mentioned shall be common areas, except for balconies entered exclusively from a unit, which shall be a part of that unit.

Each owner shall be responsible for keeping his unit and its contents and equipment in good repair and for the maintenance and repair of all plumbing, heating, electrical and other utility facilities located in his unit and not part of the common areas.

I (e) The partnership reserves the right to create limited common areas with respect to those portions of the hallways that are situated off the main hallways, but between two adjoining units. Use of each such area would be limited to owners of the two units adjoining it.

I (f) The Mountain Club on Loon has no common areas not within the boundaries of convertible land which may subsequently be assigned as limited common areas.

I (g) Each unit is allocated an equal undivided interest in the common areas pursuant to RSA 356-B:17 IV and pursuant to RSA 356-B:17 IV; the fraction or percentage need not be expressed.

I (h) The Condominium units may be used for residential purposes only, except that the owners thereof may rent or lease such units for residential purposes. The following additional restrictions shall also apply to such residential units:

(i) No signs of any type shall be displayed for public view from any unit without the prior consent of the Unit Owners' Association.

(ii) No pets, birds, fish or animals of any kind shall be allowed in any unit.

(iii) Owners shall not attach to the outside of such units or keep anywhere in the unit where it may be seen by the general public or another owner, any clothing, clotheslines, television antennas, lights, air-conditioning units or things of any kind.

[Amended 11/1/2004-Amendment 2]

(iv) No unit shall be occupied by more ~~than six persons~~ [persons than the maximum sleeping accommodations per unit as established by the Unit Owners' Association]. Occupancy shall mean residing in the unit overnight.

(v) Use of a unit for limited professional, business or commercial purposes may be granted by the Unit Owners' Association, upon finding that such use will not be incompatible with the basic plan, use and scheme of the condominium. The Association may place such terms, conditions, time limits, time periods and other restrictions upon such uses as it deems to be in the best interests of the condominium.

I (i) In the event any portion of the condominium is damaged by fire or other casualty, the Unit Owners' Association shall as soon as is practical commence repair or reconstruction of the condominium. The proceeds of all insurance covering the loss shall be applied to the cost thereof, and the balance of said costs, if

any, shall be prorated equally among the owners as assessments. Such assessments shall be a lien upon each unit as provided in RSA 356-B and shall be enforced and collected as provided therein;

I (j) (i) Easements for encroachments to the fullest extent permitted by RSA 356-B:22 shall exist as to all units.

(ii) Easements to facilitate expansion to the fullest extent permitted by RSA 356-B:27 shall exist as to all units.

(iii) Declarant, its agents, representatives and employees may maintain a sales office and/or model in one of the units of the condominium, may from time to time change the location thereof (including relocation to a unit that may be later added to the condominium) to the fullest extent permitted by RSA 356-B:28.

(iv) Declarant is not obligated in any way to acquire or to start or complete any improvements with respect to the land described in Section III (d) hereof.

(v) Alterations within units may be made pursuant to RSA S356-B:30.

(vi) Boundaries between units may be relocated in accordance with RSA S356-B:31.

(vii) Units may be subdivided in accordance with RSA 356-B:32.

(viii) The condominium may be unilaterally terminated by declarant at any time prior to the conveyance of a unit, as provided by RSA 356-B:33. After the conveyance of a unit, the condominium may be terminated upon the vote of 4/5ths of the owners, as provided by RSA 356-B:34I.

(ix) Notwithstanding the provisions of subparagraph viii) above, the holders of all mortgages on all units in the condominium must approve of a termination.

(x) The provisions of RSA 356-B shall govern the administration of the condominium and the Unit Owners' Association, unless the condominium instruments specifically provide an alternative procedure. In the event a mandatory provision of RSA Chapter 356-B is in conflict with a provision of this Declaration, the statute shall control.

(xi) The Unit Owners' Association shall have the right to enter any unit to remove violations and/or to make such repairs or perform such maintenance for which it is responsible or which are required by reason of an emergency. This right shall be exercised in a reasonable fashion. The costs of repairs and/or damage shall be borne as a common expense unless the result of the owner's negligence or neglect, in which event it shall be assessed to the owner.

(xii) Every unit owner shall be a member of the Unit Owners' Association and agrees to be bound by its By-Laws and all of its acts authorized by and pursuant to said By-Laws and/or this Declaration.

II. This condominium does not contain any convertible land.

III (a) The partnership specifically and explicitly hereby reserves the option to expand the condominium by adding additional tracts or parcels of land.

III (b) The consent of any unit owner to the expansion shall not be required, and there are no limitations of any sort upon the right reserved by the partnership to expand the condominium except as provided in the following sub-sections of this Section III set forth below.

III (c) The option to expand the condominium shall expire seven (7) years from the date of the recording of this Declaration unless the partnership, prior to that time, shall record a statement in the Grafton County Registry of Deeds signed and acknowledged by a general partner which unconditionally releases the option to expand.

III (d) A legal description by metes and bounds of all land that may be added to the condominium is as follows:

Phase II

The following described parcel of land with any buildings thereon standing, situate on the southerly side of the East Branch of the Pemigewasset River and westerly of Boyle Brook, so-called, in the Town of Lincoln, and adjoining the land of Phase I, so-called, of the Mountain Club on Loon, bounded and described as follows:

Beginning at a point which marks the westernmost projection of Phase I; thence N 68° 43' 15" E a distance of 19.10 feet to a point; thence S 77° 08' E a distance of 28.75 feet to a point; thence S 77° 08' E a distance of 28.75 feet to a point; thence N 12° 52' E a distance of 68.97 feet to a point; thence proceeding northwesterly and northeasterly following a curve having a radius of 13.00 feet a distance of 20.42 feet to a point; thence N 12° 52' E a distance of 35.00 feet to a point; thence S 77° 08' E a distance of 28.30 feet to a point; thence N 78° 52' E a distance of 36.46 feet to a point; thence N 12° 52' E a distance of 18.62 feet to a point; thence S 77° 08' E a distance of 8.30 feet to a point; thence S 12° 52' W a distance of 10.41 feet to a point; thence S 77° 08' E a distance of 14.80 feet to a point; thence S 11° 08' E a distance of 4.93 feet to a point; thence S 77° 08' E a distance of 50.66 feet to a point; thence N 09° 11' 10" W a distance of 54.88 feet to a point; thence proceeding northwesterly following a curve having a radius of 106.5 feet a distance of 16.46 feet to a point; thence N 9° 11' 30" W a distance of 52.93 feet to a point; thence proceeding westerly following a curve to the left having a radius of 83.50 feet a distance of 118.06 feet to a point; thence S 89° 48' 55" W a distance of 54.61 feet to a point; thence proceeding south westerly following a curve to the left having a radius of 163.00 feet a distance of 92.59 feet to a point; thence proceeding southwestly and westerly along a curve to the right having a radius of 156.20 feet a distance of 60.41 feet to a point; thence S 01° 47' 25" W a distance of 131.80 feet to a point; thence S 84° 30' E a distance of 65.04 feet to a point; thence S 21° 16' 50" E & distance of 119.43 feet to a point marking the place of beginning.

Said parcel comprising 1.30 acres, more or less.

PHASE III

The following described parcel of land, with any buildings thereon standing, situated on the southerly side of the East Branch of the Pemigewasset River and westerly of Boyle Brook, so-called, in the Town of Lincoln, and adjoining the land of Phase II, so-called, of the Mountain Club on Loon along the westerly boundary of said Phase II, bounded and described as follows:

Beginning at a point which marks the southwestly corner of the land of Phase II of the Mountain Club on Loon, which point is also the southeasterly corner of the land herein described; thence N 84° 30' W a distance of 340.33 feet to a point; thence N 04° 45' W a distance of 87.01 feet to a point; thence proceeding easterly following a curve to the left having a radius of 425.37 feet a distance of 81.47 feet to a point; thence N 87° 58' E a distance of 247.01 feet to a point; thence proceeding easterly following a curve to the left having a radius of 156.20 feet a distance of 22.69 feet to a point marking the northwestly corner of said Phase II; thence S 01° 47' 25" W a distance of 131.80 feet to a point marking the place of beginning.

Said parcel comprising 0.86 acre, more or less.

III (e) There are no limitations as to whether any of the additional land, all of it, or any particular part of it, will or may be added to the condominium.

III (f) Portions of the additional land may be added to the Condominium at different times. There is no limitation upon the partnership's right to elect to add portions or parts of the additional land at different times in any order in which it may choose, or to not add any at all. However, it is the present intent of the partnership to first add to the condominium all or a part of Phase II described in Section III (d) above, and subsequently, all or a part of Phase III in said Section III (d) above.

III (g) There is no requirement that the partnership add any improvements to any additional land which may be added to the condominium, and consequently, no assurance as to the fact of such improvements or their location.

III (h) If all or a part of Phase II as described in Section III (d) above is added to the condominium, no more than 88 units may be created thereon, and if any part of Phase III as described in Section III (d) above is ever added to the condominium, no more than 80 units shall be created on said Phase III.

III (i) If additional land is added to the condominium and if the improvements referred to in Section III (h) above are completed, the space of the first or ground floor and the space, if any, below the first floor, will not be restricted to residential or any other use. Not over 100% of the aggregate land areas and not over 50% of the aggregate floor areas will be unrestricted as to use. In no event will restriction to residential use prohibit the owner from renting or leasing a unit for residential purposes.

III (j) If any additional land is added to the condominium, any structures created on any portion of said additional land will be compatible in terms of quality, construction, principal materials to be used and architectural style with those structures on the submitted land.

III (k) No other improvements will be made on any portion of the additional land that may be added to the condominium and there is no limitation as to what other improvements may be made thereon except as set forth in Section III (j) above.

III (l) Any units created on any portion of any land that may be added to the condominium will be substantially identical to the units on the submitted land.

III (m) The partnership reserves the right to create limited common areas with respect to those portions of the hallways that are situated off the main hallways but between two adjoining units. No more than 44 such limited common areas may be created with respect to the buildings of Phase II and no more than 40 such limited common areas may be created with respect to Phase III.

IV This condominium is not a contractible condominium.

V The condominium is not a leasehold condominium.

VI The following easements are appurtenant to the land submitted hereto, as well as to the additional land that may be submitted hereto and are declared to be common land;

VI (a) (1) All necessary easements across other land situated in the Town of Lincoln, County of Grafton and State of New Hampshire, necessary and useful for provision of electricity, heat, water, sewage disposal, telephone and any other utility services, the locations of which easements to be fixed upon their installation.

VI (a) (2) All of the owners entitled to use the units are entitled to take benefit of such easements.

VI (a) (3) The appropriate utility companies may also utilize these easements.

VI (b) (1) The right to use for all lawful purposes of ingress and egress, all roadways necessary or convenient to reach the condominium from the state highway known as the Kangamagus Highway.

VI (b) (2) All of the persons entitled to the use of the units may utilize such easements.

VI (b) (3) All other persons who have or may acquire an interest in any portion of the Loon Mountain recreation area and all other persons licensed privileged and authorized to be present in such area may also use said easements.

VI (c) (1) The right to use the public parking areas adjacent to and the private parking areas within the condo-minimum for all lawful purposes.

VI (c) (2) All of the persons entitled to use the units may utilize this easement.

VI (c) (3) All other persons who have or may acquire an interest or right in any portion of the Loon Mountain recreation area as well as all persons licensed, privileged and authorized to be present in such areas may use this easement.

VI (d) (1) The right to walk over designated walkways, sidewalks, malls and pedestrian ways situated in the Loon Mountain recreation area so as to provide access from the roadways and parking lots for all lawful purposes of ingress to and egress from the condominium.

VI (d) (2) All of the persons entitled to use the units may utilize this easement.

VI (d) (3) All other persons who have acquired or may acquire an interest in any portion of the Loon Mountain recreation area, and all guests and invitees of the unit owners may utilize this easement.

VI (e) (1) The right to pass over and through hallways and corridors in any of the buildings or any portions of any of the buildings presently existing or to be erected within the land described in Section I (c) and III (d) above that are marked on the floor plans "Reserved to Developer" or "Not Part of Condominium", in order to pass from one portion of the condominium to another.

VI (e) (2) All of the persons entitled to use the units may utilize this easement.

VI (e) (3) No persons other than those entitled to the use of the units may utilize this easement.

VI (f) (1) The right to construct, use and maintain in the air space over the land owned by East Branch Corporation, Loon Mountain Recreation, or Mara-EK Development Company which is immediately adjacent to the land submitted by this Declaration balconies and stairways which are a physical and integral part of the structure erected or to be erected on the land submitted hereby.

VI (f) (2) All persons entitled to the use of the units may utilize this easement.

VI (f) (3) No persons other than those entitled to the use of the units may utilize this easement.

VI (g) (1) The right to enter other land of the Loon Mountain recreation area immediately surrounding the premises submitted hereunder for the purpose of effecting repairs and maintenance to the condominium including the placement of ladders, the disturbing of the soil for purposes of maintaining and repairing utility lines, entering the condominium, and generally, the right to enter said adjacent land and use the same for all purposes of maintaining the condominium and the services and facilities necessary thereto;

VI (g) (2) The unit owners' association and its agents may utilize this easement.

VI (g) (3) No other persons may utilize this easement.

VI (h) (1) The right to have water from rain, snow or other natural sources drain upon the land adjacent to that submitted hereunto.

VI (h) (2) All of the persons owning a unit may use this easement.

VI (h) (3) No persons other than the owners of units and of other portions of the condominium may utilize this easement.

VII There is no real estate with respect to which the unit owners shall or may be tenants in common or joint tenants with any person except other than with respect to the units themselves.

VIII Failure of the partnership or the Unit Owners' Association to perform any act or exercise any right permitted, required or authorized by this Declaration in any instance, shall not be deemed a waiver thereof in any other instance. Acceptance of a fee or assessment from an owner who is in violation of this Declaration is not a waiver of that violation.

IX Invalidity or unenforceability of any provision of this Declaration shall not affect the validity or enforceability of any other provision.

X This Declaration may be amended upon the vote of the unit owners to which 2/3 of the votes in the Unit Owners' Association appertain, except where otherwise provided.

XI This declaration shall be effective immediately upon its recording in the Grafton County Registry of Deeds.

TITLE II
BY-LAWS OF
THE MOUNTAIN CLUB ON LOON UNIT OWNER' ASSOCIATION

PART I

General Provisions

§1. Application.

(a) The Management and administration of The Mountain Club on Loon shall be regulated and governed by these By-Laws. All present and future owners of any interest in The Mountain Club on Loon, including the Partnership, and all visitors, tenants, occupants or persons who in any way use any of the facilities of The Mountain Club on Loon shall hold such interests, or shall visit, lease, occupy or use said facilities subject to these By-Laws.

(b) These By-Laws shall automatically apply to any property which may be added to The Mountain Club on Loon upon recording in the Grafton County Registry of Deeds of an instrument submitting such additional property to The Mountain Club on Loon Declaration pursuant to RSA 356-B, of which these By-Laws are a part, as the same shall be amended.

(c) The acceptance of a deed, execution of a lease, or an act of occupancy or use which relates to any land, buildings or facilities situated in The Mountain Club on Loon shall constitute acceptance by the actor that the Declaration, including these By-Laws is effective and binding upon him, his heirs, successors and assigns.

§2. Purpose.

It is the purpose of this Association to provide, care for and maintain the condominium units and common areas of The Mountain Club on Loon; to make, alter and repeal rules and regulations governing the use of said facilities; to promulgate restrictions, covenants, conditions, easements and obligations on a uniform basis to protect and enhance the value, appearance, beauty and desirability of The Mountain Club on Loon; to raise money by assessments upon the members hereof or to borrow the same in order to accomplish the purposes of the Association; to collect said assessments when necessary by the filing and foreclosing of liens; and to enforce said regulations, covenants, easements, servitudes, conditions and obligations by court or other appropriate actions; and in general to do such things that are suitable and necessary to promote the fair, efficient management and regulation of The Mountain Club on Loon so as to promote a congenial, valuable, attractive and pleasant condominium now and in the future.

§3. Definitions.

Words and terms used herein shall have the meaning ascribed to them in RSA 356-B and in §1 of Title III of this Declaration, unless the context requires a different meaning.

§4. Membership.

(a) The membership of the Association shall consist of, and be limited to owners of, or owners of fractional interests in residential units in The Mountain Club on Loon.

(b) In the event the same unit or the same fractional interest in the same unit is owned by more than one person, then the membership relating thereto shall be held in the same names and in the same manner as the unit or fractional interest.

§5. Severability.

The invalidity of any portion or portions of these By-Laws shall not cause any other portion hereof to be invalid or unenforceable.

§6. Construction.

These By-Laws shall be interpreted liberally so as to give effect to and to assist and aid in the implementation of the overall plan for the management and government of The Mountain Club on Loon.

§7. Amendment.

Except as otherwise provided in these By-Laws, any provision hereof may be amended upon a majority vote of the membership present and voting at a duly held meeting of the members of the Association. Such amendment shall become effective upon recording a copy thereof, duly attested by the Secretary of the Association, in the Grafton County Registry of Deeds.

PART II
Board of Directors

[Amended 11/13/2000-Amendment 2]

§1. Composition.

The powers and duties of the Association shall vest in a Board of ~~three (3)~~ [seven (7)] Directors, all of whom shall be members of the Association, spouses of members of the Association, or, in the event of a corporate member, a director or officer of that corporate member.

[Amended 11/13/2000-Amendment 3]

[In the event of any vacancies on the Board of Directors, including vacancies created by the adoption of the amendment (which increased the number of the members of the Board of Directors from three (3) to seven (7), such vacancies shall be filled by vote of the then remaining members of the Board of Directors. Such persons so elected to fill such vacancies shall hold office until the next annual meeting of the Association, at which time their successors shall be elected and qualified.]

§2. Control by the Partnership.

For a period ending five years from the date of recording hereof in the Grafton County Registry of Deeds, or until it no longer owns interests in Units to which 3/4 of the undivided interests in the common areas appertain, which ever occurs first, Mara-EK Development Company, a partnership, (hereinafter, "the Partnership") or its designee or designees, shall have the sole and exclusive right to appoint the Board of Directors.

§3. Election-Term.

(a) After the expiration of the right of the Partnership or its designees to appoint the Board of Directors, the members of the Association shall elect the Directors at the annual meeting of the Association. The Directors shall hold office for a period of three (3) years or until their successors are elected and have qualified, except that at the first annual meeting after the right of the Partnership to appoint the Board has expired, one Director shall be elected for a term of one (1) year; one for a term of two (2) years; and one for a term of three (3) years.

(b) At the meeting of the Board of Directors next following such annual meetings of the Association, the Board shall, by simple majority vote, elect from among its membership a Chairman to serve for a term of one (1) year.

§4. Vacancies.

(a) If, after the expiration of the right of the Partnership or its designees to appoint the Directors, a vacancy occurs on the Board of Directors, the remaining Directors shall appoint a member of the Association to serve until the next annual meeting of the Association, at which the members shall elect a person to complete any unexpired portion of the term.

(b) If, after, the expiration of the right of the Partnership or its designees to appoint directors, all of the positions on the board become vacant, the members shall fill such vacancies by holding a special meeting of the Association.

(c) A vacancy shall occur when a Director ceases to qualify for membership in the Association.

§5. Removal.

Any Association Director shall be removed by a 2/3 vote of the total membership present and voting at any duly called annual or special meeting of the Association, provided that they immediately fill the vacancy created by said removal.

§6. Vote-Quorum.

(a) Each Director shall have one (1) vote, and the Board shall transact its business by majority vote, provided a quorum is present.

(b) A quorum shall consist of a majority of the Directors. The Board may act in the absence of a quorum of all the Directors not present as sent in writing to the action taken by signing a copy of the minutes of the meeting, which is then filed with the Secretary of the Association.

(c) The Board may act without any meeting if all the members thereof sign a record of the action taken which is then filed with the Secretary of the Association.

[Amended 11/1/2004-Amendment 3]

§7. Meetings.

The Board shall determine the time and place of its meetings. The President of the Association or two (2) members of the Board may call a meeting. Notices of all meetings shall be ~~mailed~~ [sent by regular mail, facsimile transmission, e-mail or other reliable means of written communication] to each Director at least seven (7) days prior to the date thereof. Notice is waived by any Director who attends the meeting or who waives the same in writing.

§8. Powers.

(a) The Board shall have vested in it all the powers and duties of the Association provided by law and this Declaration, including these By-Laws, as well as any and all other powers necessary or convenient to accomplish the purposes of the Association.

(b) Without limiting the generality of the preceding subsection, the Board:

(i) Shall review, and either approve or deny any contemplated action by one or more unit owners or other persons entitled to the occupancy of any unit which would change the exterior appearance of any unit or of any other portion of the condominium;

(ii) Shall provide for the performance of all maintenance of the common areas and facilities, including snow removal, trash removal, outside lighting and painting, and any other services directed by majority vote of the members present and voting at a duly held meeting;

(iii) Shall provide for the maintenance of the outside surfaces of all structures in The Mountain Club on Loon necessary to keep the buildings in good appearance and repair and to ensure that the outside of no unit of the condominium shall be maintained or repaired in a fashion that will impair or destroy the integrity or unity of the structure;

(iv) Shall purchase fire and liability insurance as follows:

[amended 10/27/1990 – Amendment 1]

(A) a master liability policy in the amount of [at least] \$1,000,000.00, [as determined by the Board of Directors] covering the Unit Owners' Association, the Board of Directors, the Manager, if any, and all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the condominium;

(B) a master casualty policy affording fire and extended coverage in an amount equal to the full replacement value of the structures within the condominium;

(C) such other policies as the members shall direct by majority vote, including, without limitations, workmen's compensation insurance, liability insurance on motor vehicles owned by the Association and specialized policies covering lands or improvements in which the Association has or shares ownership or other rights;

(v) Shall manage and administer any and all plans for the rotating use of the units of the condominium as may from time to time be established;

(vi) May make, amend and repeal rules and regulations governing the use of the common areas and facilities of the condominium which shall become effective and binding, upon a majority vote of the members present and voting at a duly held meeting of the members of the Association;

[amended 10/27/1990 – Amendment 2]

[amended 11/13/2000 – Amendment 4]

~~[(vii) May purchase such equipment and other personal property as is necessary to properly accomplish the purposes of the Association, except that the Board shall have no power to expend in excess of [\$4,000.00] [\$50,000] in any one (1) year for the acquisition of personal property, or for capital improvements, without a majority vote of the membership present and voting at a duly held meeting of the members of the Association;]~~

[(vii) May purchase and/or lease such equipment, other personal property and real property, from time to time, as is necessary or desirable in connection with the purposes of the Association and/or the overall plan for management, operation and governance of The Mountain Club on Loon;]

(viii) May make or cause to be made additional improvements on or as part of the common areas;

(ix) May acquire, hold, convey and encumber title to real property, including, but not limited to, units in the condominium as permitted by RSA 356-B:42 I (d);

(x) May bring and maintain actions at law or equity and employ legal counsel as necessary to enforce compliance with the condominium instruments pursuant to RSA 356-B:15, or proper to accomplish any other purposes of the Association.

(xi) May employ accounting services necessary to properly accomplish the purposes of the Association;

(xii) May employ, dismiss and replace agents and employees to exercise and discharge the powers and responsibilities of the Association arising under RSA 356-B:41 and under the condominium instruments; and

(xiii) May contract to employ a Manager, as defined in Title III of this Declaration, to which the Board may delegate all or a part of its duties under paragraph (v) hereof, subject to the following:

(A) In any such contract, the Board shall have power to bind itself, the Association and future Boards of Directors with respect to any reasonable terms and conditions to which the Board and the Manager may agree, including, but not limited to:

(I) providing for the Manager's compensation by the levying of assessments against unit owners, other than the Partnership, by any reasonable and equitable formula; and

(II) providing for security for the Manager against its involuntary dismissal; provided, however, that such provisions shall be ultra vires and void that would prevent or impair the right of the members of the Association from discharging the Manager upon a vote of two-thirds of the total voting power of the Association at a meeting of the Association duly called and held.

(B) Notwithstanding the foregoing, no involuntary discharge of the Manager shall be effective unless:

(I) the action bringing about the discharge also provides either that the Board of Directors shall reassume the duties of the Manager, or for the appointment of a specifically named successor Manager; and

(II) the successor Manager, if one has been appointed, records in the Grafton County Registry of Deeds within sixty (60) days after appointment, an affidavit stating its acceptance of the duties of Manager delegated to it.

(C) An effective discharge of a Manager shall not become operative until ninety (90) days after the action discharging it.

(D) This paragraph 8. (b) (xiii) shall not be amended except upon a vote of three-fourths (3/4) of the total voting power of the Association at a meeting of the Association duly called and held.

[Amended 11/13/2000 – Amendment 5]

[(c) The Board shall annually elect the officers of the Association in accordance with the provisions of Title II, Part III, §1 (a), and may, from time to time, establish such other officers of the Corporation, and prescribe the duties thereof, as the Board of Directors determines.]

§9. Indemnification.

(a) The officers of the Association and the members of the Board shall not be liable to any member for any act unless such act constitutes willful misconduct, gross negligence or is in willful contravention of this Declaration. The members shall indemnify and hold harmless each officer of the Association and each member of the Board against liability for any contracts made on behalf of the Association unless fraudulent, made in bad faith, or made contrary to the provisions of the Declaration.

(b) No officer or Director shall be exempt from or entitled to indemnification against liability for his own tortuous conduct against the person or property of another.

[Amended 11/13/2000 – Amendment 6]

[§10. Condemnation Proceedings.

The Association, by and through the Board of Directors, shall act on behalf of each Owner in connection with condemnation proceedings brought with respect to the common areas of the condominium.]

PART III

Officers

§1. Election-Term.

[Amended 11/13/2000 – Amendment 7]

~~(a) — The officers shall consist of a President, Treasurer and Secretary. They shall be elected at the annual meeting of the Association for a term of one (1) year, or until their successors are chosen and qualified. Any officer may also be a member of the Board of Directors.~~

(a) The officers shall consist of a President, Treasurer and Secretary. Additional officers may be established, from time to time, by the Board of Directors, the duties of whom shall be as established by the Board of Directors. The officers shall be elected each year by the Board of Directors, at a meeting held simultaneously with or immediately following the annual meeting of the Association, or a special meeting of the Board of Directors called for such purpose. The officers shall serve for a term of one (1) year, or until their successors are elected and qualified. Any officer may or may not be a member of the Board of Directors.]

(b) For so long as the Partnership or its designees have the right to appoint the Board of Directors pursuant to §2 of Part II of this Title, it shall also be entitled to appoint all the officers of the Association

§2. President.

The President shall act as chief executive officer of the Association and shall preside at all meetings thereof.

§3. Treasurer.

[Amended 11/1/2004 – Amendment 4]

~~(a) The Treasurer shall have charge of all funds of the Association and perform such other duties as directed by the Board. [The Treasurer shall perform such duties as directed by the Board.]~~

[Amended 11/1/2004 – Amendment 5]

(b) The Treasurer shall ~~keep and maintain~~ [supervise and oversee the maintenance of] a complete set of books and accounts in conformance with standard accounting practices, which shall accurately reflect the financial affairs of the Association and show the amounts allocated to each unit and each member's share thereof, which books and accounts may be examined by each member during normal business hours upon reasonable notice.

[Amended 11/1/2004 – Amendment 6]

(c) The Treasurer shall ~~establish a separate account in a bank located in New Hampshire, into which he~~ [supervise and oversee the establishment of a separate account or accounts into which he or she] shall deposit all sums received from members and all other funds received from Association activities, shall establish and maintain such other bank accounts as may be approved by the Board, and shall render a full report thereof at the annual meeting.

[Amended 10/27/1990 – Amendment 3]

(d) The Treasurer shall, on or before ~~November 1st~~ [October 20th] of each year, submit to the Board a proposed budget for operation of the Association during the forthcoming fiscal year.

(i) In addition to such sums as are deemed necessary to operate the Association for the current year, the budget shall also include all amounts necessary to make up any deficits for the year just ended, amounts required for repair and restoration over insurance proceeds, reasonable reserves for contingencies and unanticipated expenses, and amounts required for the purchase of a unit as provided herein. The budget shall include the dollar amount of the proposed assessment to be levied against each member for each vote to which he is entitled.

(ii) If at any time, in the judgment of the Treasurer, it appears that the budget established hereunder shall not be sufficient to cover costs of operation of the Association, he shall promptly determine the amount necessary to meet such greater costs.

§4. Secretary.

[Amended 11/1/2004 – Amendment 7]

The Secretary shall keep a record of all meetings of and actions by the Board and the Association. ~~He~~ [The Secretary] shall keep all records, documents, and other papers of the Board and the Association. ~~He~~ [The Secretary] shall supply the statements required by RSA 356-B:58I, and 356-B:46 VIII.

§5. Agent for Service of Process.

Any officer is a suitable person to receive service of process in any proceeding against the Association.

§6. Indemnification.

See §9 of Part II hereof.

PART IV

Meetings

§1. Annual Meeting.

[Amended 10/27/1990 – Amendment 4]

[Amended 11/1/2004 – Amendment 8]

(a) ~~The annual meeting of the Association shall be held on the third [second] Saturday of March [November] of each year at 10:00 a.m. at the Administration building of East Branch Corporation, in Lincoln, New Hampshire, or at such other time, which shall not be more than twenty (20) days before or after said date, or at such other place, as the Board shall direct. [This Amendment shall not take effect until 1991 at which time the annual meeting of the Association will be held on November 9, 1991. There will be no annual meeting in March of 1991.] [The annual meeting of the Association shall be held at a time and place determined by the Board.]~~

[Amended 10/27/1990 – Amendment 4-A]

[Amended 11/13/2000 – Amendment 8]

~~(b) — At the annual meeting, [or at a special meeting called for such purpose,] the Association shall elect Directors and Officers as required by these By Laws, consider and vote upon the operating budget for the coming year, and transact any other business of the Association.~~

[(b) At the annual meeting, or at a special meeting called for such purpose, the Association shall elect Directors as required by these Bylaws, consider and vote upon the operating budget for the coming year, and transact any other business of the Association.]

[Amended 11/1/2004 – Amendment 9]

(c) The President, within thirty (30) days of said meeting, shall cause a copy [summary] of the minutes thereof, including the budget adopted thereat, to be mailed to each member.

§2. Special Meeting.

Special Meetings of the Association may be called at any time by the President, by a majority of the Board, or by the membership provided that at least one-third of the total voting power thereof shall join in such a call.

§3. Notice.

Written notice of all meetings shall be mailed to each member at least 21 days prior to the date of the meeting, as well as matters to be considered thereat. However, no notice shall be required for the annual meeting actually held at the time and place specified in §1 of this Part.

§4. Quorum.

[Amended 12/1/86]

[Amended 11/13/2000 – Amendment 9]

~~[(a) A quorum shall be deemed to be present throughout any meeting of the Association, until adjourned sine die, if persons entitled to cast 25% of the votes are present at the beginning of such meeting.]~~

~~[(a) A quorum shall be deemed to be present throughout any meeting of the Association until adjourned if persons entitled to cast 50 percent of the votes are represented in person or by proxy at the beginning of the meeting.]~~

[(a) A quorum shall be deemed to be present throughout any meeting of the Association until adjourned if persons entitled to cast twenty-five percent (25%) of the votes are represented in person or by proxy at the beginning of such meeting.]

[Amended 11/1/2004 – Amendment 10]

(b) In the absence of a quorum, a majority of the persons present may vote to adjourn the meeting to a time not more than 30 and not less than 10 days after the date of the original meeting. At said rescheduled meeting, the quorum shall be 40% [25%] of the total voting power of the members.

(c) The President shall cause notices of said adjourned meeting and the reason therefore to be mailed at least seven (7) days before the date thereof.

(d) Notices are waived by those who vote or are present, and by anyone who expressly waives notice.

§5. Voting.

(a) The Association shall conduct its meetings by majority vote.

(b) Each unit shall be allocated 4 votes, one for each undivided one quarter interest therein. The number of such votes that each member shall be entitled to cast with respect to a unit shall be equal to the number of undivided one quarter interests therein that he owns.

(c) A vote may not be split in the event that more than one Owner is a member with respect to that vote, but such Owners shall agree as to how that vote is to be cast. Ownership shall be determined on the basis of record title as shown in the Grafton County Registry of Deeds.

(d) For so long as the Partnership or its designees has the right to appoint the Board of Directors pursuant to §2 of Part II of this Title, it shall also be entitled to vote with respect to each unit or undivided interest in a unit that is owned by the Association.

PART V

Accounting

§1. Accounting.

The fiscal year of the Association shall be the twelve (12) month period ending December 31st.

§2. Rights to Common Profits.

The common profits shall be applied to the payment of common expenses, and rights in any surplus remaining shall accrue to the units in proportion to the number of votes in the Association appertaining to each such unit. Any surplus shall be distributed in the same proportion to the members unless the Board of Directors requires such surplus to be applied to the following year's expenses or added to reserves maintained pursuant to the condominium instruments.

§3. Liability for Common Expenses.

The amount of all common expenses less the amount of all common profits shall be assessed against the units in proportion to the number of votes in the Association appertaining to each such unit. Such assessment shall be made by the Association annually.

§4. Regular Assessments.

(a) Each member, including the Partnership, shall be assessed prior to the beginning of each fiscal year the appropriate share of the current year's budget as adopted by the Association. If the assessment proves insufficient, the Board may at any time levy a further assessment upon the members in the same proportions.

(b) Each member shall be personally liable for the payment of all assessments made against him. No member may exempt himself from liability for assessments by waiving or abandoning his use or enjoyment of the units, the common areas, or the facilities of the condominium.

(c) Failure of the Board or Association to determine assessments for a coming fiscal year in the manner prescribed herein shall not be interpreted as a waiver or amendment of those provisions, nor a release of a member from his obligation to pay assessments, but instead, in such event, the assessments for the previous fiscal year shall continue, and installments shall be due thereon, until new assessments are fixed.

(d) The Board shall cause each member to be billed quarterly for 1/4 of his share of the assessment, which amount shall be payable in equal installments on the 15th of March, June, September and December of each year, together with interest which shall accrue at the rate of one and one half (1-1/2) percent per month (eighteen (18) percent per year) from the due date of any quarterly installment not paid by the due date.

§5. Special Assessments.

(a) The cost of maintenance and repairs performed as required by §8 of Part II shall be wholly assessed to the members who own the units affected by such work. Each such member shall be assessed for the actual costs of the work performed on his unit. In the event an entire building or section of a building of the condominium is painted, each member who owns a unit or undivided interest in a unit

in that building or section shall be assessed that proportion of the total painting cost as the total of his ownership interests in the building or section bears to the total of all ownership interests therein. The same scheme shall be followed in the event the entire roof of a building or section must be repaired.

(b) In the event a structure is destroyed in whole or in part by fire, windstorm or other casualty, the Association shall remove said debris and assess the cost thereof to the Owner or Owners of the units therein proportionately.

(c) Payment of special assessments is due 30 days after a statement therefore is rendered.

§6. Statement as to Unpaid Assessments.

Any Owner of, and any person under contract to purchase a unit or undivided interest therein, upon written request to the Association, shall be provided, within 10 business days of the Association's receipt thereof, a recordable statement setting forth the amount of unpaid assessments currently levied against that unit or undivided interest therein. The Association may charge a reasonable fee not to exceed \$10.00 for any such statement issued in excess of one per year with respect to the same unit or undivided interest therein.

§7. Amendments.

No section of this Part V shall be amended except upon a vote of 75 percent of the total voting power of the members.

PART VI

Liens and Foreclosures

§1. Liens.

The Association shall have a separate and distinct lien for each installment of each assessment made pursuant to Part IV hereof, or made pursuant to §9 of Title III of this Declaration, upon the condominium unit or undivided interest thereon, as the case may be, to which it relates plus interest at eighteen (18) percent per annum computed from the due date, plus the costs of collection including reasonable attorney's fees.

§2. Perfection of Liens.

The Association, on its own motion or upon notification by the Manager, if any, shall, within six (6) months from the date any such assessment becomes due and payable, perfect its lien by filing in the Grafton County Registry of Deeds a duly attested Notice of Lien for the amount of the assessment plus interest, costs, and attorney's fees which remain unpaid. The following form may be used:

Notice of Lien

Premises in Lincoln, New Hampshire

"Pursuant to Part VI of the By-Laws of The Mountain Club on Loon Unit Owners' Association recorded in Liber _____, Folio _____ of the Grafton County Registry of Deeds, notice is hereby given of liens in favor of The Mountain Club on Loon Unit Owners' Association whose address is Lincoln, New Hampshire 03251, in the following amounts, against the persons and real estate in said Town of Lincoln for the periods set forth in the following schedule:

<u>Owner</u>	<u>Amount</u>	<u>Date Due</u>	<u>Unit #</u>	<u>Plan #</u>	<u>Undivided Interest</u>
1.					
2.					
3.					
4.					
5.					
6.					

In addition to the amounts set forth above, said lien(s) secure(s) interest at the rate of eighteen (18) percent per annum from the due date to date of collection and all costs of collection, including reasonable attorney's fees.

The Mountain Club on Loon Unit Owners' Association

_____ By: _____
Its President, hereunto duly authorized

STATE OF NEW HAMPSHIRE
Grafton, ss.

Personally appeared _____ who acknowledged himself to be the President of The Mountain Club on Loon Unit Owners' Association, Inc. a New Hampshire Corporation and who further acknowledged that as such he executed the foregoing instrument on behalf of the corporation for the purposes set forth therein this _____ day of _____, 20__.

Before me.

_____ Notary
Public/Justice of the Peace

[Amended 11/13/2000 – Amendment 10]

[§3 Collection of Rent for Unpaid Assessments.

The Association, by and through the Board of Directors, pursuant to procedures established by the Board of Directors, may collect from any tenant or occupant of a unit any rent or other income due the Owner of that unit if such Owner fails to pay within sixty (60) days of the date it was due, any regular or special assessments or other charges due from that Owner. In furtherance thereof, the Association hereby adopts the provisions of RSA 356-B: 46-a, as amended.

§4. Cessation of Services.

Following any Owner's failure to pay any regular assessment, special assessment or other charges due from that Owner, the Board of Directors may, upon thirty (30) days written notice to such delinquent Owner and that Owner's first mortgagee, cease supplying that Owner's unit or units with any and all services normally supplied or paid for by the Association. Any terminated services and privileges shall be restored upon payment in full of all such assessments, including applicable costs, interest, attorneys' fees and late charges.]

§[3][5]. Foreclosure.

(a) The Association may foreclose a perfected lien in the same manner as a power of sale mortgage pursuant to RSA 479:25 et. seq. The Association's deed, in pursuance of such sale, shall convey to the purchaser, which may be the Association or any other person (including the Partnership), an indefeasible title to the same, discharged of all right, title, interest, and equity of redemption of the Owner or any person claiming by, through, or under the Owner.

(b) In any such foreclosure sale, the proceeds shall be charged with the costs and expenses thereof, including reasonable attorney's fees. The Association may purchase at any such foreclosure sale and may hold, lease, mortgage or sell any property acquired thereat.

(c) Upon foreclosure of said lien against any member, he shall immediately vacate the premises. If said member fails to do so he shall be liable for seasonable rental in addition to all costs, including reasonable attorney's fees, necessary for the Association to obtain possession of the premises.

TITLE III

QUARTERSHIP AND CONDOMINIUM MANAGEMENT

Part I

Definitions

§1. Condominium Act.

Unless otherwise indicated herein, the meaning given the terms defined in the Condominium Act, RSA 356-B, shall apply when used herein.

§2. Additional Definitions.

In addition, terms used herein shall have the meaning ascribed to them as follows:

(a) "Condominium Unit" means a unit in The Mountain Club on Loon, whether now in existence or added as part of a future expansion thereof.

(b) "Declaration" means The Mountain Club on Loon Declaration pursuant to RSA 356-B of which this Title III is a part, as the same now exists or may in the future be amended.

(c) "Guests" means any person using a condominium unit with the permission of an owner, and includes invitees, tenants, boarders and family members.

(d) "Manager" means the entity responsible for managing and administering Quartership ownership in condominium units of The Mountain Club on Loon. In accordance with the By-Laws of The Mountain Club on Loon Unit Owners' Association, the Manager may either be the Association, or the entity to which it shall have delegated this responsibility.

(e) "Owner" means a person owning a fee ownership interest in any condominium unit, and includes the Partnership with respect to any such interest either not conveyed, or conveyed and later required by it.

(f) "Partnership" means the partnership known as Mara-EK Development Company or its successors or assigns.

(g) "Quartership" means a concept of ownership under which individual owners purchase one or more undivided one-quarter interests in a condominium unit of The Mountain Club on Loon, subject to this Title III of the Declaration which entitles them to the exclusive and unlimited occupancy and use of the unit every fourth week throughout the year in accordance with a rotating schedule established by the Manager and issued pursuant to the Quartership Rules and Regulations. "Quartership" is a registered servicemark of EK Associates, and any use or display thereof, or act or interference therewith, by any firm, person, proprietorship or association without the written authorization of EK Associates is subject to the penalties prescribed by RSA:350-A:10-13.

(h) "Quartership Ownership" means an undivided 1/4 fractional interest in a condominium unit conveyed subject to and with the benefit of the provisions of this Title, including the common areas, and all the appurtenant rights, easements obligations and burdens.

(i) "Service Period" means (a) the hours between 10:00 a.m. and 4:00 p.m. each Friday and (b) any of up to four use periods each year (no more than one per quartership), that the Manager has the right to reserve with respect to each condominium unit, without compensation to the owners, for the purpose of performing major maintenance upon the unit, if and when considered by the Manager to be necessary.

(j) "Use Period" means the span of time beginning at 4:00 p.m. on a given Friday and ending at 10:00 a.m. the following Friday.

(k) "Usage Code" means any one of the letters (either A,B,C, or D) permanently assigned to each quartership ownership upon its purchase by an owner, which letter refers the owner to the 13 weeks in each year, as set forth in The Mountain Club on Loon Quartership Schedule of Weeks per Owner, to which pertains the owner's right of exclusive use and occupancy of his condominium unit under the Quartership concept.

PART II

Quartership Ownership

§1. Manner of Creating Quartership Ownership.

(a) The delivery and recording of a deed from the Partnership to any person of an undivided one-quarter interest in a condominium unit in The Mountain Club on Loon that contains language to the effect that the conveyance is made subject to the benefits and burdens of The Mountain Club on Loon Declaration, and that the grantees, by their signatures thereto, expressly assent to and agree to be bound by the time and use provisions, liens and all other provisions contained in this Title and in the By-Laws of The Mountain Club on Loon Unit Owners' Association, shall cause that condominium unit to be owned in Quartership.

(b) Once a condominium unit has been caused to be owned in Quartership, it may not be withdrawn except by the Partnership as provided in §1 of part IV of this Title.

§2. Severance.

A Quartership Ownership shall be an integrated, interdependent set of rights and obligations which shall not be separable or divisible, and any deed or instrument attempting or purporting so to do shall be null, void and of no effect.

§3. Merger.

Unity of title in the same person or entity of more than one Quartership in the same condominium unit shall in no case cause the interests so acquired to merge except as provided in §1 of Part IV herein.

§4. Conveyancing.

(a) A Quartership may be conveyed or mortgaged only by deed, which instrument shall be subject to the provisions hereof, and shall identify the Quartership to be conveyed or mortgaged by:

- (i) identifying the condominium unit to which it relates by the unit number designation shown on the appropriate recorded plan;
- (ii) specifying the undivided ownership interest in that condominium unit being conveyed or mortgaged, and
- (iii) including in the conveyance or mortgage the undivided ownership interest in common areas appurtenant to that condominium unit.

(b) Transfer of Quarterships shall include grantor's undivided interest in common areas and furnishings as an appurtenance, even if not specifically mentioned in the instrument of conveyance.

§5. Enforcement of Quartership Usage Concept.

So as to ensure the availability to each owner of the use periods to which he is entitled, every owner, for the benefit of all owners, in the event that he either fails to vacate his condominium unit prior to the end of each use period assigned to him or prevents another owner from the full enjoyment, use and peaceful and quiet possession of the condominium unit during any part of such other owner's use period, covenants and agrees on behalf of himself and his heirs and assigns that he and/or they:

- (a) shall be deemed ipso facto to have committed a trespass continuing until the act of unauthorized use, occupancy or prevention ceases;
- (b) shall be subject to immediate summary removal, eviction or ejection;
- (c) shall be subject to immediately and summarily being enjoined from continuing said act of trespass; and
- (d) shall by said act ipso facto have waived and be deemed to have waived any notices, service of process and the right to a bond or other security for injunctive relief;
- (e) shall be deemed to have been the trespasser, notwithstanding that the trespass may in fact have been committed by a guest;
- (f) shall, in the event of wrongful occupancy, or in the event he negligently renders a condominium unit unfit for occupancy by the owner whose use period follows, be liable for, and within 30 days of billing, pay to the Manager, as agent for the owner entitled to the use of the condominium unit during such period of wrongful occupancy or unfitness, all costs and expenses incurred by said owner
 - (i) in recovering use of the condominium unit;
 - (ii) in removing, evicting, ejecting or enjoining the trespassing owner;
 - (iii) in obtaining and occupying alternative accommodations; and
 - (iv) in bringing any legal actions, including any court costs and reasonable attorney's fees; and shall pay, in addition, a sum equal to 200% of the fair rental value per day of the condominium unit wrongfully occupied for each day or portion thereof, including the day of surrender, during which the condominium unit is wrongfully occupied.

§6. Condominium Unit Use and Occupancy.

- (a) Each Owner may use and occupy a condominium unit only in conformity with this Declaration, and such use and occupancy shall be subject to the restrictions, conditions, and other provisions set forth herein.
- (b) Each Owner must comply with reasonable Rules and Regulations promulgated from time to time by the Manager pursuant to §1 (d) Part III hereof, implementing and construing the provisions of this Declaration.
- (c) Each use period starts on that Friday in each of the thirteen use periods in each year allocated to the owner on a rotating basis by the Manager in accordance with the Rules and Regulations promulgated by the Manager. Subject to the right of the Manager to reserve some use periods for the purpose of performing major maintenance, each owner shall have the exclusive right to use his condominium unit during the use periods allocated to him in each year. No Owner by virtue of his deed shall use the condominium unit nor exercise any other rights of ownership with respect to that condominium unit except during the particular use periods allocated to him.

PART III

Management

§1. Manager's Duties and Obligations Generally.

The Manager shall:

(a) perform such cleaning, maintenance and repair functions during the service periods as it deems necessary to renovate and refurbish each condominium unit to at least as good a condition after the work as it was before the event which caused the work to be done, reasonable wear and tear excepted, in order that the unit be maintained in a first class condition and ready for occupancy by the next owner;

(b) enter into such contractual arrangements as to provide each condominium unit with necessary utility services;

(c) Obtain, and pay the costs of:

(i) general public liability and property damage insurance for the benefit of the owners and all first lienors, against claims for bodily injury, death or property damage occurring in or about a condominium unit in limits of not less than \$100,000.00 for bodily injury or death, and not less than \$10,000.00 for property damage; and fire insurance with extended coverage provisions on the condominium unit and all furniture, furnishings and other personal property in each condominium unit in the amount of the approximate replacement cost thereof; and

(ii) such legal, accounting and other professional services as are necessary to properly maintain and operate the condominium units and to properly carry out its obligations under this document;

(d) Make and enforce reasonable rules and regulations as are necessary to or convenient in carrying out the intentions and purposes of this Declaration, including those reasonably necessary for an owner to follow in occupying and vacating his condominium unit so as to present a minimum of inconvenience and confusion to the other owners, and from time to time to augment, alter, amend, or revoke such rules and regulations, as in the judgment of the Manager the circumstances warrant;

(e) Execute any and all additional functions, duties and obligations of The Mountain Club on Loon Unit Owners' Association as may be delegated to it by the Association by mutual agreement of the Association and the Manager, in the event that the Manager is an entity other than the Association.

§2. Manager's Right to Entry.

The Manager shall have the right to enter a condominium unit during all service periods for purposes of cleaning, maid service, painting, repairing, maintenance, and making the condominium unit ready for its next occupant, and shall have a key to each condominium unit.

§3. Accounting.

The Manager shall:

(a) Maintain a complete set of books and accounts in conformance with standard accounting practices, which shall accurately show the amounts allocable to each condominium unit and each owner's share thereof, which may be examined by each owner during normal business hours at the Manager's

usual place of business upon reasonable notice;

[Amended 10/27/1990 – Amendment 6]

(b) Establish a separate trust account in a bank [~~located in New Hampshire~~] [which provides federal deposit insurance for its accounts], in which it shall deposit all sums received from owners and all other funds received in performance of its duties as Manager hereunder, but no other funds.

§4. Annual Budget.

[Amended 10/27/1990 – Amendment 5]

~~(a) on or before November 1st of each year, the Manager shall provide each owner with a budget setting out the amount of money it judges reasonably necessary to meet the expenses during the current fiscal year, which budget shall include a reasonable amount for unforeseen contingencies.~~

[Amended 11/13/2000 – Amendment 11]

[On or before ~~[October 1st of each year]~~[each annual meeting], the Manager shall provide the Treasurer and each member of the Board of Directors of the Association with a budget setting out the amount of money the Manager judges reasonably necessary to meet the Association's expenses for the upcoming fiscal year, which budget shall include reasonable amounts for capital improvements and unforeseen contingencies.]

[Amended 10/27/1990 – Amendment 7]

(b) said budget shall include, but not be limited to, proportionate amounts attributable to assessments charged for general services provided by The Mountain Club on Loon Unit Owners' Association, insurance, ~~[property taxes and other municipal assessments,]~~ maintenance of the condominium units and their furnishings, Manager's fees, basic utility charges.

(c) if at any time, in the judgment of the Manager, it appears that the budget established hereunder shall not be sufficient to cover costs of operation of the condominium unit for that year, the Manager shall promptly determine the amount necessary to meet such greater costs.

(d) No owner's budget share shall exceed the first year's actual expenses by a percentage greater than the percentage increase in the Consumer Price Index issued by the U.S. Department of Labor (or other generally accepted comparable standard measurement that may in the future be used in lieu thereof) over the period extending from the beginning of The Mountain Club on Loon's first year of operation to the date of issuance of the new budget, except that any increases attributable to rises in real property taxes, assessments made by The Mountain Club on Loon Unit Owners' Association, and energy costs that exceed the rate of increase in such Index may be passed through in full.

§5. Special Assessments.

Each Owner is liable for those expenses directly related to his period of occupancy of his condominium unit. These expenses include but are not limited to, the expenses of repairing damage done to the condominium unit equipment and furnishings during any of his use periods other than ordinary wear and tear, telephone charges over and above the basic charges, and such other services rendered during the use period at the request of the owner or a guest not included as an item in the budget.

§6. Billing.

(a) The manager shall bill each owner quarterly for 1/4 of his share of the budget, which amount shall be payable in equal installments on the 15th of March, June, September and December of each year, together with interest which shall accrue at the rate of one and one half (1-1/2) percent per month (eighteen (18) percent Per year) from the due date on any quarterly installment not paid by the due date.

[Amended 11/1/2004 – Amendment 11]

(b) The Manager shall bill each owner for his share of the additional expenses described in [Title III] §4 (c) of Part III and for the assessments described in [Title III] §5 of Part II and [Title III] §5 of Part III as soon as practical after the amounts thereof have been determined.

(c) Any owner who shall complete his purchase after January 1st of any year shall, for the period ending the following December 31st, be liable for only that portion of the assessments, expenses and fees described herein as the number of days in such a year during which he is owner bears to 365.

§7. Liens and Foreclosures.

The assessments provided for under this Title shall be liens upon the affected Quartership to the same extent, and may be perfected and foreclosed in the same manner as described in Part VI of Title II hereof as the same now exists or may hereafter be amended.

§8. Alterations, Additions, and Repairs.

(a) all work required to maintain any condominium unit as mandated hereunder, shall be done by or through the Manager.

(b) No owner shall make, cause or permit to be made any alterations, additions, or modifications to any condominium unit or its furniture or furnishings.

(c) All proceeds of insurance for losses of real or personal property in a condominium unit shall be paid to the Manager, who shall use such proceeds to replace the condominium unit or the lost items, and any deficiency in such proceeds shall be billed to the owners of the affected unit or units in proportion to their ownership therein.

PART IV

Additional Provisions

§1. Removal of Premises from Quartership Ownership Concept.

(a) Notwithstanding any other provision of this Declaration, whenever the Partnership shall reacquire the entire fee ownership of any condominium unit theretofore owned in Quartership, it may remove that condominium unit from Quartership ownership and from the provisions of this Title III of the Declaration by simultaneously recording in the Grafton County Registry of Deeds:

(i) an affidavit identifying the condominium unit, stating that it owns the entire fee thereto, stating that all charges and fees outstanding against it have been paid, and declaring that henceforth the condominium unit shall no longer be owned in Quartership and no longer be subject to the provisions of this Title III of the Declaration, and

(ii) A certification by the Manager that all charges and fees relating to that condominium unit have been paid.

(b) The removal accomplished pursuant hereto shall in no way relieve or discharge the condominium unit from the provisions of the other Titles of this Declaration, including the By-Laws of The Mountain Club on Loon Unit Owners' Association, as the same now exist and may in the future be amended.

§2. Waiver.

Failure to enforce any provision of this title in a particular instance shall not constitute a waiver to enforce such provision in any future instance.

§3. Construction.

(a) As used herein, the singular shall include the plural and the masculine or neuter gender shall include the other genders, as the context requires.

(b) This title shall be construed in the manner most conducive to protecting and enhancing the rights of owners and to providing a fair and equitable solution among all the owners as to any problems or disputes that may arise.

§4. Amendments.

This Title III may be amended only by an affirmative vote of the owners of two-thirds (2/3) of all the interests in all the condominium units, and 100 percent of lienors whose security could be impaired by such amendment, which amendment, when signed by the Secretary of The Mountain Club on Loon Unit Owners' Association, shall become effective when recorded in the Grafton County Registry of Deeds.

§5. Continuation.

This Title III shall remain effective until midnight, December 31st, 2036, after which date each condominium unit theretofore subject hereto shall be owned by the owners thereof as tenants in common. However, the concept and plan of this Title III shall continue thereafter with respect to any such condominium unit, the owners of all of the interests therein, present and voting at a special meeting of The Mountain Club on Loon Unit Owners' Association, duly called and held prior to such termination date, shall have voted to do so,

which vote shall have specified a new definite date on which the continuation shall end (subject to being shortened to the latest date permissible under the Rule Against Perpetuities, if applicable), and which vote and specification shall have been recorded in the Grafton County Registry of Deeds. Any further continuation of this Title III shall be implemented in the same manner as herein provided.

TITLE IV

MEMBERSHIP RULES FOR THE SPA AND RACQUETCLUB

§1. Application.

(a) The management and administration of The Spa and Racquetclub, a privately owned health facility located on premises adjoining The Mountain Club on Loon, shall be regulated and governed as set forth herein. All present and future members of The Spa and Racquetclub, including the partnership, and all lessees, guests, and other persons who in any way use the facilities of the Spa and Racquetclub shall do so subject to this Title.

(b) The purpose for which the Spa and Racquetclub has been formed is to provide a means by which owners, as defined herein, can share exclusively in all the special recreational facilities the Spa shall make available at reasonable costs under reasonable and convenient conditions.

(c) Each member of this Spa shall be entitled to the special benefits as set forth herein, but membership in this Spa shall not confer any proprietary interest in the facilities or any right to participate in the management of the Spa.

§2. Definitions.

For purposes of this Title the following terms shall have these meanings:

(a) "Charter Certificate" means a document issued to an owner by the owner of the Spa upon payment by the owner of the Charter Certificate fee. When recorded in the Grafton County Registry of Deeds, a Charter Certificate shall become an appurtenance of the property to which it relates and refers, entitling the owner thereof and his heirs, successors and assigns to the perpetual right and easement to the use of and enjoyment of all the benefits of membership in the Spa, provided that annual membership dues are paid.

(b) "Charter Member" means a member with respect to whose property a Charter Certificate has been purchased, issued, and recorded in the Grafton County Registry of Deeds, entitling the member to pay annual membership dues at the rate of 40 percent of those charged to other members.

(c) "Dues" means the sum of money required to be paid in order to obtain the current annual membership pass.

(d) "Guest" means an individual not in residence at a property, to whom the benefits of membership shall be extended on a space-available basis (as determined by management at its sole discretion) by reason of that person's being accompanied to the Spa by a member in residence paying the guest fee.

(e) "Lessee" means an individual in residence at a property to whom the benefits of membership shall be extended by reason of that person's being the lessee of a member's property in the member's absence.

(f) "Member" means an owner, either solely or concurrently with others (up to a maximum of four such concurrent owners per property), who has paid the annual dues for membership in the Spa established by the Spa management.

(g) "Owner" means one who owns real estate or any interest in real estate in The Town of Lincoln, New Hampshire, which he or a predecessor in titled purchased either from Loon Mountain Recreation Corporation, Loon Realty Corporation, or East Branch Corporation.

(h) "Property" means any parcel of real estate in the Town of Lincoln, New Hampshire, now or formerly owned by Loon Mountain Recreation Corporation, Loon Realty Corporation, or East Branch Corporation, whether in the form as originally purchased by those corporations, or as they are or may in the future be subdivided.

(i) "Spa" means The Spa and Racquetclub, which is a privately owned, voluntary club whose membership shall be composed exclusively of owners of property, as herein defined for the purposes of offering them quality recreational facilities at reasonable cost.

§3. Benefits of Membership.

A membership shall entitle the member and the member's immediate family, guests and lessees to use without charge all tennis courts, swimming pools, saunas and other club facilities (other than the indoor racquet facilities) year-round, concurrently with the member's right to occupy and use his property, provided that the member has paid his annual dues.

§4. Fees, Dues and Hourly Rates.

(a) Guest fees, Charter Certificate fees, annual membership dues, and hourly use rates for certain Spa facilities shall be established from time to time and posted by the Spa Management. Annual dues payable by charter members and their immediate families, guests and lessees shall be 40 percent of those payable by other members and their immediate families, guests, and lessees.

(b) Annual dues are payable each year on the first day of October directly to the Spa management. Dues need not be paid each year, but most Spa facilities shall only be available with respect to properties for which dues have been paid.

§5. Duration and Limitations of Charter Certificate.

A Charter Certificate shall confer upon the owner or owners of the property to which it is appurtenant, and upon the owner's heirs and assigns, the perpetual right and easement to acquire annual membership passes at 40 percent of the regular rate. The rights under a Charter Certificate may not be severed or separated from the property to which it is appurtenant, and such rights shall be deemed to be conveyed, encumbered or alienated with the property even though not specifically described or mentioned in the instrument.

§6. Coverage and Limitations of Memberships.

All persons actually in residence at a property shall be covered by the same membership pass, provided that the total number of such persons using the Spa simultaneously does not exceed six with respect to any one property.

§7. Admission of Non-Members.

Lessees shall be admitted to the Spa and entitled to the benefits of membership on the same basis as the owner of the property being leased. Guests shall be admitted to the Spa only when accompanied by a member actually in residence and then only on a space-available basis, as determined by the Spa management in its sole discretion, and upon payment of the current guest fee established by management.

§8. Conduct.

All persons using the Spa are responsible for themselves, their families, and their guests for maintaining a reasonable standard of conduct not detrimental to other persons associated with The Mountain Club on Loon or the Spa. Management shall have the power to impose penalties for such detrimental conduct, which penalties may range from expulsion from the Spa for the remainder of the day in which the incident occurs, or expulsion for a term of days up to the remaining term of the annual membership, or the loss of the use of particular club facilities for a period of time, depending upon the nature and seriousness of the conduct.

§9. Operation and Maintenance.

(a) All decisions respecting the Spa operations shall be the sole responsibility of the management of The Spa and Racquetclub, which shall be appointed by the owner of the Spa and shall be responsible to it.

(b) The management shall have the responsibility for determining that all dues are paid and that all membership passes are issued to members and their families, and for posting current fees, dues and rates, and the time and dates of the facilities' availability. The management shall also have the responsibility of determining whether any individual is acting detrimentally to other members, employees, or other persons utilizing the facilities, and shall have the power to suspend or expel such individuals for such conduct.

(c) The management shall have the authority, in the sound exercise of its discretion, and in the manner and under such circumstances as it judges to be appropriate in each case, to make Spa facilities available for use by the general public when such use will not reasonably compromise or interfere with use by Spa members, lessees, or guests. This provision shall not be construed as affirmatively obligating the management to provide for such availability in any given instance.

§10. Amendment.

The owner of the Spa, or its heirs and assigns, shall have the power to amend these Rules upon the recording of a duly executed written declaration to that effect in the Grafton County Registry of Deeds. However, no such amendment shall be valid which has the effect of revoking or impairing the benefits of a Charter Certificate absent either the affected owner's consent or a judicial decree, and no such amendment shall be valid which would increase the percentage of regular dues payable by an owner of property benefited by a Charter Certificate.

IN WITNESS WHEREOF, the partners of Mara-EK Development Company have signed this Declaration this day _____ of _____, 1986.

MARA-EK DEVELOPMENT COMPANY

By: Mara Development Corp, Partner

President

By: EK Associates, Partner

General Partner

General Partner

**FIRST
AMENDMENT TO DECLARATION
OF
THE MOUNTAIN CLUB ON LOON
A CONDOMINIUM**

WHEREAS, Mara-EK Development Company, a New Hampshire partnership having its principal place of business in Lincoln, New Hampshire, whose mailing address is P O Box 789, Lincoln, New Hampshire 03251, has created a condominium on certain real estate situated in said Lincoln, known as The Mountain Club on Loon; and

WHEREAS, in the Declaration of said condominium, recorded in Liber 1640, Folio 366 of the Grafton County Registry of Deeds, said partnership reserved the option for a period of seven years to expand said condominium by adding thereto one or both of two additions, each of comparable quality, style, and materials to, and each comprising units substantially identical with, those then comprising the condominium; and

WHEREAS, the partnership now desires to exercise said option to expand said condominium and subject 80 such additional units to the burdens and benefits of the said Declaration as provided for in Section III (a) and (o) of Title I thereof;

NOW THEREFORE, the partnership, being the owners of the subject land, in compliance with RSA Chapter 356-B, hereby declares:

1. The following described land shall be added to the condominium known as "The Mountain Club on Loon" and henceforth be subject to the Declaration thereof recorded in Liber 1640, Folio 366 of the Grafton County Registry of Deeds:

The following described parcel of land with any buildings thereon standing, situate on the southerly side of the East Branch of the Pemigewasset River and westerly of Boyle Brook, so-called, in the Town of Lincoln, bounded and described as follows:

Beginning at a point which is located N 420-04'-25" W a distance of 48.05 feet from the northwesterly corner of Phase I, so-called, as shown on a plan entitled "The Mountain Club on Loon-A Condominium" prepared by Thaddeus Thorne-Surveys, Inc., recorded as plan :3915 of the Grafton County Registry of Deeds, which point is the southeasterly corner of the premises being conveyed hereby; thence S 87°-58' W a distance of 135.50 feet to a point thence N 02°-02' W a distance of 84.33 feet to a point; thence H 87° -58' E a distance of 135.00 feet to a point; thence S 02°-02' E a distance of 11.75 feet to a point; thence N 87°-58' E a distance of 10.17 feet to a point thence S 02°-02' E a distance of 27.21 feet to a point; thence S 87°-58' W a distance of 9.33 feet to a point; thence S 02°-02' E a distance of 45.37 feet to a point marking the place of beginning.

Said parcel comprising 0.27 acres, more or less.

2. The land being added to the condominium hereby, together with the structure erected thereon, shall be called "Phase II" of the Mountain Club on Loon.

3. This Amendment shall be effective immediately upon its recording in the Grafton County Registry of Deeds.

IN WITNESS WHEREOF, the general partners of Mara-EK Development Company have signed this instrument on the 22nd day of December, 1987.

MARA-EX DEVELOPMENT COMPANY
By: MARA DEVELOPMENT COPORATION
Partner

Aram Brazilian, President

By: EK ASSOCIATES, Partner

Edward S. Keating, General Partner

Austin C. Eaton, Jr., General Partner

**SECOND
AMENDMENT TO DECLARATION
OF
THE MOUNTAIN CLUB ON LOON
A CONDOMINIUM**

WHEREAS, Mara-EK Development Company, a New Hampshire partnership having its principal place of business in Lincoln, New Hampshire, whose mailing address is P.O. Box 789, Lincoln, New Hampshire 03251, has created a condominium on certain real estate situated in said Lincoln, known as The Mountain Club on Loon; and

WHEREAS, in the Declaration of said condominium, recorded in Libber 1640, Folio 366 of the Grafton County Registry of Deeds, said partnership reserved the option for a period of seven years to expand said condominium by adding thereto one or both of two additions, each of comparable quality, style, and materials to, and each comprising units substantially identical with, those then comprising the condominium; and

WHEREAS, the partnership now desires to exercise said option to expand said condominium and subject 47 such additional units to the burdens and benefits of the said declaration as provided for in Section III (a) and (b) of Title I thereof;

NOW THEREFORE, the partnership, being the owners of the subject land, in compliance with RSA Chapter 356-B, hereby declares:

1. The land described in Schedule A attached hereto and made a part hereof shall be added to the condominium known as "The Mountain Club on Loon" and henceforth be subject to the Declaration thereof recorded in Liber 1640, Folio 366 of the Grafton County Registry of Deeds.
2. The land being added to the condominium hereby, together with those portions of the structure erected thereon referenced on the floor plans to be recorded herewith as "Units" and "Common Areas" shall hereafter be known as "phase III" of the Mountain club on Loon.
3. This Amendment shall be effective immediately upon its recording in the Grafton County Registry of Deeds.

IN WITNESS WHEREOF, the general partners of Mara-EK Development Company have signed this instrument on this 27th day of December, 1988.

MARA-EX DEVELOPMENT COMPANY
By: MARA DEVELOPMENT COPORATION
Partner

Elizabeth Brazilian, Vice President

Schedule A

The following described parcel of land situated on the southerly side of the East Branch of the Pemigewasset River and westerly of Boyle Brook, so-called, in the Town of Lincoln, bounded and described as follows:

Beginning at a point which marks the southwesterly corner of the land of Phase II of the Mountain Club on Loon as depicted on a plan entitled "The Mountain Club on Loon" recorded as plan #4774 of the Grafton County Registry of Deeds;

thence S 02° 15' 42" E a distance of 7.33 feet to a point;
thence S 88° 03' 52" W a distance of 16.00 feet to a point;
thence N 01° 56' 08" W a distance of 7.83 feet to a point;
thence S 88° 03' 52" W a distance of 38.83 feet to a point;
thence N 01° 56' 08" W a distance of 13.16 feet to a point;
thence S 88° 03' 52" W a distance of 7.16 feet to a point;
thence S 01° 56' 08" E a distance of 1.33 feet to a point;
thence S 88° 03' 52" W a distance of 108.66 feet to a point;
thence S 43° 03' 52" W a distance of 7.00 feet to a point;
thence S 88° 03' 52" W a distance of 14.83 feet to a point;
thence N 01° 56' 08" W a distance of 4.66 feet to a point;
thence S 88° 03' 52" W a distance of 63.00 feet to a point;
thence N 46° 56' 08" W a distance of 13.66 feet to a point;
thence N 43° 03' 52" E a distance of 2.50 feet to a point;
thence N 01° 56' 08" W a distance of 26.50 feet to a point;
thence S 88° 03' 52" W a distance of 12.91 feet to a point;
thence S 01° 56' 08" E a distance of 3.75 feet to a point;
thence S 88° 03' 52" W a distance of 9.58 feet to a point;
thence N 01° 56' 08" W a distance of 3.75 feet to a point;
thence S 88° 03' 52" W a distance of 1.75 feet to a point;
thence S 01° 56' 08" E a distance of 21.58 feet to a point;
thence S 88° 03' 52" W a distance of 32.25 feet to a point;
thence N 01° 56' 08" W a distance of 78.28 feet to a point along the southerly sideline of Loon Mountain Road, so-called;
thence turning and running easterly along the southerly sideline of Loon Mountain Road, following a curve to the left with a radius of 425.37 feet a distance of 46.37 feet to a point;
thence continuing along the southerly sideline of a Loon Mountain Road N 87° 58' 00" E a distance of 247.01 feet to a point;
thence continuing along the southerly sideline of Loon Mountain Road following a curve to the left having a radius of 156.20 feet a distance of 25.29 feet to a point;
thence S 02° 02' E a distance of 21.04 feet to a point marking the northwesterly corner of the land of Phase II of the Mountain Club on Loon, as depicted on the beforementioned plan;
thence continuing S 02° 15' 42" E along line of said Phase II a distance of 84.33 feet to the point marking the place of beginning.

Said parcel comprising 0.66 acre, more or less.

**THIRD
AMENDMENT TO DECLARATION
OF
THE MOUNTAIN CLUB ON LOON
A CONDOMINIUM**

WHEREAS, Mara-EK Development Company, a New Hampshire partnership having its principal place of business in Lincoln, New Hampshire, whose mailing address is P.O. Box 789, Lincoln, New Hampshire 03251, has created a condominium on certain real estate situated in said Lincoln, known as The Mountain Club on Loon; and

WHEREAS, in the Declaration of said condominium, recorded in Liber 1640, Folio 366 of the Grafton County Registry of Deeds, said partnership reserved the option to subdivide units of the condominium in accordance with RSA 356-B:32; and

WHEREAS, said partnership, agreeably with RSA 356-B:32 II has made written application to The Mountain Club on Loon Unit Owners' Association expressing the desire to subdivide certain units owned by it and requesting said Association forthwith to prepare and execute appropriate instruments pursuant to RSA 356-B:32 III, IV and V;

NOW, THEREFORE, the undersigned Mountain Club on Loon Unit Owners' Association and Mara-EK Development Company, hereby declare that the condominium instruments for the Mountain Club on Loon are amended as follows:

1. The condominium units identified in the floor plans recorded as plan #5451 of the Grafton County Registry of deeds as unit #'s 857, 858, 861, 862, 865, 866, 946, 1041 , 1062, and 1141 shall hereafter each be two units.

2. The portion of each of the former units 857, 858, 861, 862, 865, 866, 946, 1041, 1062 and 1141 comprising a living room and adjoining kitchen and bath shall hereafter constitute a separate condominium unit and shall have the unit number heretofore given to the larger unit from which it is being subdivided hereby.

3. The portion of each of the former units designated above comprising a bedroom and adjoining bath shall hereafter constitute a separate condominium unit and shall have a unit number two higher than the unit number heretofore given to the larger unit from which it is being subdivided, to wit: 859, 860, 863, 864, 867,868, 948, 1043, 1064 and 1143.

4. The vestibule area between each pair of units created hereby shall constitute a limited common area, and each unit adjoining the same is hereby allocated an undivided one-half interest therein.

5. The floor plans numbered 5A 1.5, 5A1.6, 5A1.7 and 5A1.8, which are recorded as part of the plan recorded as plan #5451 of the Grafton County Registry of Deeds have been amended to reflect the foregoing, and shall be recorded simultaneously herewith.

6. Section 5(b) of Part IV of tile Association By-Laws (Title II of the Declaration) is amended to provide that each of the twenty units created hereby shall have two votes, one-half for each undivided one-quarter interest therein.

7. By reason that Sections 2 and 3 of part V of the Association By-Laws (Title II of

the Declaration) provides that rights to common profits and liability for common expenses, shall accrue to each unit in proportion to the number of votes in the Association appertaining to that unit, no amendment reflecting a proportionate allocation thereof to the new units is necessary, and that provision is reaffirmed.

8. By reason that Section I(g) of Title I of the Declaration provides that each unit of the condominium is allocated an equal undivided interest in the common areas, no amendment reflecting a reallocation of those interests is necessary, and that provision is reaffirmed.

9. In accordance with RSA 356-B:32 VI, this instrument shall be effective immediately upon its recording in the Grafton County Registry of Deeds.

IN WITNESS WHEREOF, The president of the Mountain Club on Loon Unit Owners' Association and the general partners of Mara-EK Development Company have executed this instrument this 29th day of September, 1989.

MOUNTAIN CLUB ON LOON UNIT
OWNER'S ASSOCIATION

Aram Brazilian, President

MARA-EX DEVELOPMENT COMPANY
By: MARA DEVELOPMENT COPORATION
Partner

Aram Brazilian, President

By: EK ASSOCIATES, Partner

Edward S. Keating, General Partner

**AMENDMENT TO DECLARATION OF
THE MOUNTAIN CLUB ON LOON, A CONDOMINIUM
(CORRECTIVE)**

WHEREAS, The Mountain Club on Loon, A Condominium is located in Lincoln, Grafton County, New Hampshire (the "Condominium"); and

WHEREAS, the Condominium was established by a Declaration of Condominium by Mara-EK Development Company dated December 8, 1986 and recorded with the Grafton County Registry of Deeds on December 17, 1986 at Book 1640, Page 366; and

WHEREAS, the aforesaid Declaration of Condominium has been amended by certain amendments thereto recorded with the Grafton County Registry of Deeds at Book 1716, Page 960, Book 1783, Page 200, Book 1838, Page 716 and Book 1937, Page 155, said Declaration of Condominium as amended being hereinafter referred to as the "Declaration"; and

WHEREAS, pursuant to the Declaration and related documents, an association of unit owners was established, being a New Hampshire non-profit corporation, known as The Mountain Club on Loon Unit Owners' Association (the "Association"); and

WHEREAS, the Association took title to certain real estate at and about the Condominium in Lincoln, Grafton County, New Hampshire by deed of the Federal Deposit Insurance Corporation to the Association dated June 22, 1993 and recorded with said Registry of Deeds at Book 2033, Page 333; and

WHEREAS, Loon Mountain Recreation Corp. ("LMRC") is and has been the owner of certain real estate adjacent to the Condominium; and

WHEREAS, the Association has been made aware that certain units at the Condominium may be situated in airspace over land at the Condominium which was, inadvertently, not initially submitted to the Condominium, although intended to be so submitted, and is presently owned by the Association and/or LMRC; and

WHEREAS, the Association and at least two-thirds (2/3) of the unit owners of the Condominium desire to amend the Declaration to include such interests in real estate (including easements to airspace) so that such rights are duly submitted to the Condominium and title to the units apparently affected thereby is duly vested in their respective unit owners; and

WHEREAS, the units purportedly affected by such matters including Units 1101, 1102, 1201, 1202, 1301 and 1302, and possibly others.

NOW, THEREFORE, pursuant to the Declaration and New Hampshire law, and in furtherance of the intention of the Declaration to provide that all units created thereby are pursuant to rights and interests in real estate submitted to the Condominium, the Association, by vote of its Board of Directors and upon agreement of unit owners of units in the Condominium to which at least two-thirds (2/3) of the votes in the Association appertain, hereby declares that the interests in real estate described in Exhibit A attached hereto shall be and hereby are added to the Condominium, and are rendered subject to the Declaration.

This Amendment shall be effective immediately upon its recordation with the Grafton County Registry of Deeds.

Appended hereto is the certificate of the Secretary of the Association confirming that this Amendment is pursuant to the agreement of unit owners of units to which at least two-thirds (2/3) of the votes in the Association appertain.

IN WITNESS WHEREOF, the Association has caused this instrument to be executed by its duly authorized President and Treasurer this 15th day of December, 1993.

The Mountain Club on Loon
Unit Owners' Association.

By: _____
Allan E. Smith, President

By: _____
Raymond J. Cisneros, Treasurer

EXHIBIT A

Parcel 1

The perpetual right and easement to erect, replace, repair, use and maintain residential condominium units, related common area and other related improvements and appurtenances over certain land situated in Lincoln, Grafton County, New Hampshire owned by Loon Mountain Recreation Corp., a New Hampshire corporation, such land being that land situated below Units 1101, 1201 and 1301 at The Mountain Club on Loon, A Condominium (the "Condominium"), to the extent that such units are not situated over land previously submitted to the Condominium pursuant to the Declaration of Condominium, as amended, referenced in the instrument to which this Exhibit A is attached.

Parcel 2

The perpetual right and easement to erect, replace, repair, use and maintain residential condominium units, related common area and other related improvements and appurtenances over certain land situated in Lincoln, Grafton County, New Hampshire owned by The Mountain Club on Loon Unit Owners' Association, a New Hampshire non-profit corporation, such land being that land situated below Units 1102, 1202 and 1302 at the Condominium, to the extent that such units are not situated over land previously submitted to the Condominium pursuant to the Declaration of Condominium, as amended, referenced in this instrument to which this Exhibit A is attached.

Parcel 3

A small strip of land situated in Lincoln, Grafton County, New Hampshire, being all that land situated northerly of Phase I of the Condominium (and within extensions of the east and west bounds of said Phase I) and southerly of land of Loon Mountain Recreation Corp. as shown on Grafton County Registry of Deeds Plan No. 3915.

Parcel 4

The perpetual right and easement to erect, replace, repair, use and maintain residential condominium units, related common areas and other improvements and appurtenances over certain land situated in Lincoln, Grafton County, New Hampshire owned by The Mountain Club on Loon Unit Owners' Association, a New Hampshire non-profit corporation, such land being that situated below existing units at the Condominium, to the extent that such units (or portions thereof) are not situated over land previously submitted to the Condominium pursuant to said Declaration of Condominium, as amended.

EXHIBIT A

Certain interests in condominium units situate in Lincoln, Grafton County, New Hampshire, described as follows:

Certain individual undivided one-quarter interests in residential dwelling units situated at The Mountain Club on Loon, a Condominium created by Declaration of Condominium dated December 15, 1986, recorded in Volume 1640, Page 366 of the Grafton County Registry of Deeds as amended, and being further described as the following units located in Phase II as indicated, and all other units located in Phase III of said Condominium:

0858	ABCD*	0861	ABCD*	0862	ABCD*
0866	ABCD*	0869	AB	0870	ABC
0945	C	0946	ABCD*	0949	CD
0950	C	0954	BD	0958	ABCD
0961	BC	0966	ABD	1022	C (Phase II)
1041	ABCD*	1045	ABCD	1049	C
1050	AD	1053	C	1054	BD
1058	ABCD	1061	BD	1062	ABCD*
1065	BD	1066	BD	1121	A (Phase II)
1141	ABCD*	1146	B	1149	BCD
1150	AB	1153	ACD	1154	D
1158	ABCD	1161	BC	1162	ABCD
1166	BCD	1221	B (Phase II)	1338	C (Phase II)

* Plan No. 5945 subdivided these units into eight (8) additional units as follows: 0858/0860; 0861/0863; 0862/0864; 0866/0868; 0946/0948; 1041/1043; 1062/1064; 1141/1143.

**AMENDMENT TO DECLARATION OF
THE MOUNTAIN CLUB ON LOON, A CONDOMINIUM
(EXTENSION OF PERIOD TO EXPAND CONDOMINIUM)**

WHEREAS, The Mountain Club on Loon, A Condominium is located in Lincoln, Grafton County, New Hampshire (the 'Condominium'); and

WHEREAS, the Condominium was established by a Declaration of Condominium by Mara-EK Development Company dated December 8, 1986 and recorded with the Grafton County Registry of Deeds on December 17, 1986 at Book 1640, Page 366; and

WHEREAS, the aforesaid Declaration of Condominium has been amended by certain amendments thereto recorded with the Grafton County Registry of Deeds at Book 1716, Page 960, Book 1783, Page 200, Book 1838, Page 716 and Book 1937, Page 155, said Declaration of Condominium, as amended, being hereinafter referred to as the 'Declaration'; and

WHEREAS, pursuant to the Declaration and related documents, an association of unit owners was established, being a New Hampshire non-profit corporation, known as The Mountain Club on Loon Unit Owners' Association (the 'Association'); and

WHEREAS, the Association took title to certain real estate at and about the Condominium in Lincoln, Grafton County, New Hampshire by deed of the Federal Deposit Insurance Corporation to the Association dated June 22, 1993 and recorded with said Registry of Deeds at Book 2033, Page 333; and

WHEREAS, Loon Mountain Recreation Corp. ("LMRC") is and has been the owner of certain real estate adjacent to the Condominium; and

WHEREAS, the Association has been made aware that certain units at the Condominium may be situated in airspace over land at the Condominium which was, inadvertently, not initially submitted to the Condominium, although intended to be so submitted, and is presently owned by the Association and/or LMRC; and

WHEREAS, the Association and at least two-thirds (2/3) of the unit owners of the Condominium desire to amend the Declaration to extend the time by which the Condominium may be expanded for an additional seven (7) years to permit all necessary corrections to lands or other interests in real estate to be added to the Declaration and become subject to the Declaration, to correct title to any units at the Condominium or other interests therein; and

NOW, THEREFORE, pursuant to the Declaration and New Hampshire law, including, without limitation RSA 356-B: 16, IV (c) and RSA 356-B:54, V, the Association, by vote of its Board of Directors and upon agreement of unit owners of units in the Condominium to which at least two-thirds (2/3) of the votes in the Association appertain, hereby extends the time limit set forth in Title I, Section III (c) of the Declaration for an additional seven (7) years.

This Amendment shall be effective immediately upon its recordation with the Grafton County Registry of Deeds.

Appended hereto is the certificate of the Secretary of the Association confirming that this Amendment is pursuant to the agreement of unit owners of units to which at least two-thirds (2/3) of the votes in the Association appertain.

IN WITNESS WHEREOF, the Association has caused this instrument to be executed by its duly authorized President and Treasurer this 15th day of December, 1993.

The Mountain Club on Loon
Unit Owners' Association

By: _____
Allan E. Smith, President

By: _____
Raymond J. Cisneros, Treasurer

**FOURTH AMENDMENT TO DECLARATION
OF THE MOUNTAIN CLUB ON LOON,
A CONDOMINIUM FOR PURPOSES OF
SUBDIVIDING UNIT 1042 (THE KINSMAN SUITE)**

WHEREAS, Mara-EK Development Company, a New Hampshire partnership created a condominium on certain real estate situated in Lincoln, Grafton County, New Hampshire, known as The Mountain Club on Loon, A Condominium (the "Condominium"); and

WHEREAS, the Condominium was established by the declaration of Mara-EK Development Company dated December 8, 1986 and recorded with the Grafton County Registry of Deeds at Book 1640, Page 366, which was amended by a First Amendment to Declaration dated December 22, 1987 and recorded with said Registry of Deeds at Book 1716, Page 960, a Second Amendment to Declaration dated December 27, 1988 and recorded with said Registry of Deeds at Book 1783, Page 200 and a Third Amendment to Declaration dated September 29, 1989 and recorded with said Registry of Deeds at Book 1838, Page 716 (the "Declaration"); and

WHEREAS, The Mountain Club on Loon Unit Owners' Association, a New Hampshire non-profit corporation with a place of business at Kancamagus Highway, Lincoln, Grafton County, New Hampshire (the "Association") acquired Unit 1042 of the Condominium also known as the Kinsman Suite (the "Kinsman Suite") by deed of the Federal Deposit Insurance Corporation dated June 22, 1993 and recorded with said Registry of Deeds at Book 2033, Page 333; and

WHEREAS, NH RSA 356-B:32 permits units at a condominium to be subdivided; and

WHEREAS, pursuant to such statute, Title I, Section X of the Declaration permits the subdivision of condominium units; and

WHEREAS, the Kinsman Suite is located on three (3) levels of the Condominium; and

WHEREAS, the Kinsman Suite is shown on Grafton County Registry of Deeds Plan No. 5451 (Sheet 11 of 12) (the "Plan"); and

WHEREAS, the Association desires to subdivide the Kinsman Suite into two (2) separate units; and

NOW, THEREFORE, the Association, by its duly authorized President in accordance with RSA 356-B:32 and Title I, Section X of the Declaration, and after written application of the Association pursuant to RSA 356-B:32,II, hereby subdivides the Kinsman Suite into two (2) units and also declares and states as follows:

1. Subdivision.

The Kinsman Suite, presently known as Unit 1042 and shown on the Plan, is hereby subdivided into two (2) separate units with the identifying numbers and locations as set forth in Exhibit A attached. One of such two (2) new units shall consist of the meeting room portion of the Kinsman Suite and the other of such two (2) new units shall consist of the two (2) floors of living quarters situated above the meeting room. Specifically, that portion of the Kinsman Suite situated on so-called Level 30 of the Condominium shall constitute one (1) unit and the remaining portion of the Kinsman Suite, situated on Levels 40 and 50, shall constitute the other unit.

2. Plans.

Recorded herewith are floor plans depicting each of such two (2) units with their identifying numbers thereon. Such plans are recorded as Plans Numbered 7850.

3. Interest in Common Area and Votes.

New Unit 1042 shall have one-quarter (1/4) of the former Kinsman Suite's interest in common area and new Unit 1044 shall have three-quarters (3/4) of the former Kinsman Suite's interest in common area. New Unit 1042 shall have one (1) vote in the Association and new Unit 1044 shall have three (3) votes in the Association, all within the context of Title II, Part IV, Section 5 of the By-Laws to the Declaration.

4. Profits and Liabilities.

In accordance with Title II, Part V, Sections 2 and 3 of said By-Laws and all other applicable sections of the Declaration and By-Laws, the rights to common profits and liabilities for common expenses shall accrue to each of said new units in proportion to the number of votes appertaining to said unit pursuant to Section 3 above of this Amendment.

5. Liability as to Limited Common Area.

New Unit 1042 shall have one-quarter (1/4) of the former Kinsman Suite's interest in limited common area (if any) assigned previously to the former Kinsman Suite and new Unit 1044 shall have three-quarters (3/4) of the former Kinsman Suite's interest in such limited common area.

6. Designation.

From and after the recordation of this instrument, any reference to Unit 1042 shall mean Unit 1042 after subdivision as noted in Exhibit A hereto and as shown on Plan No. 7850.

7. Recordation.

Pursuant to RSA 356-B:32,VI, this instrument shall be effective immediately upon its recordation with the Grafton County Registry of Deeds.

IN WITNESS WHEREOF, the Association by and through its duly authorized President, pursuant to the authority set forth above, has caused this instrument to be executed this 5th day of April, 1993.

The Mountain Club on Loon
Unit Owner's Association

By: _____
Kenneth Lowe, President

EXHIBIT A

**UNITS CREATED BY THE SUBDIVISION
OF THE KINSMAN SUITE (FORMALLY NIT 1042)**

<u>New Identifying Numbers for Units</u>	<u>Building Level</u>
1042	Level 30
1043	Levels 40 and 50