

REVISED
SCHEDULE C
TO
SUPPLEMENTAL DECLARATION OF
SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

DESCRIPTION OF UNIT QUARTERS

<u>Unit Quarter Designation</u>	<u>Unit Type</u>	<u>Unit Size in Square Feet</u>	<u>Quarter-share Common Element Interest and Common Expense Liability (Percentage)</u>	<u>Votes in the Association</u>
112-I	A	401.6	00.176%	14
112-II	A	401.6	00.176	14
112-III	A	401.6	00.176	14
112-IV	A	401.6	00.176	14
113-I	A	401.6	00.176	14
113-II	A	401.6	00.176	14
113-III	A	401.6	00.176	14
113-IV	A	401.6	00.176	14
114-I	A	401.6	00.176	14
114-II	A	401.6	00.176	14
114-III	A	401.6	00.176	14
114-IV	A	401.6	00.176	14
115-I	A	401.6	00.176	14
115-II	A	401.6	00.176	14
115-III	A	401.6	00.176	14
115-IV	A	401.6	00.176	14
116-I	A	401.6	00.176	14
116-II	A	401.6	00.176	14
116-III	A	401.6	00.176	14
116-IV	A	401.6	00.176	14
117-I	A	401.6	00.176	14
117-II	A	401.6	00.176	14
117-III	A	401.6	00.176	14
117-IV	A	401.6	00.176	14
118-I	A	401.6	00.176	14
118-II	A	401.6	00.176	14
118-III	A	401.6	00.176	14
118-IV	A	401.6	00.176	14

<u>Unit Quarter Designation</u>	<u>Unit Type</u>	<u>Unit Size in Square Feet</u>	<u>Quarter-share Common Element Interest and Common Expense Liability (Percentage)</u>	<u>Votes in the Association</u>
119-I	A	401.6	00.176	14
119-II	A	401.6	00.176	14
119-III	A	401.6	00.176	14
119-IV	A	401.6	00.176	14
212-I	A	401.6	00.176	14
212-II	A	401.6	00.176	14
212-III	A	401.6	00.176	14
212-IV	A	401.6	00.176	14
213-I	A	401.6	00.176	14
213-II	A	401.6	00.176	14
213-III	A	401.6	00.176	14
213-IV	A	401.6	00.176	14
214-I	A	401.6	00.176	14
214-II	A	401.6	00.176	14
214-III	A	401.6	00.176	14
214-IV	A	401.6	00.176	14
215-I	A	401.6	00.176	14
215-II	A	401.6	00.176	14
215-III	A	401.6	00.176	14
215-IV	A	401.6	00.176	14
216-I	A	401.6	00.176	14
216-II	A	401.6	00.176	14
216-III	A	401.6	00.176	14
216-IV	A	401.6	00.176	14
217-I	A	401.6	00.176	14
217-II	A	401.6	00.176	14
217-III	A	401.6	00.176	14
217-IV	A	401.6	00.176	14
218-I	A	401.6	00.176	14
218-II	A	401.6	00.176	14
218-III	A	401.6	00.176	14
218-IV	A	401.6	00.176	14
219-I	A	401.6	00.176	14
219-II	A	401.6	00.176	14
219-III	A	401.6	00.176	14
219-IV	A	401.6	00.176	14
226-I	F	614.4	00.269	22
226-II	F	614.4	00.269	22
226-III	F	614.4	00.269	22
226-IV	F	614.4	00.269	22

<u>Unit Quarter Designation</u>	<u>Unit Type</u>	<u>Unit Size in Square Feet</u>	<u>Quarter-share Common Element Interest and Common Expense Liability (Percentage)</u>	<u>Votes in the Association</u>
228-I	O	430.4	00.189	15
228-II	O	430.4	00.189	15
228-III	O	430.4	00.189	15
228-IV	O	430.4	00.189	15
230-I	O	430.4	00.189	15
230-II	O	430.4	00.189	15
230-III	O	430.4	00.189	15
230-IV	O	430.4	00.189	15
232-I	O	430.4	00.189	15
232-II	O	430.4	00.189	15
232-III	O	430.4	00.189	15
232-IV	O	430.4	00.189	15
301-I	C	520.0	00.228	18.25
301-II	C	520.0	00.228	18.25
301-III	C	520.0	00.228	18.25
301-IV	C	520.0	00.228	18.25
302-I	B	425.6	00.187	15
302-II	B	425.6	00.187	15
302-III	B	425.6	00.187	15
302-IV	B	425.6	00.187	15
303-I	A	401.6	00.176	14
303-II	A	401.6	00.176	14
303-III	A	401.6	00.176	14
303-IV	A	401.6	00.176	14
304-I	A	401.6	00.176	14
304-II	A	401.6	00.176	14
304-III	A	401.6	00.176	14
304-IV	A	401.6	00.176	14
305-I	A	401.6	00.176	14
305-II	A	401.6	00.176	14
305-III	A	401.6	00.176	14
305-IV	A	401.6	00.176	14
306-I	A	401.6	00.176	14
306-II	A	401.6	00.176	14
306-III	A	401.6	00.176	14
306-IV	A	401.6	00.176	14
307-I	A	401.6	00.176	14
307-II	A	401.6	00.176	14
307-III	A	401.6	00.176	14
307-IV	A	401.6	00.176	14

<u>Unit Quarter Designation</u>	<u>Unit Type</u>	<u>Unit Size in Square Feet</u>	<u>Quarter-share Common Element Interest and Common Expense Liability (Percentage)</u>	<u>Votes in the Association</u>
308-I	A	401.6	00.176	14
308-II	A	401.6	00.176	14
308-III	A	401.6	00.176	14
308-IV	A	401.6	00.176	14
309-I	A	401.6	00.176	14
309-II	A	401.6	00.176	14
309-III	A	401.6	00.176	14
309-IV	A	401.6	00.176	14
310-I	A	401.6	00.176	14
310-II	A	401.6	00.176	14
310-III	A	401.6	00.176	14
310-IV	A	401.6	00.176	14
311-I	A	401.6	00.176	14
311-II	A	401.6	00.176	14
311-III	A	401.6	00.176	14
311-IV	A	401.6	00.176	14
312-I	B	425.6	00.186	15
312-II	B	425.6	00.186	15
312-III	B	425.6	00.186	15
312-IV	B	425.6	00.186	15
313-I	B	425.6	00.186	15
313-II	B	425.6	00.186	15
313-III	B	425.6	00.186	15
313-IV	B	425.6	00.186	15
314-I	B	425.6	00.186	15
314-II	B	425.6	00.186	15
314-III	B	425.6	00.186	15
314-IV	B	425.6	00.186	15
315-I	B	425.6	00.186	15
315-II	B	425.6	00.186	15
315-III	B	425.6	00.186	15
315-IV	B	425.6	00.186	15
316-I	B	425.6	00.186	15
316-II	B	425.6	00.186	15
316-III	B	425.6	00.186	15
316-IV	B	425.6	00.186	15
317-I	B	425.6	00.186	15
317-II	B	425.6	00.186	15
317-III	B	425.6	00.186	15
317-IV	B	425.6	00.186	15

<u>Unit Quarter Designation</u>	<u>Unit Type</u>	<u>Unit Size in Square Feet</u>	<u>Quarter-share Common Element Interest and Common Expense Liability (Percentage)</u>	<u>Votes in the Association</u>
318-I	B	425.6	00.186	15
318-II	B	425.6	00.186	15
318-III	B	425.6	00.186	15
318-IV	B	425.6	00.186	15
319-I	B	425.6	00.186	15
319-II	B	425.6	00.186	15
319-III	B	425.6	00.186	15
319-IV	B	425.6	00.186	15
320-I	J	764.8	00.335	26.75
320-II	J	764.8	00.335	26.75
320-III	J	764.8	00.335	26.75
320-IV	J	764.8	00.335	26.75
321-I	P	684.8	00.300	24
321-II	P	684.8	00.300	24
321-III	P	684.8	00.300	24
321-IV	P	684.8	00.300	24
323-I	P	684.8	00.300	24
323-II	P	684.8	00.300	24
323-III	P	684.8	00.300	24
323-IV	P	684.8	00.300	24
324-I	E	683.2	00.299	24
324-II	E	683.2	00.299	24
324-III	E	683.2	00.299	24
324-IV	E	683.2	00.299	24
325-I	H	804.8	00.353	28.25
325-II	H	804.8	00.353	28.25
325-III	H	804.8	00.353	28.25
325-IV	H	804.8	00.353	28.25
326-I	Q	399.2	00.175	14
326-II	Q	399.2	00.175	14
326-III	Q	399.2	00.175	14
326-IV	Q	399.2	00.175	14
327-I	A	400.0	00.175	14
327-II	A	400.0	00.175	14
327-III	A	400.0	00.175	14
327-IV	A	400.0	00.175	14
328-I	Q	399.2	00.175	14
328-II	Q	399.2	00.175	14
328-III	Q	399.2	00.175	14
328-IV	Q	399.2	00.175	14

<u>Unit Quarter Designation</u>	<u>Unit Type</u>	<u>Unit Size in Square Feet</u>	<u>Quarter-share Common Element Interest and Common Expense Liability (Percentage)</u>	<u>Votes in the Association</u>
329-I	Q	399.2	00.175	14
329-II	Q	399.2	00.175	14
329-III	Q	399.2	00.175	14
329-IV	Q	399.2	00.175	14
330-I	A	400.0	00.175	14
330-II	A	400.0	00.175	14
330-III	A	400.0	00.175	14
330-IV	A	400.0	00.175	14
331-I	Q	399.2	00.175	14
331-II	Q	399.2	00.175	14
331-III	Q	399.2	00.175	14
331-IV	Q	399.2	00.175	14
332-I	LL	768.0	00.337	27
332-II	LL	768.0	00.337	27
332-III	LL	768.0	00.337	27
332-IV	LL	768.0	00.337	27
333-I	Q	399.2	00.175	14
333-II	Q	399.2	00.175	14
333-III	Q	399.2	00.175	14
333-IV	Q	399.2	00.175	14
335-I	Q	399.2	00.175	14
335-II	Q	399.2	00.175	14
335-III	Q	399.2	00.175	14
335-IV	Q	399.2	00.175	14
401-I	C	520.0	00.228	18.25
401-II	C	520.0	00.228	18.25
401-III	C	520.0	00.228	18.25
401-IV	C	520.0	00.228	18.25
402-I	A	401.6	00.176	14
402-II	A	401.6	00.176	14
402-III	A	401.6	00.176	14
402-IV	A	401.6	00.176	14
403-I	A	401.6	00.176	14
403-II	A	401.6	00.176	14
403-III	A	401.6	00.176	14
403-IV	A	401.6	00.176	14
404-I	A	401.6	00.176	14
404-II	A	401.6	00.176	14
404-III	A	401.6	00.176	14
404-IV	A	401.6	00.176	14

<u>Unit Quarter Designation</u>	<u>Unit Type</u>	<u>Unit Size in Square Feet</u>	<u>Quarter-share Common Element Interest and Common Expense Liability (Percentage)</u>	<u>Votes in the Association</u>
405-I	A	401.6	00.176	14
405-II	A	401.6	00.176	14
405-III	A	401.6	00.176	14
405-IV	A	401.6	00.176	14
406-I	A	401.6	00.176	14
406-II	A	401.6	00.176	14
406-III	A	401.6	00.176	14
406-IV	A	401.6	00.176	14
407-I	A	401.6	00.176	14
407-II	A	401.6	00.176	14
407-III	A	401.6	00.176	14
407-IV	A	401.6	00.176	14
408-I	A	401.6	00.176	14
408-II	A	401.6	00.176	14
408-III	A	401.6	00.176	14
408-IV	A	401.6	00.176	14
409-I	A	401.6	00.176	14
409-II	A	401.6	00.176	14
409-III	A	401.6	00.176	14
409-IV	A	401.6	00.176	14
410-I	A	401.6	00.176	14
410-II	A	401.6	00.176	14
410-III	A	401.6	00.176	14
410-IV	A	401.6	00.176	14
411-I	A	401.6	00.176	14
411-II	A	401.6	00.176	14
411-III	A	401.6	00.176	14
411-IV	A	401.6	00.176	14
412-I	D	352.0	00.154	12.25
412-II	D	352.0	00.154	12.25
412-III	D	352.0	00.154	12.25
412-IV	D	352.0	00.154	12.25
413-I	D	352.0	00.154	12.25
413-II	D	352.0	00.154	12.25
413-III	D	352.0	00.154	12.25
413-IV	D	352.0	00.154	12.25
414-I	D	352.0	00.154	12.25
414-II	D	352.0	00.154	12.25
414-III	D	352.0	00.154	12.25
414-IV	D	352.0	00.154	12.25

<u>Unit Quarter Designation</u>	<u>Unit Type</u>	<u>Unit Size in Square Feet</u>	<u>Quarter-share Common Element Interest and Common Expense Liability (Percentage)</u>	<u>Votes in the Association</u>
415-I	D	352.0	00.154	12.25
415-II	D	352.0	00.154	12.25
415-III	D	352.0	00.154	12.25
415-IV	D	352.0	00.154	12.25
416-I	D	352.0	00.154	12.25
416-II	D	352.0	00.154	12.25
416-III	D	352.0	00.154	12.25
416-IV	D	352.0	00.154	12.25
417-I	D	352.0	00.154	12.25
417-II	D	352.0	00.154	12.25
417-III	D	352.0	00.154	12.25
417-IV	D	352.0	00.154	12.25
418-I	D	352.0	00.154	12.25
418-II	D	352.0	00.154	12.25
418-III	D	352.0	00.154	12.25
418-IV	D	352.0	00.154	12.25
419-I	D	352.0	00.154	12.25
419-II	D	352.0	00.154	12.25
419-III	D	352.0	00.154	12.25
419-IV	D	352.0	00.154	12.25
420-I	J	764.8	00.335	26.75
420-II	J	764.8	00.335	26.75
420-III	J	764.8	00.335	26.75
420-IV	J	764.8	00.335	26.75
424-I	E	683.2	00.299	24
424-II	E	683.2	00.299	24
424-III	E	683.2	00.299	24
424-IV	E	683.2	00.299	24
426-I	A	400.0	00.175	14
426-II	A	400.0	00.175	14
426-III	A	400.0	00.175	14
426-IV	A	400.0	00.175	14
427-I	A	400.0	00.175	14
427-II	A	400.0	00.175	14
427-III	A	400.0	00.175	14
427-IV	A	400.0	00.175	14
428-I	A	400.0	00.175	14
428-II	A	400.0	00.175	14
428-III	A	400.0	00.175	14
428-IV	A	400.0	00.175	14

<u>Unit Quarter Designation</u>	<u>Unit Type</u>	<u>Unit Size in Square Feet</u>	<u>Quarter-share Common Element Interest and Common Expense Liability (Percentage)</u>	<u>Votes in the Association</u>
429-I	A	400.0	00.175	14
429-II	A	400.0	00.175	14
429-III	A	400.0	00.175	14
429-IV	A	400.0	00.175	14
430-I	A	400.0	00.175	14
430-II	A	400.0	00.175	14
430-III	A	400.0	00.175	14
430-IV	A	400.0	00.175	14
431-I	A	400.0	00.175	14
431-II	A	400.0	00.175	14
431-III	A	400.0	00.175	14
431-IV	A	400.0	00.175	14
433-I	Q	399.2	00.175	14
433-II	Q	399.2	00.175	14
433-III	Q	399.2	00.175	14
433-IV	Q	399.2	00.175	14
435-I	Q	399.2	00.176	14
435-II	Q	399.2	00.176	14
435-III	Q	399.2	00.176	14
435-IV	Q	399.2	00.176	14
501-I	C	520.0	00.228	18.25
501-II	C	520.0	00.228	18.25
501-III	C	520.0	00.228	18.25
501-IV	C	520.0	00.228	18.25
502-I	A	401.6	00.176	14
502-II	A	401.6	00.176	14
502-III	A	401.6	00.176	14
502-IV	A	401.6	00.176	14
503-I	B	425.6	00.186	15
503-II	B	425.6	00.186	15
503-III	B	425.6	00.186	15
503-IV	B	425.6	00.186	15
504-I	B	425.6	00.186	15
504-II	B	425.6	00.186	15
504-III	B	425.6	00.186	15
504-IV	B	425.6	00.186	15
505-I	B	425.6	00.186	15
505-II	B	425.6	00.186	15
505-III	B	425.6	00.186	15
505-IV	B	425.6	00.186	15

<u>Unit Quarter Designation</u>	<u>Unit Type</u>	<u>Unit Size in Square Feet</u>	<u>Quarter-share Common Element Interest and Common Expense Liability (Percentage)</u>	<u>Votes in the Association</u>
506-I	B	425.6	00.186	15
506-II	B	425.6	00.186	15
506-III	B	425.6	00.186	15
506-IV	B	425.6	00.186	15
507-I	B	425.6	00.186	15
507-II	B	425.6	00.186	15
507-III	B	425.6	00.186	15
507-IV	B	425.6	00.186	15
508-I	B	425.6	00.186	15
508-II	B	425.6	00.186	15
508-III	B	425.6	00.186	15
508-IV	B	425.6	00.186	15
509-I	B	425.6	00.186	15
509-II	B	425.6	00.186	15
509-III	B	425.6	00.186	15
509-IV	B	425.6	00.186	15
510-I	B	425.6	00.186	15
510-II	B	425.6	00.186	15
510-III	B	425.6	00.186	15
510-IV	B	425.6	00.186	15
511-I	B	425.6	00.186	15
511-II	B	425.6	00.186	15
511-III	B	425.6	00.186	15
511-IV	B	425.6	00.186	15
520-I	JJ	382.4	00.168	13
520-II	JJ	382.4	00.168	13
520-III	JJ	382.4	00.168	13
520-IV	JJ	382.4	00.168	13
521-I	G	457.6	00.201	16
521-II	G	457.6	00.201	16
521-III	G	457.6	00.201	16
521-IV	G	457.6	00.201	16
522-I	JJ	382.4	00.168	13.375
522-II	JJ	382.4	00.168	13.375
522-III	JJ	382.4	00.168	13.375
522-IV	JJ	382.4	00.168	13.375
524-I	K	936.0	00.410	32.75
524-II	K	936.0	00.410	32.75
524-III	K	936.0	00.410	32.75
524-IV	K	936.0	00.410	32.75

<u>Unit Quarter Designation</u>	<u>Unit Type</u>	<u>Unit Size in Square Feet</u>	<u>Quarter-share Common Element Interest and Common Expense Liability (Percentage)</u>	<u>Votes in the Association</u>
525-I	I	667.2	00.292	23.25
525-II	I	667.2	00.292	23.25
525-III	I	667.2	00.292	23.25
525-IV	I	667.2	00.292	23.25
526-I	I	667.2	00.292	23.25
526-II	I	667.2	00.292	23.25
526-III	I	667.2	00.292	23.25
526-IV	I	667.2	00.292	23.25
527-I	I	667.2	00.292	23.25
527-II	I	667.2	00.292	23.25
527-III	I	667.2	00.292	23.25
527-IV	I	667.2	00.292	23.25
528-I	I	667.2	00.292	23.25
528-II	I	667.2	00.292	23.25
528-III	I	667.2	00.292	23.25
528-IV	I	667.2	00.292	23.25
529-I	I	667.2	00.292	23.25
529-II	I	667.2	00.292	23.25
529-III	I	667.2	00.292	23.25
529-IV	I	667.2	00.292	23.25
530-I	I	667.2	00.292	23.25
530-II	I	667.2	00.292	23.25
530-III	I	667.2	00.292	23.25
530-IV	I	667.2	00.292	23.25
531-I	I	667.2	00.292	23.25
531-II	I	667.2	00.292	23.25
531-III	I	667.2	00.292	23.25
531-IV	I	667.2	00.292	23.25
532-I	I	667.2	00.292	23.25
532-II	I	667.2	00.292	23.25
532-III	I	667.2	00.292	23.25
532-IV	I	667.2	00.292	23.25
533-I	I	667.2	00.292	23.25
533-II	I	667.2	00.292	23.25
533-III	I	667.2	00.292	23.25
533-IV	I	667.2	00.292	23.25
535-I	I	667.2	00.292	23.25
535-II	I	667.2	00.292	23.25
535-III	I	667.2	00.292	23.25
535-IV	I	667.2	00.292	23.25

<u>Unit Quarter Designation</u>	<u>Unit Type</u>	<u>Unit Size in Square Feet</u>	<u>Quarter-share Common Element Interest and Common Expense Liability (Percentage)</u>	<u>Votes in the Association</u>
604-I	D	352.0	00.154	12.25
604-II	D	352.0	00.154	12.25
604-III	D	352.0	00.154	12.25
604-IV	D	352.0	00.154	12.25
605-I	E	692.8	00.304	24.25
605-II	E	692.8	00.304	24.25
605-III	E	692.8	00.304	24.25
605-IV	E	692.8	00.304	24.25
606-I	D	352.0	00.154	13
606-II	D	352.0	00.154	13
606-III	D	352.0	00.154	13
606-IV	D	352.0	00.154	13
607-I	D	352.0	00.154	13
607-II	D	352.0	00.154	13
607-III	D	352.0	00.154	13
607-IV	D	352.0	00.154	13
608-I	D	352.0	00.154	13
608-II	D	352.0	00.154	13
608-III	D	352.0	00.154	13
608-IV	D	352.0	00.154	13
609-I	D	352.0	00.154	13
609-II	D	352.0	00.154	13
609-III	D	352.0	00.154	13
609-IV	D	352.0	00.154	13
610-I	D	352.0	00.154	13
610-II	D	352.0	00.154	13
610-III	D	352.0	00.154	13
610-IV	D	352.0	00.154	13
611-I	D	352.0	00.154	13
611-II	D	352.0	00.154	13
611-III	D	352.0	00.154	13
611-IV	D	352.0	00.154	13
Sugarloaf Suite-I	M	2,179.0	00.955	76.25
Sugarloaf Suite-II	M	2,179.0	00.955	76.25
Sugarloaf Suite-III	M	2,179.0	00.955	76.25
Sugarloaf Suite-IV	M	2,179.0	00.955	76.25

<u>Unit Quarter Designation</u>	<u>Unit Type</u>	<u>Unit Size in Square Feet</u>	<u>Quarter-share Common Element Interest and Common Expense Liability (Percentage)</u>	<u>Votes in the Association</u>
Bigelow Suite-I	N	2,259.0	00.990	79.25
Bigelow Suite-II	N	2,259.0	00.990	79.25
Bigelow Suite-III	N	2,259.0	00.990	79.25
Bigelow Suite-IV	N	<u>2,259.0</u>	<u>00.990</u>	79.25
		57,057.2	98.82%	

Notes:

1. Each Common Element Interest and Common Expense Liability has been rounded to the nearest one thousandth of one percent (0.001%) so that the sum of the Common Element Interests and Common Expense Liabilities allocated at any time to all the Unit and Quarter-share Estates may not equal one hundred percent (100%). The Common Element Interest, Common Expense Liability and Votes in the Association appurtenant to each Unit Quarter is determined by dividing by four (4) the Common Element Interest, Common Expense Liability, and Votes in the Association respectively, allocated to the underlying whole Unit as shown on Schedule B to the Declaration, as amended from time to time. In the event that the Common Element Interest, Common Expense Liability, and Votes in the Association allocated to a whole Unit are changed by virtue of an amendment to the Declaration, the Common Element Interest, Common Expense Liability and Votes in the Association allocated to the Unit Quarters will automatically also change so as to equal one fourth (1/4) of the amended percentage as shown on Exhibit B to the Declaration.

2. If the Declarant exercises any Development Right to add more Units to the Condominium by creating additional Units on all or any portion of the Convertible Real Estate, the Common Element Interests, Common Expense Liabilities and Votes in the Association allocated to each Unit Quarter as set forth in this Schedule C will decrease, and those allocated interests shall be reallocated among all the Unit Quarters, both existing and newly created, on the basis of the formula for the allocation of those Allocated Interests provided in Paragraph 1 above.

Revised August 26, 1993
Seventh Amendment

MSA/77004.AAO

SUGARLOAF MOUNTAIN CENTER CONDOMINIUM ASSOCIATION
SEVENTH AMENDMENT TO SUPPLEMENTAL QUARTERSHARE DECLARATION
OF SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

THIS AMENDMENT (this "Amendment") is made this 19th day of August, 1993.

1. Background. Sugarloaf Mountain Center, A Condominium (the "Condominium") has been created pursuant to the Maine Condominium Act, Chapter 31 of Title 33 of the Maine Revised Statutes of 1964, as amended (the "Act") by the recording of the Declaration of Sugarloaf Mountain Center, A Condominium (the "Declaration") in the Franklin County Registry of Deeds in Book 936, Page 43, and the simultaneous recording in said registry of the Plats (the "Plats") and Plans (the "Plans") of the Condominium. The Declaration has since been amended by Amendment dated November 23, 1987, and recorded in said registry in Book 1002, Page 216; by Second Amendment dated August 5, 1988, and recorded in said Registry in Book 1077, Page 94; and also by Third Amendment dated April 12, 1989, and recorded in said Registry in Book 1093, Page 140. The Declaration, Plats and Plans are incorporated by reference into this Amendment as if they were reproduced herein. Capitalized terms used herein without definition shall have the meaning specified for those terms in the Declaration or, if not defined in the Declaration or herein, the meaning specified or used for such terms in the Act.

A majority of the Units in the Condominium previously have been subjected to Chapter 10-A of Title 33 of the Maine Revised Statutes of 1964, as amended (the "Time-share Act") by means of the Supplemental Quartershare Declaration dated December 19, 1988, and recorded in said Registry in Book 1077, Page 129 (the "Quartershare Declaration"). Paragraph 2.2 of the Quartershare Declaration allows the Sugarloaf Mountain Center Condominium Association (the "Association"), upon request of the appropriate Unit Owners, to amend the Quartershare Declaration to subject to its terms Units not originally subject to the Quartershare Declaration. The undersigned owner of Unit 435 has requested in writing that the Association prepare an amendment subjecting said Unit to the Quartershare Declaration, which the Association has done in the form of this Amendment.

Unit 433 was made subject to the Quartershare Declaration by the Second Amendment To Supplemental Quartershare Declaration dated January 30, 1990, and recorded in the Franklin County Registry of Deeds in Book 1146, Page 126. However, due to a typographical error, Unit 433 was omitted from the listing of Quartershared Units attached to said Amendment as Schedule A.

Accordingly, Unit 433 has been included in the revised Schedule A attached to this Amendment.

2. Amendment of Schedule A. The Association, acting by and through its Directors, hereby amends and restates Schedule A to the Quartershare Declaration as set forth in the revised and restated Schedule A attached hereto. The revised Schedule A lists all of the Units which were formerly subject to the Quartershare Declaration, plus Unit 435 which is made subject to the Quartershare Declaration by virtue of this Amendment.

3. Amendment of Schedule C. The Association, acting by and through its Directors, hereby amends and restates Schedule C to the Quartershare Declaration as set forth in the revised Schedule C attached hereto. The revised Schedule C recalculates the percentage of ownership interests allocated to each Unit Quarter following the subjection of this Unit 435 to the Quartershare Declaration.

4. Execution. This Amendment has been prepared and duly adopted by the President of the Association pursuant to paragraph 2.2 of the Quartershare Declaration in response to the request of the owners of the Units subjected to the Quartershare Declaration by this Amendment. These Unit Owners have executed and acknowledged this Amendment by setting their hands and seals to the Addenda hereto marked "SIGNATURE PAGE" as of the date and year first above written, notwithstanding that any particular Addendum may have been executed on a different date. All executed Addenda shall be deemed integrated into this one single Amendment and dated as of the date and year first above written. Prior to recording, the Association will attach to this Amendment the certificate required by Section 16.2.5 of the Quartershare Declaration, executed and acknowledged by the President or the Vice-President and the Secretary or the Treasurer of the Association, certifying that the Amendment has been duly adopted.

SUGARLOAF MOUNTAIN CENTER
CONDOMINIUM ASSOCIATION

By: Mark N. Rosborough
Mark N. Rosborough
Its President

PERSONALLY APPROVED FOR ME,

Deborah A. Grover

DEBORAH A. GROVER
NOTARY PUBLIC, MAINE
MY COMMISSION EXPIRES JUNE 1, 1998

STATE OF MAINE
County of Cumberland, ss.

August 26 , 1993

Personally appeared the above-named Mark N. Rosborough,
President of Sugarloaf Mountain Center Condominium Association,
and acknowledged the foregoing to be his free act and deed in
said capacity and the free act and deed of said Association.

Before me,

Deborah A. Grover

Notary Public
Attorney-at-Law
DEBORAH A. GROVER
NOTARY PUBLIC, MAINE
MY COMMISSION EXPIRES JUNE 1, 1998

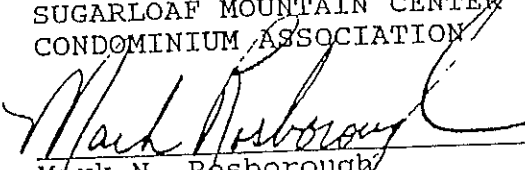
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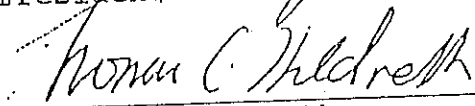
SUGARLOAF MOUNTAIN CENTER CONDOMINIUM ASSOCIATION

CERTIFICATION OF AMENDMENT
PURSUANT TO SUBPARAGRAPH 16.2.5 OF THE
SUPPLEMENTAL QUARTERSHARE DECLARATION

The undersigned Mark N. Rosborough, President of Sugarloaf Mountain Center Condominium Association, and Thomas C. Hildreth, Secretary of Sugarloaf Mountain Center Condominium Association, hereby certify, pursuant to subparagraph 16.2.5 of the Supplemental Quartershare Declaration, that the foregoing Amendment has been duly adopted.

SUGARLOAF MOUNTAIN CENTER
CONDOMINIUM ASSOCIATION


Mark N. Rosborough
President

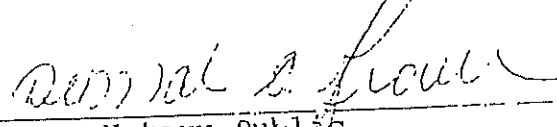

Thomas C. Hildreth
Secretary

STATE OF MAINE
County of Cumberland, ss.

August 26, 1993

Personally appeared the above-named Mark N. Rosborough in his capacity as President of the Sugarloaf Mountain Center Condominium Association, and acknowledged that the foregoing Amendment and Certification is his free act and deed in said capacity, and the free act and deed of the Association.

Before me,


Notary Public
Attorney-at-Law
DEBORAH A. GROVER
NOTARY PUBLIC, MAINE
MY COMMISSION EXPIRES JUNE 1, 1998

Type or print name

REVISED
SCHEDULE A
TO
SUPPLEMENTAL QUARTERSHARE DECLARATION OF
SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

LIST OF UNITS
SUBJECT TO
SUPPLEMENTAL QUARTERSHARE
DECLARATION

112, 113, 114, 115, 116,
117, 118, 119, 212, 213,
214, 215, 216, 217, 218,
219, 226, 228, 230, 232,
301, 302, 303, 304, 305,
306, 307, 308, 309, 310,
311, 312, 313, 314, 315,
316, 317, 318, 319, 320,
321, 323, 324, 325, 326,
327, 328, 329, 330, 331,
332, 333, 335, 401, 402,
403, 404, 405, 406, 407,
408, 409, 410, 411, 412,
413, 414, 415, 416, 417,
418, 419, 420, 424, 426,
427, 428, 429, 430, 431,
433, 435, 501, 502, 503,
504, 505, 506, 507, 508,
509, 510, 511, 520, 521,
522, 524, 525, 526, 527,
528, 529, 530, 531, 532,
533, 535, 604, 605, 606,
607, 608, 609, 610, 611,
Sugarloaf Suite, Bigelow
Suite

Revised August 15, 1993
Seventh Amendment

EXHIBIT "B" TO
PUBLIC OFFERING STATEMENT
SUGARLOAF MOUNTAIN CENTER,
A CONDOMINIUM

AMENDED AND RESTATED BYLAWS

SUGARLOAF MOUNTAIN CENTER CONDOMINIUM ASSOCIATION

Carrabassett Valley, Maine

ARTICLE 1
INTRODUCTORY PROVISIONS

Section 1.1. Applicability. These Bylaws ("Bylaws") shall relate solely to the property called Sugarloaf Mountain Center, a Condominium, located at Carrabassett Valley, Maine, (the "Property"), more fully described in the Declaration of Condominium for Sugarloaf Mountain Center, a Condominium, dated September 29, 1986 and the Plats and Plans attached thereto (collectively the "Declaration") recorded in the Franklin County Registry of Deeds in Farmington, Maine, as amended by a certain Supplemental Quartershare Declaration dated December 19, 1988, filed by Apex, Inc., said Supplemental Declaration recorded in the Franklin County Registry of Deeds in Farmington, Maine, in Book 1077, Page 125, as the same may be amended from time to time. Said Declaration and Supplemental Quartershare Declaration are hereby hereinafter collectively referred to as the "Declaration" in these Bylaws except where specific and individual reference is made to facilitate interpretation or understanding.

Section 1.2. Definitions. The capitalized terms used herein without definition shall have the same definitions as such terms have in the Declaration and the Maine Condominium Act, Section 1601-103 et seq. (the "Act"). Unless otherwise provided in the Act, in the event of inconsistencies in definitions between the Act and the Declaration, the Declaration shall control.

Section 1.3. Compliance. Pursuant to the provisions of the Act, every Unit owner and all persons entitled to occupy a Unit shall comply with these Bylaws.

Section 1.4. Office. The office of the Condominium, the Association and the Executive Board shall be located at the Property or at such other place as may be designated from time to time by the Executive Board.

Section 1.5. Incorporation of Statutory Law. Except as expressly provided herein, in the Declaration, or in the Act, the Association shall be governed by the provisions of any applicable statute of the State of Maine.

Section 1.6. Quartershare Plan. Reference is made to the recorded Supplemental Declaration noted above in Section 1.1. As of the date of this amended and restated set of Bylaws, the Sugarloaf Mountain Center Condominium consists of six (6) Commercial Units; one (1) Residential Unit; and one hundred nine (109) Residential Units which have been subjected to the Quartershare Plan referenced in the aforementioned Supplemental Declaration. Said Supplemental Declaration, in essence, creates a fractional interest plan, whereby a Condominium Unit is divided into four Quarter Periods with separate and distinct rights of ownership and occupancy. Said four Quarter Units, as defined in the Supplemental Declaration, may have four separate and distinct Quarter Owners. In addition, these Residential Units will be furnished and utilized pursuant to a common plan by the Quarter Owners, all as set forth in the Supplemental Declaration. As a part of the overall expense applicable to this Quartershare Plan, not only the Common Expenses (as defined in the Declaration and hereinafter in these Bylaws), of the Condominium Units, but also the interior expenses (Quartershare budgeted items) will be part of the overall budget and will generally be known as "Common Expenses" as defined and referred to hereafter in Article V of these Bylaws, whether relating to Units, Limited Common Elements or Common Elements. The agent selected by the Association pursuant to these Bylaws will be charged with the responsibility of not only administering the Condominium Common Elements but also the interior of the Units and the Limited Common Elements, which, in essence, constitute the Plan of Quartershare Ownership. Accordingly, for purposes of these Bylaws, it is understood that while there remains a technical distinction between the references to "Common Elements" as that term is defined under the Maine Condominium Act (the "Act") and "Common Expenses", as that term is defined in these Bylaws (which term includes interior expenses pursuant to the aforementioned Supplemental Declaration), it is intended that the Association, through its Agent, administer all matters of Common Expenses. The Agent as named in the Supplemental Declaration and in these Bylaws may be one and the same and the Association named in the Supplemental Declaration and these Bylaws shall be one and the same and shall have the power and authority prescribed under these Bylaws and in the Supplemental Declaration. The intent is to have one integrated Association consisting of all of the Owners of the Commercial Units as defined in the original Declaration, all of the Owners of the Residential Units which are not subject to the Supplemental Declaration, and all of the Owners of the Unit Quarters (defined as Quartershare Owners) as set forth in the Supplemental Declaration.

Section 1.7. Interpretation/Construction. Reference is made in these Bylaws to the term "Units" which is a defined term under the terms of the Declaration Section 2.2 (z). As defined therein, Unit means the entire Condominium as that term is utilized under the Maine Condominium Act. Nevertheless, for purposes of these Bylaws, Unit shall refer to either a Whole Time Unit, i.e. a Residential Unit not subjected to the Supplemental Declaration, a Commercial Unit or a Unit Quarter as that term is defined in the

Supplemental Declaration (Article 3.2.13). Accordingly, where applicable, "Unit" and "Unit Owner" shall not only refer to a Commercial Unit Owner or a Whole Time Residential Unit Owner but also a Quarter Unit Owner as it relates to the interpretation and construction of these Bylaws. In certain Sections of the Bylaws, distinction is made where it is deemed to facilitate interpretation or understanding.

ARTICLE 2 THE ASSOCIATION

Section 2.1. Membership. The Association is a Maine corporation, all the members of which are the Unit owners of the Property. The Declarant, being the initial owner of all Units, initially shall constitute all of the members of the Association. A person shall automatically become a member of the Association at the time he acquires legal title to his Unit, and he shall continue to be a member so long as he continues to hold title to such Unit. A Unit owner shall not be permitted to resign from membership in the Association prior to the time when he transfers title to his Unit to another. No membership may be transferred in any way except as appurtenant to the transfer of title to the Unit to which that membership pertains. Transfer of membership shall be automatic upon transfer of title, but the Association may treat the prior Unit owner as the member for all purposes until satisfactory evidence of the recording of the instrument transferring title shall be presented to the Secretary of the Executive Board. The date of recordation of an instrument of conveyance in the Franklin County Registry of Deeds shall be determinative of all disputes concerning the date of transfer of title to any Unit or Units. A mortgage conveyance of all Units, however, shall not operate to transfer membership until the mortgage is foreclosed or the Unit sold in lieu of foreclosure.

Section 2.2. Meetings. Meetings of the Association shall be conducted in accordance with the following:

(a) Annual Meetings.

(1) Unit owners shall hold Annual Meetings for the purposes stated in Section 2.2.(a)(2) hereof (the "Annual Meetings"). The Annual Meeting of Unit owners shall be held on the third Saturday of January of each year unless such date shall be a legal or religious holiday, in which event the meeting shall be held on the next following day.

(2) The purpose of the Annual Meetings of the Association shall be to elect the members of the Executive Board unless such action is being taken pursuant to the provisions of Section 2.2.(g) hereof or Section 3.5. hereof, and to conduct such other business as may be required or permitted by law, the Declaration or these Bylaws to be done by a vote of Unit owners. The Treasurer of the Executive Board shall present at each Annual Meeting a financial

report (prepared and reviewed by an independent certified public accountant) of the receipts and Common Expenses for the Association's immediately preceding fiscal year, itemized receipts and expenditures, the allocation thereof to each Unit owner, and any changes expected for the present fiscal year. A copy of such financial report shall be sent to each Unit owner not less than five days prior to the Annual Meeting.

(b) Special Meetings.

(1) The President shall call a special meeting of the Association if so directed by resolution of the Executive Board or upon petition signed and presented to the Secretary by Unit owners entitled to cast at least twenty percent (20%) of the votes in the Association. The notice of any special meeting shall state the time, the place and purpose thereof. Such meetings shall be held within forty-five days after receipt by the President of said resolution or petition; provided, however, if the purpose includes the consideration of the rejection of a capital expenditure pursuant to Section 5.8. hereof, such meeting shall be held within fifteen days after receipt by the President of said resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.

(2) Within sixty days immediately preceding the date by which all members of the Executive Board must resign pursuant to Section 12.1.(b)(1) of the Declaration, a special meeting of the Association shall be held at which all of the members of the Executive Board shall resign, and the Unit owners, including the Declarant if the Declarant owns one or more Units, shall thereupon elect successor members of the Executive Board to act in the place of those resigning. The successor member receiving the highest number of votes shall serve until the third Annual Meeting of the Association following the date of such election and the successor member receiving the second highest number of votes shall serve until the second Annual Meeting of the Association following the date of such election, and the successor member receiving the next highest number of votes shall serve until the first Annual Meeting following the date of such election. Thereafter each member of the Executive Board shall be elected for a term of one year.

(c) Notice. Notices to Unit owners of meetings of the Association or meetings of the Executive Board which Unit owners who are not Executive Board members are entitled or invited to attend pursuant to Section 3.3.(e) hereof shall be delivered either by hand or by prepaid mail to the mailing address of each Unit or to another mailing address designated in writing by the Unit owner to the Executive Board. If a notice sent to Unit owners pursuant to the foregoing sentence includes an item on the proposed agenda which would require the approval of Eligible Mortgage Holders pursuant to Section 8.2. of the Declaration, a copy of such notice will also be sent to all Eligible Mortgage Holders. All such notices shall be delivered to all Unit owners (and Eligible Mortgage Holders, if applicable) not less than ten nor more than

fifty days in advance of the date of the meeting to which the notice relates and shall state the date, time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws. The Secretary of the Executive Board shall cause all such notices to be delivered as aforesaid. Notice sent by mail shall be deemed to have been delivered on the second day after the date of mailing, in the case of mailed notices or the date of deposit in the Unit owner's (or if applicable, in the Eligible Mortgage Holder's) mailbox in the case of hand delivery. No subject may be dealt with at any Annual Meeting or Special Meeting of the Association, unless the notice for such meeting stated that such subject would be discussed at such meeting.

(d) Quorum. Except as set forth below, the presence in person or by proxy of Unit owners entitled to cast thirty percent (30%) or more of the votes in the Association at the commencement of a meeting shall constitute a quorum at all meetings of the Association. If a quorum is not present, Unit owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time not less than forty-eight hours after the time for which the original meeting was called. If a meeting is adjourned, the quorum at such second meeting shall be deemed present throughout any meeting of the Association if Unit owners entitled to cast thirty percent (30%) or more of the votes in the Association are present in person or by proxy at the beginning of the meeting.

(e) Voting. Voting at all meetings of the Association shall be on the basis provided in Exhibit C attached to the Declaration as amended by Schedule C attached to the Supplemental Declaration. In general, as recited above, there are six (6) Commercial Units, one (1) Residential Unit not subjected to the Quartershare Plan and one hundred nine (109) Units subjected to the Quartershare Plan. As to those Unit Quarters, the Quartershare Owner shall have one fourth (1/4) of the amount of votes originally allocated to the Unit by Schedule C to the Declaration. The intent is that a Quarter Owner shall have a separate and distinct voting right pursuant to these Bylaws and shall be a member of the Association, albeit weighted in proportion to his Quartershare interest. Any and all references hereafter to Exhibit C of the Declaration shall be deemed to include a reference to the Schedule C to the Supplemental Declaration as that Schedule C further defines the votes in the Association for a Quarter Unit Owner. Votes shall be cast only in accordance with Section 5.4 of the Declaration; provided, however, votes may be allocated as provided in the Supplemental Quartershare Declaration. Subject to the requirements of the Act, wherever the approval or disapproval of a Unit owner is required by the Act, the Declaration or these Bylaws, such approval or disapproval shall be made only by the person who would be entitled to cast all the votes of such Unit at any meeting of the Association. Except with respect to the election of members of the Executive Board and except where a greater number is required by the Act, the Declaration or these Bylaws, the vote of more than

fifty percent of the aggregate votes in the Association that are entitled to be cast by the Unit owners present and voting in person or by proxy at a duly convened meeting at which a quorum is present is required to adopt decisions at such meeting of the Association. In all elections for Executive Board members, each Unit owner shall be entitled to cast for each vacancy to be filled at such election the number of votes allocated to the Unit or Units owned by such Unit owner as provided in Exhibit C of the Declaration. Those candidates for election receiving the greatest number of votes cast in such elections shall be elected and, if the Executive Board members are being elected to unequal terms pursuant to Section 2.2.(b)(2) hereof, the candidates receiving the highest number of votes shall be elected to the longest terms, provided that, with respect to any vacancy or vacancies which must be filled by an owner of a Commercial Unit pursuant to Section 12.1(d) of the Declaration, the Commercial Unit owners receiving the greatest number of votes shall be elected to fill such vacancy or vacancies. If the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Association to cast the votes to which such Unit or Units are entitled. No votes allocated to a Unit owned by the Association may be cast. There shall be no cumulative or class voting or splitting of votes.

(f) Proxies. A vote may be cast in person or by proxy by the person entitled to cast votes with respect to a Unit pursuant to Section 5.4 of the Declaration. Such proxy may be granted by a Unit owner only in favor of another Unit owner, the holder of a mortgage on a Unit or the Declarant. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only by actual receipt by the person presiding over the meeting of written notice of revocation from the grantor of the proxy. No proxy shall be valid for a period in excess of one year after the execution thereof. A proxy is void if it is not dated or purports to be revocable without notice.

(g) Actions of Association without a Meeting. Any action required or permitted to be taken by a vote of the Association may be taken without a meeting if all Unit owners shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the proceedings of the Association.

(h) Conduct of Meetings. The President (or in his absence, the Vice-President) shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a Minute Book all resolutions adopted at the meeting as well as keep a record of all transactions occurring at the meeting. The President may appoint a person to serve as parliamentarian at any meeting of the Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration, these Bylaws or the Act. All votes shall be tallied by tellers appointed by the President.

Section 2.3. Copies of Condominium Documents. The Association shall have current copies of the Declaration, these Bylaws, the Rules and Regulations and any other rules concerning the condominium as well as its own books, records and financial statements available for inspection by Unit owners or by holders, insurers and guarantors of first Mortgages secured by Units. These Condominium Documents shall be available during normal business hours.

ARTICLE 3 EXECUTIVE BOARD

Section 3.1. Composition. The affairs of the Association shall be governed by the Executive Board. The Executive Board shall consist of ~~three~~^{*five} natural individuals, all of whom shall be Unit owners, designees of the Declarant or if the Unit owner is an entity or an association, one, and only one, of its principals or officers so designated by such entity or association. As required by Section 12.1(d) of the Declaration, at least one of the ~~three~~^{*five} members of the Executive Board must be the owner of a Commercial Unit.

Section 3.2. Election and Term of Office.

(a) At the Annual Meeting of the Association, subject to Section 12.1 of the Declaration, the election of members of the Executive Board shall be held. The term of office of any Executive Board member to be elected (except as set forth in Sections 2.2.(b)(3) and Section 3.5. hereof) shall be fixed at one year. The members of the Executive Board shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal or resignation. An Executive Board member may serve an unlimited number of terms and may succeed himself.

(b) Persons qualified to be members of the Executive Board may be nominated for election only as follows:

(1) Any Unit owner may submit to the Secretary at least thirty days before the meeting at which the election is to be held a nominating petition signed by Unit owners owning at least two Units in the aggregate, together with the statement that the person nominated is willing to serve on the Executive Board and a biographical sketch of the nominee. The Secretary shall mail or hand deliver the submitted items to every Unit owner together with the notice of such meeting; and

(2) Nominations may be submitted from the floor at a meeting at which the election is held for each vacancy on the Executive Board for which no more than one person has been nominated by petition.

*five (changed to five by vote of the Association on January 21, 1991).

Section 3.3. Meetings. Meetings of the Executive Board shall be conducted in accordance with the following:

(a) Time and Location. The Executive Board shall hold an annual meeting within ten days following the Annual Meeting of the Association for the purpose of electing officers, as more fully set forth in Article 4 hereof, and for any other purpose which may be required or permitted by law, the Declaration or these Bylaws to be done by a vote of the Executive Board. The Executive Board shall hold meetings at the call of the President or upon request to the President of the Executive Board by at least one-third (1/3) of the members of the Executive Board; provided however that:

(1) In any event, the Executive Board shall meet at least three times each fiscal year (in addition to the annual meeting of the Executive Board), unless all members of the Executive Board shall waive such requirements as to a particular meeting or meetings;

(2) The first such Executive Board meeting shall be held promptly after the date on which the Declaration is recorded; and

(3) There shall be a meeting of the Executive Board during the second full calendar week of the last month of each fiscal year for the purpose of adopting the budget of the Association for the next following fiscal year of the Association.

(4) The President shall call any Executive Board meeting requested by one-third (1/3) of the members of the Executive Board for a date occurring not less than five nor more than twenty days after receipt of such request.

The President shall designate the time and location of Executive Board meetings. No business shall be transacted at Executive Board meetings other than as specified in the notice thereof.

(b) Notice. Not less than forty-eight hours prior to the time of any Executive Board meeting, a written notice stating the date, time and place of such meeting shall be delivered, either by hand or mail or telegram, to each Executive Board member at the address given to the Executive Board by such Executive Board member for such purpose. Any Executive Board member may waive notice of a meeting or consent to any action of the Executive Board without a meeting. An Executive Board member's attendance at a meeting shall constitute his waiver of notice of such meeting.

(c) Quorum of the Executive Board. At all meetings of the Executive Board a majority of the members shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute a decision of the Executive Board. If at any meeting of the Executive Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to

time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Executive Board may participate in and be counted for quorum purposes at any meetings by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

(d) Voting. Each Executive Board member shall be entitled to cast one vote. A vote of the majority of the members of the Executive Board present at any meeting at which a quorum is present shall bind the Executive Board for all purposes unless otherwise provided in the Declaration or these Bylaws.

(e) Organization. Executive Board meetings may be held under such reasonable rules consistent with these Bylaws as the Executive Board may determine. The Executive Board is hereby entitled to promulgate such rules. Except for the meeting to approve the budget of the Association referred to in Section 3.3.(a)(3) of these Bylaws, Unit owners who are not Executive Board members shall have no right to attend Executive Board meetings but the Executive Board may, in its sole discretion, elect to allow such Unit owners to attend a particular meeting or meetings. If the Executive Board does elect to allow Unit owners who are not Executive Board members to attend a particular meeting or meetings, the Secretary of the Executive Board shall give prior notice, in the manner provided in Section 2.2.(c) hereof, to all Unit owners of each meeting at which Unit owners are entitled or invited to be present; provided, however, that the failure to give such notice shall neither invalidate any actions taken by the Executive Board at such meeting nor impose any liability on the Executive Board or its officers and/or members for the failure to give such notice. All Unit owners shall have the right to attend and be heard, but not the right to vote, at the Executive Board meeting at which the fiscal year budget of the Association shall be presented to the Executive Board for adoption. The Secretary of the Executive Board shall give Unit owners notice of such meeting, accompanied by a copy of the proposed budget, in the manner provided in Section 2.2.(c) hereof.

(f) Conduct of Meetings. The President, or in the President's absence the Vice President, shall preside over all meetings of the Executive Board and the Secretary shall keep a Minute Book of the Executive Board meetings, recording therein all resolutions adopted by the Executive Board and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meeting of the Executive Board if and to the extent such Rules are not in conflict with the Declaration, these Bylaws or the Act.

(g) Action without a Meeting. Any action by the Executive Board required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Executive Board shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Executive Board.

Section 3.4. Resignation and Removal. Except with respect to members designated by Declarant, at any regular or special meeting of the Association duly called, any one or more of the members of the Executive Board may be removed with or without cause by Unit owners entitled to cast a majority of all votes in the Association and a successor may then and there be elected to fill the vacancy thus created. Any Unit owner proposing removal of a Board Member shall give notice thereof to the Secretary. Any member whose removal has been proposed by a Unit owner shall be given at least ten days notice by the Secretary of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to his Unit. The Declarant shall have the right to remove and replace any and all members appointed by the Declarant at any time and from time to time until the required resignation date specified in Section 12.1.(b) of the Declaration.

Section 3.5. Vacancies. Any vacancy or vacancies on the Executive Board, whether caused by resignation, removal, death, adjudication of incompetency, or an increase in size of the Executive Board, shall be filled by the Executive Board with an interim appointee who shall serve until the next Annual Meeting of the Association at which time such vacancy may be filled by vote of the Unit owners in accordance with Section 2.2(e) of these Bylaws; provided, however, that the Declarant shall have the right to fill any vacancy created by the resignation, death, or adjudication of incompetency of a member who had been appointed by the Declarant and had not been elected by the Unit owners. If the vacancy results from removal by the Association, the election of a new member or members may be held at the same meeting where such removal takes place and notice of an election for removal shall be considered notice of an election to fill each vacancy so caused. The vote of more than fifty percent of the votes of the Unit owners present at such meeting in person or by proxy shall cause the postponement of the election to a later date, but if such vacancy is not filled within sixty days after it occurs, the Executive Board shall promptly thereafter elect a replacement.

Section 3.6. Compensation. No member of the Executive Board shall receive compensation for performing his duties as a member of the Executive Board unless such compensation is expressly authorized or approved at any Annual or Special Meeting of the Association.

Section 3.7. Validity of Contracts with Interested Executive Board Members. No contract or other transaction between the Association and one or more of its Executive Board members or between the Association and any corporation, firm or association in which one or more of the Executive Board members are directors or officers, or are financially interested, shall be void or voidable because such Executive Board member or members are present at any

meeting of the Executive Board which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

(a) The fact that an Executive Board member is also such a director or officer or has such financial interest is disclosed or known to the Executive Board and is noted in the minutes thereof, and the Executive Board authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such Executive Board member or members; or

(b) The contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved or ratified.

Section 3.8. Inclusion of Interested Executive Board Members in a Quorum. Any Executive Board member holding such director or officer position or having such financial interest in another corporation, firm or association may be counted in determining the presence of a quorum at a meeting of the Executive Board or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 3.7 hereof.

Section 3.9. Powers of the Executive Board.

(a) Enumeration. The Executive Board shall have all of the powers and duties granted by the Act and the laws governing unincorporated associations or both.

(b) Limitation. Nothing in this Section or elsewhere in these Bylaws shall be considered to grant to the Executive Board or to the officers of the Association any powers or duties which, by law, are possessed by Unit owners. Unless otherwise provided herein or in the Declaration, the Executive Board shall comply with the instructions of the Unit owners as expressed in a resolution duly adopted at any Annual or Special Meeting of the Association.

(c) Delegation of Powers; Managing Agent. The Executive Board may employ for the Condominium a managing agent at a compensation established by the Executive Board. The managing agent shall perform such duties and services as the Executive Board shall authorize, including, but not limited to, all of the duties listed in the Act, the Declaration and these Bylaws; provided, however, where a managing agent does not have the power to act under the Act, the Declaration or these Bylaws, the managing agent may act as an advisor or in an advisory capacity to the Executive Board. The Executive Board may delegate to the managing agent all of the powers granted to the Executive Board by the Act, the Declaration and these Bylaws other than the following powers: (i) to adopt an annual budget and any amendment thereto or to assess Common Expenses; (ii) to adopt, repeal or amend rules and regulations; (iii) to designate signatories on Association bank accounts; (iv)

to borrow money on behalf of the Association; (v) to acquire mortgages on Units; and (vi) to assign Common Elements as Limited Common Elements. Any contract with the managing agent must provide that it shall be cancellable by either party without cause and without a termination fee upon not less than thirty days or more than ninety days written notice and shall be cancellable by the Executive Board with cause upon not less than thirty days written notice. Any such contract negotiated by the Declarant shall not exceed one year but may be renewed upon consent of the Association.

ARTICLE 4 OFFICERS

Section 4.1. Election. At the first meeting of the Executive Board, and at every annual meeting of the Executive Board thereafter the Executive Board members, if a quorum is present, shall elect officers of the Association for the following year, such officers to serve for a one year term and until their respective successors are elected. The officers to be elected are: President, Vice President, Secretary, Treasurer and such other officers as the Executive Board shall determine. Each officer may serve an unlimited number of terms so long as such member or officer continued to be re-elected to the Executive Board. Any member may hold two offices simultaneously, except that the President shall not hold any other office.

Section 4.2. Duties. The duties of the officers shall be as follows:

(a) President. The President shall be the chief executive officer of the Association and the chairperson of the Executive Board. The President shall be responsible for implementing the decisions of the Executive Board and in that capacity shall direct, supervise, coordinate and have general control over the affairs of the Association and the Executive Board, subject to the limitations of the laws of the State of Maine, the Condominium Documents and the actions of the Executive Board. The President shall have the power to sign checks and other documents on behalf of the Association and the Executive Board, or both, with or without the signatures of any other officers as may be determined by the Executive Board. The President shall preside at all meetings of either body at which he is in attendance and shall be a member of all committees. If the President and the Vice President are absent from such meetings the senior officer of the Association present at such meeting shall preside, and in the absence of any officer, the body holding the meeting shall elect a person to preside. If the Executive Board so provides, the President also shall have any or all of the powers and duties ordinarily attributable to the chief executive officer of a corporation domiciled in Maine.

(b) Vice President. Unless otherwise determined by a resolution of the Executive Board, the Vice President shall in the absence of the President, exercise the powers and perform the duties of the President. The Vice President shall perform such other duties and have such other powers as the Executive Board may designate from time to time.

(c) Secretary. Unless otherwise determined by the Executive Board, the Secretary shall keep or cause to be kept all records (or copies thereof if the original documents are not available to the Association) of the Association and the Executive Board and shall have the authority to affix the seal of the Association to any documents requiring such seal. The Secretary shall give or cause to be given all notices as required by law, the Declaration or these Bylaws, shall take and keep or cause to be taken and kept minutes of all meetings of the Association, the Executive Board and all committees, and shall take and keep or cause to be taken and kept at the Association's office a record of the names and addresses of all Unit owners as well as copies of the Declaration, the Plats and Plans, these Bylaws and the Rules and Regulations, all of which shall be available at the office of the Association for inspection by Unit owners or prospective Unit owners during normal business hours and for distribution to them at such reasonable charges (if any) as may be set from time to time by the Executive Board. The Secretary shall keep or cause to be kept the register of Eligible Mortgage Holders. The Secretary shall also perform all duties and have such other powers as are ordinarily attributable to the secretary of a corporation domiciled in Maine.

(d) Treasurer. Unless otherwise determined by the Executive Board, the Treasurer shall have the charge and custody of, and be responsible for, all funds and securities of the Association, shall deposit or cause to be deposited all such funds in such depositories as the Executive Board may direct, shall keep or cause to be kept correct and complete accounts and records of all financial transaction of the Association and the Executive Board and shall submit or cause to be submitted to the Executive Board and the Association such reports thereof as the Act, the Declaration, the Executive Board or these Bylaws may from time to time require. Such records shall include, without limitation, chronological listings of all receipts and expenditures on account of the Common Elements, Limited Common Elements and each Unit, the amount of each assessment for Common Expenses and expenses assessable to individual Units, if any, and the amount paid and the amounts due on such assessments. Such records shall specify and itemize the maintenance, repair and replacement expenses relating to the Common Elements and the Limited Common Elements and any other expenses incurred by the Association. The foregoing financial records shall be kept at the Association's office and shall be available there for inspection by Unit owners or prospective Unit owners during normal business hours. The Treasurer shall, upon request, provide any person who shall have entered into a written agreement to purchase a Unit with a written statement of the information required to be provided by the Association pursuant to

Sections 1603-116(h) and 1604-108(b) of the Act. The Treasurer shall also perform such duties and have such powers as are ordinarily attributable to the treasurer of a corporation domiciled in Maine.

Section 4.3. Compensation. The officers of the Executive Board shall serve without compensation for their services in such capacity unless such compensation is expressly authorized or approved at any Annual or Special Meeting of the Association.

Section 4.4. Resignation and Removal. Any officer may resign at any time by written notice to the Executive Board, such resignation to become effective at the next Executive Board meeting. Any officer who ceases to be a member of the Executive Board for any reason also shall be deemed to have resigned or been removed, ipso facto, from any Executive Board office he may have held. Any officer may be removed from his office at any time by a majority vote of the Executive Board whenever in the judgment of the Executive Board Members the interests of the Association will be best served thereby, or by the vote of the Association with or without cause, in the same manner as set forth for the removal of Executive Board members in Section 3.4. hereof.

Section 4.5. Vacancies. Vacancies caused by resignation or removal of officers or the creation of new offices may be filled by a majority vote of the Executive Board members, if the vacancy resulted from action of the Executive Board. If, however, the vacancy resulted from action by the Association, such vacancy shall be filled in the same manner as set forth in Section 3.5. hereof for filling Executive Board vacancies.

ARTICLE 5 COMMON EXPENSES: BUDGETS

Section 5.1. Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by the Executive Board; provided, however, that the first fiscal year shall begin upon the recordation of the Declaration and end on December 31 of the same year.

Section 5.2. Preparation and Approval of Budget.

(a) Adoption. On or before the first day of November of each year (or sixty days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall adopt an annual budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Executive Board to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Act, the Declaration, these Bylaws or a

resolution of the Association and which will be required during the ensuing fiscal year for management and administration expenses; the estimated cost of repairs, maintenance and replacement of Common Elements and Limited Common Elements; the cost of such insurance and utilities as may be furnished by the Association; the amount of such reserves as shall be reasonably established by the Executive Board including operating contingency reserves for expenses both unanticipated and extraordinary and reserves for periodic maintenance, repair and replacement of the Common Elements and Limited Common Elements; and such other expenses of the Association as may be approved by the Executive Board including operating deficiencies, if any, for prior periods.

(b) Available for Inspection. On or before the next succeeding fifth day of November (or fifty-five days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall make the budget available for inspection at the Association office and shall mail to each Unit owner a summary of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses. Such budget shall constitute the basis for determining each Unit owner's assessments for Common Expenses of the Association.

(c) Ratification of Budget. The Executive Board shall set a date for a meeting of the Unit owners to consider ratification of such budget not less than fourteen (14) days nor more than thirty (30) days after mailing of such summary. Unless at that meeting Unit owners entitled to cast more than fifty percent (50%) of the votes in the Association reject such budget, such budget is ratified, whether or not a quorum is present. In the event such proposed budget is rejected, the budget last ratified by the Unit owners shall be continued until such time as the Unit owners ratify a subsequent budget proposed by the Executive Board.

(d) Reasonable Efforts. The Executive Board shall make reasonable efforts to meet the deadlines set forth above, but compliance with such deadlines shall not be a condition precedent to the effectiveness of any budget.

Section 5.3. Assessment and Payment of Common Expenses.

(a) Common Expenses. The Executive Board shall calculate the monthly assessments for Common Expenses against each Unit by multiplying (i) the total amount of the estimated funds required for the operation of the Property set forth in the budget adopted by the Executive Board for the fiscal year in question by (ii) the Percentage Interest of each Unit in the Condominium and dividing (iii) the result by the number of calendar months in such fiscal year. Such assessments, payable in monthly installments, shall be due and payable on the first day of each calendar month and shall be a lien against each Unit owner's Unit as provided in the Act and the Declaration. Within ninety days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Unit owner and to each record holder of a first mortgage on a Unit who

has registered an address with the Secretary an itemized accounting of the Common Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves. Any net shortage with regard to Common Expenses, after application of such reserves as the Executive Board may determine, shall be assessed promptly against the Unit owners in accordance with their Percentage Interest and shall be payable as a Special Assessment, in such manner as the Executive Board may determine.

(b) Working Capital Fund. A working capital fund shall be established equal to at least one-sixth (1/6) of the estimated annual Common Expense liability for the first full year of operations. The proportionate share for each Unit (based on its Percentage Interest) shall be collected and transferred to the Association at the time of sale of each Unit and shall be maintained in a segregated account for the use and benefit of the Association. Such amounts shall not be considered as advance payment of regular assessments.

(c) Reserves. Extraordinary expenditures not originally included in the annual budget which may become necessary during the fiscal year may be charged first against reserves for working capital, operations and contingencies. If the reserves are deemed to be inadequate for any reason, including non-payment of any Unit owner's assessments, the Executive Board may at any time levy further assessments for Common Expenses which shall be assessed against the Unit owners in accordance with their Percentage Interests and shall be payable as a Special Assessment, in such manner as the Executive Board may determine.

(d) Interpretation/Construction. References made to the general discussion set forth above in Article 1 subsection 1.7 of these Bylaws. It is noted that the terms "Common Expenses" as included herein is a general one and includes reference to expenses of not only the Condominium but of also the Quartershare Plan as defined in the Supplemental Declaration. Nonetheless, it is recognized that certain of the Units will not be assessed for portions of these "Common Expenses" attributable to the Quartershare Plan. For example, the Commercial Units will simply pay their allocable share of the budget attributable to the Condominium. Similarly, those Residential Unit owners who have not submitted their Units to the Supplemental Quartershare Declaration will likewise not be subjected to the additional budgeted items relating to the Common Expenses described in the Supplemental Declaration.

Section 5.4. Further Assessments. The Executive Board shall serve notice on all Unit owners of any further assessments pursuant to Sections 5.3.(a), or 5.3.(c) or otherwise as permitted or required by the Act, the Declaration and these Bylaws by a statement in writing giving the amount and reasons therefor, and such further assessments, unless otherwise specified in the notice, shall become effective with the next monthly assessment which is

due more than ten days after the delivery of such notice of further assessments. All Unit owners so assessed shall be obligated to pay the amount of such monthly assessments. Such assessments shall be a lien as of the effective date as set forth in Section 5.3 above.

Section 5.5. Initial Budget. At or prior to the time assessment of Common Expenses commences, the Executive Board shall adopt the budget, as described in this Article, for the period commencing on the date the Executive Board determines that assessments shall begin and ending on the last day of the fiscal year during which such commencement date occurs. Assessment shall be levied and become a lien against the Unit owners during such period as is provided in Section 5.3. above.

Section 5.6. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Executive Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit owner's obligation to pay his allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit owner shall continue to pay each monthly assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

Section 5.7. Accounts; Audits. All sums collected by the Executive Board with respect to assessments against the Unit owners or from any other source may be commingled into a single fund. All books and records of the Association shall be kept in accordance with good and accepted accounting practices and the same shall be reviewed at least once each year by an independent accountant retained by the Executive Board. The Association shall make a reviewed statement for the preceding fiscal year available to any holder, insurer or guarantor of a first Mortgage secured by any Unit who submits a written request therefor to the Association.

Section 5.8. Limitations on Expenditures and Borrowing. Anything herein to the contrary notwithstanding, the Association, by a vote of more than fifty percent (50%) of all votes in the Association, may reject any capital expenditure or borrowing approved by the Executive Board, within thirty days after approval by the Executive Board.

Section 5.9. Statement of Common Expenses. The Executive Board shall promptly provide any Unit owner, contract purchaser or proposed mortgagee so requesting the same in writing with a written statement of all unpaid assessments for Common Expenses and Limited Expenses, if any, due from such Unit owner. The Executive Board may impose a reasonable charge for the preparation of such statement to cover the cost of its preparation, to the extent permitted by the Act.

ARTICLE 6
REPAIR OR RECONSTRUCTION

Section 6.1. Restoration of Property Out of Common Expense Fund. Damage to or destruction of the Building shall be promptly repaired and restored by the Association in accordance with the provisions of Article 9 of the Declaration and Sections 1603-113(e) and (h) of the Act. The Executive Board shall be responsible for accomplishing the full repair or reconstruction which shall be paid out of the Common Expense fund. The disbursements of funds for such repair or reconstruction shall, at the option of the Executive Board, be made only as the work progresses upon approval of a qualified architect who shall have furnished a description satisfactory to the Executive Board of the costs involved and the services and materials to be furnished by the contractors, subcontractors and materialmen. Unit owners may apply the proceeds from their individual property insurance policies, if any, to the share of such Common Expense as may be assessed to them. The Executive Board shall be responsible for restoring the Property only to substantially the same condition as it was immediately prior to the damage and each Unit owner shall personally assume the additional expense of any improvements to his Unit which he desires, to restore it beyond such condition. If any physical changes are made to any restored Unit or the Common Elements, or any combination of them, which renders inaccurate the Plats and Plans which are then of record, the Executive Board shall record amended Plats and Plans showing such changes.

ARTICLE 7
SEPARATE REAL ESTATE TAXES

Section 7.1. Assessments Against Individual Units. In the event that, commencing with the taxable period during which occurs the first conveyance of a Unit to a person other than the Declarant, real estate taxes are not separately assessed against each Unit owner, but rather are assessed against the Property as a whole, then each Unit owner (including the Declarant, as to the Units then owned by it) shall pay his proportionate share thereof in accordance with his respective Percentage Interest in the Common Elements.

ARTICLE 8
AMENDMENTS

Section 8.1. General Requirements; Consent of Declarant or Holders of Mortgages; Curative Amendments to Bylaws. Except as otherwise provided in any one or more of these Bylaws, the Declaration or the Act, these Bylaws may be amended by the vote of the Unit owners entitled to cast a majority of the votes in the Association which are cast, in person or by proxy, at a meeting duly held in accordance with the provisions of these Bylaws; provided, however that if such amendment shall make any change

which would have a material effect upon any rights, privileges, powers and options of the Declarant, such amendment shall require the joinder of the Declarant to the extent permitted by the Act; and further provided that no amendment seeking (1) to abandon, partition, subdivide, encumber, sell or transfer any portion of the Common Elements, or (ii) to abandon or terminate the condominium form of ownership of the Property except as otherwise provided in the Declaration, shall be effective without the prior written approval of Eligible Mortgage Holders representing at least sixty-seven percent (67%) of the votes of Units that are subject to mortgages held by Eligible Mortgage Holders. Notwithstanding the foregoing, amendments of a material nature must be approved by Unit owners entitled to cast at least sixty-seven percent (67%) of the total allocated votes in the Association and by Eligible Mortgage Holders representing at least fifty-one percent (51%) of the votes of Units subject to Mortgages hold by Eligible Mortgage Holders. A change to any of the following would be considered material:

- (a) voting rights;
- (b) assessments, assessment liens, or subordination of assessment liens;
- (c) reserves for maintenance, repair and replacement of Common Elements;
- (d) responsibility for maintenance and repairs;
- (e) reallocation of interests in the Common or Limited Common Elements, or rights to their use;
- (f) boundaries of any Unit;
- (g) convertibility of Units into Common Elements or vice versa;
- (h) expansion or contraction of the Condominium; or the addition, annexation or withdrawal of property to or from the Condominium;
- (i) insurance of fidelity bonds;
- (j) leasing of Units;
- (k) imposition of any restriction on a Unit owner's right to sell or transfer his or her Unit;
- (l) a decision by the Association to establish self-management when professional management had been required previously by an Eligible Mortgage Holder;
- (m) restoration or repair of the Condominium (after a hazard damage or partial condemnation) in a manner other than that specified in the Condominium Documents;
- (n) any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs; or
- (o) any provisions that expressly benefit mortgage holders, insurers or guarantors.

Additionally, if any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of these bylaws that is defective,

missing or inconsistent with any other provision hereof, or with the Act or the Declaration, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to condominium projects, then at any time and from time to time the Executive Board, acting through the President or any Vice President, may effect an appropriate corrective amendment without the approval of the Unit owners or the holders of any liens on all or any part of the Property, upon receipt by the Executive Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

Section 8.2. Amendments to the Declaration. The Declaration may be amended pursuant to the provisions of the Act and the Declaration. The President or any Vice President is empowered to prepare and execute any amendments to the Declaration on behalf of the Association and the Secretary or any Assistant Secretary is empowered to attest, seal with the Association's corporate seal and record any such amendments on behalf of the Association.

Section 8.3. Special Notice Requirements. Proposed amendments to these Bylaws must be mailed or hand-delivered to each member of the Association not less than ten nor more than fifty days prior to the meeting at which the proposed amendment is submitted to the Association for consideration and vote. Upon motion supported by 10% of the votes of the Association, the vote on any proposed amendment may be postponed until the next regular or special meeting of the Association.

ARTICLE 9 GENERAL PROVISIONS

Section 9.1. Severability. The provisions of these Bylaws shall be deemed independent and severable and the invalidity, partial invalidity or unenforceability of any provision or portion hereof shall not effect the validity or enforceability of any other provision or portion thereof unless the deletion of such invalid or unenforceable provision shall destroy the uniform plan for development and operation of the condominium project which the Declaration (including the Plats and Plans and these Bylaws) is intended to create.

Section 9.2. Conflicts. The Act and the Declaration shall control in the event of any conflict between the provisions thereof and the provision of these Bylaws. The Act, the Declaration and these Bylaws shall control in the case of any conflict between the provisions thereof and the provisions of the Rules and Regulations.

Section 9.3. Notices. All notices or other communications required or permitted under these Bylaws shall be in writing and shall be deemed to have been given when personally delivered or on the second business day after the day on which mailed by certified mail, return receipt requested, postage prepaid (or otherwise as the Act may permit), (a) if to a Unit owner at the single address which the Unit owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Unit owner, or (b) if to the Association, the Executive Board or to the managing agent, at the principal office of the Association and the managing agent or at such other address as shall be designated by notice in writing to the Unit owners pursuant to this Section. If a Unit is owned by more than one person, each such person who so designates a single address in writing to the Secretary shall be entitled to receive all notices hereunder.

Section 9.4. Headings. The headings preceding the various Sections of these Bylaws and the Table of Contents are intended solely for the convenience of readers of the Bylaws and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.

Section 9.5. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders, and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

ARTICLE 10 CORPORATE SEAL

Section 10.1. Seal. The form of the seal of the Association shall contain the name of the Association and the State of Maine.

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EXHIBIT C TO
PUBLIC OFFERING STATEMENT
SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

SUGARLOAF MOUNTAIN CENTER CONDOMINIUM ASSOCIATION

**Summary of
Monthly Assessments Against
Quartershared Units¹**
(Based on 1995 Budgets)

Type (Example)	Monthly Common Expense Charges (Per Unit Quarter)	Monthly Residential Limited Common Expense Charges (Per Unit Quarter)	Monthly Limited Common Expense Quartershare Charges (Per Unit Quarter)	Total Monthly Charges (Per Unit Quarter)
A (112)	49.00	45.94	6.06	101.00
B (503)	52.50	49.22	7.28	109.00
C (301)	63.88	59.72	8.40	132.00
D (412)	42.88	40.64	5.43	89.00
E (605)	84.88	79.40	10.72	175.00
F (226)	75.25	70.88	9.87	156.00
G (521)	56.00	52.50	7.50	116.00
H (325)	98.88	92.53	12.59	204.00
I (526)	81.38	76.13	10.49	168.00
J (320)	93.63	85.31	12.06	191.00
JJ(520)	46.81	42.65	6.54	96.00
K (332)	94.50	87.28	12.22	194.00
L (524)	114.63	105.00	14.37	234.00
M (Sugarloaf)	266.88	249.38	32.74	549.00
N (Bigelow)	277.38	257.91	33.71	569.00
O (228)	52.50	49.22	7.28	109.00
P (321, 324)	84.00	78.09	10.91	175.00
Q (326, 330)	49.00	45.94	6.06	101.00

1. THE CHARGES SHOWN ON THIS SUMMARY ARE DERIVED FROM THE ANNUAL BUDGETS ADOPTED BY THE EXECUTIVE BOARD AND RATIFIED OR TO BE RATIFIED BY THE ASSOCIATION, COPIES OF WHICH ARE SET FORTH ON THE FOLLOWING THREE PAGES. ALL CHARGES SHOWN ON THIS SUMMARY SHEET ARE SUBJECT TO CHANGE FROM TIME TO TIME AND WILL INCREASE IF THE ASSOCIATION'S COSTS INCREASE OR IF ESTIMATES OF FUTURE COSTS PROVE TO BE INADEQUATE.

SUGARLOAF MOUNTAIN CENTER CONDOMINIUM ASSOCIATION
1995 COMMON EXPENSE BUDGET
(APPLIES TO ALL UNITS)

Water and sewer	\$ 41,800.
Trash Removal	2,500.
Fuel and Power	22,000.
Security	11,000.
Landscape Maintenance	9,700.
Building Maintenance	50,500.
Insurance	27,000.
General and Administrative	23,000.
Building Reserve	20,000.
Public Space Housekeeping	145,000.
	=====
TOTAL ESTIMATED COMMON EXPENSES	\$420,000.

Assessment per Unit type:

<u>Type:</u>	<u>Example of Type</u>	<u>Percent Common Expense Liability (Whole Unit)²</u>	<u>Monthly (per Whole Unit)³</u>	<u>Monthly (per Unit Quarter)</u>
A	112	.56%	196.00	49.00
B	503	.60%	210.00	52.50
C	301	.73%	255.50	63.88
D	412	.49%	171.50	42.88
E	605	.97%	339.50	84.88
F	226	.86%	301.00	75.25
G	521	.64%	224.00	56.00
H	325	1.13%	395.50	98.88
I	526	.93%	325.50	81.38
J	320	1.07%	374.50	93.63
JJ	520	.535%	187.25	46.81
K	332	1.08%	378.00	94.50
L	524	1.31%	458.40	114.63
M	Sugarloaf Suite	3.05%	1,067.50	266.88
N	Bigelow Suite	3.17%	1,109.50	277.38

2. Taken from Declaration of Sugarloaf Mountain Center Condominium as amended at Book 1248, Pages 320-22. (See Exhibit A-5 to Public Offering Statement). Total square footage of all Units is 71,374.10.
3. The monthly assessment to each Unit for Common Expenses (and Limited (Footnote 3 continued on next page)

<u>Type:</u>	<u>Example of Type</u>	<u>Percent Common Expense Liability (Whole Unit)²</u>	<u>Monthly (per Whole Unit)³</u>	<u>Monthly (per Unit Quarter)</u>
O	228	.60%	210.00	52.50
P	321, 324	.96%	336.00	84.00
Q	326, 330	.56%	196.00	49.00
Commercial	C-1	6.91%	2,418.50	N/A
Units:	C-2	2.24%	784.00	N/A
	C-2A	.62%	217.00	N/A
	C-2B	1.12%	392.00	N/A
	C-2C	1.71%	598.50	N/A
	C-3	2.16%	756.00	N/A
	C-4	.48%	168.00	N/A
	C-5	1.04%	364.00	N/A
	C-6A	1.28%	448.00	N/A
	C-6B	2.49%	871.50	N/A

(Footnote 3 continued from previous page)

Common Expenses if applicable to that Unit) is determined (a) by multiplying the assessment levied by the Association annually for Common Expenses (and Limited Common Expenses if applicable to that Unit), (b) by the Common Expense Liability of that Unit, and (c) dividing the result by twelve (12).

SUGARLOAF MOUNTAIN CENTER CONDOMINIUM ASSOCIATION

**1995 LIMITED COMMON EXPENSE BUDGET
FOR RESIDENTIAL UNITS
(APPLIES TO ALL UNITS OTHER THAN THE COMMERCIAL UNITS)**

Front desk	\$ 95,000.
Housekeeping/Janitorial	47,500.
Cable T.V.	33,500.
Telephone	21,200.
Interior Maintenance ⁵	23,500.
Furniture Reserve	40,000.
General and Administrative	25,500.
Water & Sewer	28,800.
	=====
TOTAL ESTIMATED LIMITED COMMON EXPENSES	\$315,000.

Assessment per Unit type:

<u>Type:</u>	<u>Example of Type</u>	<u>Percent Common Expense Liability (Unit Quarter)⁴</u>	<u>Monthly (per Unit Quarter)</u>
A	112	.70%	45.94
B	503	.75%	49.66
C	301	.91%	59.72
D	412	.62%	40.69
E	605	1.21%	79.40
F	226	1.08%	70.88
G	521	.80%	52.50
H	325	1.41%	92.53
I	526	1.17%	76.13
J	320	1.34%	85.31
JJ	520	.67%	42.65
K	332	1.34%	87.28

4. These percentages are derived by dividing the square footage of the Unit by the total square footage of all the Residential (non-Commercial) Units (57,057.2 square feet).

5. Includes cleaning of residential common areas, health club cleaning and maintenance, and deep cleaning of Quartershared Units above and beyond routine daily rental cleaning.

<u>Type:</u>	<u>Example of Type</u>	<u>Percent Common Expense Liability (Unit Quarter)⁴</u>	<u>Monthly (per Unit Quarter)</u>
L	524	1.64%	105.00
M	Sugarloaf Suite	3.82%	249.38
N	Bigelow Suite	3.96%	257.91
O	228	.75%	49.22
P	321, 324	1.20%	78.09
Q	326, 330	.70%	45.94

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09542

GENERAL DECLARATION OF COVENANTS AND RESTRICTIONS

THIS DECLARATION, made this 11th day of December 1986, by and between Mountainside, a Maine corporation (herein called "Declarant") and Sugarloaf Mountain Corporation, a Maine corporation (herein called "Grantee").

1. DECLARATION PURPOSES:

1.1 General Purposes: Declarant is the Owner of certain real property located in Carrabassett Valley, Franklin County, Maine, described in Article 3.1 hereof, and desires to create therein a residential and commercial condominium community.

Declarant desires to provide for the preservation of the values and amenities in said community and for the maintenance of the common facilities therein and thereon and to this end desires to subject the real property described in Article 3.1 (the "Existing Properties") to the covenants, restrictions, easements, charges, and liens hereinafter set forth, each and all of which is and are for the benefit of said Existing Properties, and each Owner thereof, and for the benefit of the Benefitted Property, as hereinafter described, and each Owner thereof.

Grantee is the owner of certain real property (hereinafter called "Benefitted Property"), being described as follows: all real property of Grantee in said Carrabassett Valley. The Benefitted Property is adjacent and in proximity to the Existing Properties and activities on the Existing Properties have direct and indirect effects on the Benefitted Property. Said Mountainside hereby transfers, assigns and grants to said Sugarloaf Mountain Corporation, its successors and assigns, all rights reserved, created or described herein benefitting the Declarant, which rights shall take effect upon the recording of this document in Franklin County Registry of Deeds. From and after the date of such assignment, any right to be exercised, standards or conditions to be established or imposed, or consent to be given by the Declarant shall be exercised, established, given or imposed by the Grantee.

1.2 Declaration: To further the general purposes herein expressed, Declarant, for itself, its successors and assigns, hereby declares that all real property hereinafter described in Article 3.1 as "Existing Properties," at all times is and shall be held, transferred, sold, conveyed and occupied subject to covenants, restrictions, easements, charges and liens, herein created, reserved or described, which covenants,

restrictions, easements, charges and liens are also hereby given, granted and conveyed as an easement by Declarant, its successors and assigns to Grantee, its successors and assigns, for the benefit of the Benefitted Property (sometimes hereinafter referred to as the "Covenants and Restrictions"). The Covenants and Restrictions shall be considered as real covenants running with the land, not as conditions or restraints on alienability, and shall remain in force as herein provided and shall be binding upon the Declarant herein, its successors and assigns and the Grantee herein, its successors and assigns. The Covenants and Restrictions are imposed upon the Existing Properties for the benefit of the Benefitted Property and the Existing Properties as well as for the benefit of the owners of the Benefitted Property and the owners of the Existing Properties, their respective heirs, personal representatives, devisees, successors and assigns. All of the Covenants and Restrictions shall be enforceable either in law or in equity by the Declarant, the Grantee and by the Owner or Owner of all or any part of the Existing Properties or the Benefitted Property, their respective heirs, devisees, successors and assigns, which Covenants and Restrictions are as follows:

2. **DEFINITIONS:** The following words and terms, when used in this Declaration or any supplemental declaration (unless the context indicates otherwise), shall have the following meaning:

2.1 "Association" or "Association of Owners" shall mean any duly constituted condominium association or homeowners association having responsibility for the Existing Properties.

2.2 "Benefitted Property" shall mean all real property of Grantee in said Carrabassett Valley.

2.3 "Common Properties" shall mean and refer to any real property, and improvements or portions of improvements thereon, and any personal property or equipment which such property constitutes common elements under any condominium declaration or otherwise is conveyed to any of the Owners generally or to any Association of Owners or some of them.

2.4 "Declaration" shall mean this General Declaration of Covenants and Restrictions as supplemented and amended from time to time.

2.5 "Design Guidelines" shall mean the Sugarloaf/USA Design Review Process and Design Guidelines, as the same may be adopted, amended or supplemented from time to time.

2.6 "Dwelling" shall mean and refer to any residential condominium Unit, any building, or any portion of a multifamily structure, situated upon the Properties and designed and intended for use and occupancy as a residency by a single family, whether attached to or detached from other structures or Dwellings.

2.7 "Enclosed Dwelling Area" shall mean that portion of a Dwelling which is enclosed and customarily used for dwelling purposes, but shall not include porches, terraces, breezeways, garages, carports, sheds, decks or dwelling accessory buildings.

2.8 "Existing Properties" shall mean and refer to the real estate described in Article 3.1 hereof.

2.9 "Multifamily structure" shall mean and refer to any building containing two or more Dwellings under one roof.

2.10 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title, or that estate or interest which is most nearly equivalent to a fee simple title, to any Unit situated upon the Existing Properties, but shall not mean or refer to any mortgage holder thereof unless and until such holder has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

2.11 "The Properties" shall mean and refer to the Existing Properties.

2.12 "Sign Guidelines" shall mean the Sugarloaf/USA Sign Guidelines as the same may be adopted, supplemented or amended from time to time.

2.13 "Single Family" shall mean one or more persons, each related to the other by blood, marriage or adoption, or a group of not more than four (4) persons not all so related, together with his or their domestic servants, maintaining a common household in a Dwelling.

2.14 "Story" shall mean that portion of a Dwelling or building in which a Dwelling or Unit is contained included between the surface of any floor and the surface of a floor next above, or if there is no floor above, the space between the floor and the ceiling next above but shall not include a cellar or basement.

2.15 "Structure" shall mean any building or any other thing erected or constructed, the use of which requires more or

less permanent location on or in the ground or attached to something having a permanent location on or in the ground. A sign or other advertising device, attached or projecting, shall be construed to be a separate structure.

2.16 "Unit" shall mean a condominium unit as defined by 33 M.R.S.A. §1601-103 (26) located on the Existing Properties, which shall include either a residential unit or commercial unit, as they may be defined or designated in any declaration of condominium.

3. EXISTING PROPERTIES:

3.1 Existing Properties: The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration, is located in Carrabassett Valley, Franklin County, Maine, and is more particularly described in Exhibit A attached hereto and by this reference made a part hereof as fully as though recited in this Article 3.1, including all buildings and improvements now or at any future time located therein.

4. GENERAL RESTRICTIONS:

4.1 Land Use and Building Type: No Dwelling, Unit or Structure shall be erected, re-erected or maintained except in accordance with this Declaration.

4.2 Private Recreational Facilities: No recreational amenities, including but not limited to swimming pools, tennis courts, hot tubs, jacuzzis, sand boxes, swing sets, or jungle gyms, shall be erected, constructed, or placed on any site within the Properties, except where such amenities are incorporated into the approved architectural design of any Unit pursuant to the terms hereof and are contained therein.

4.3 Unit Quality: It is the intention and purpose of these Covenants and Restrictions to insure that all Structures on the Properties shall be of a quality of design, workmanship and materials which are compatible and harmonious with the natural setting of the Sugarloaf Mountain area and other Structures within the Sugarloaf Mountain area. All Structures shall be constructed in accordance with applicable government building, safety or other codes.

4.4 Home Occupations: No home occupation, commercial or retail business or profession shall be conducted in any Unit or on any Common Properties, except as expressly permitted in the declaration of condominium creating such Unit or Common Properties.

4.5 Temporary Structures: No trailer, tent, shack or other Structure, except as otherwise permitted herein, and no temporary building or structure of any kind shall be used for a residence, either temporary or permanent.

4.6 Signs: No signs or advertising devices, including but without limitation, commercial, political, informational or directional signs or devices, or for sale or for rent signs, shall be erected or maintained on the Properties, except signs which comply with the requirements of the Sign Guidelines, or as approved by Declarant. Property identification signage on residential property is limited to one sign no larger than 2' x 8' mounted on the residence, by or on the door.

4.7 Underground Utility Lines: All water, gas, electrical, telephone and other electronic pipes and lines and all other utility lines within the limits of the Properties must be buried underground, may not be exposed above the surface of the ground and shall be installed in compliance with all applicable federal, state and local requirements.

4.8 Service Yards: All clothes lines, equipment, firewood, garbage containers, pet runs, pet shelters, fuel tanks, electric and gas meters, heat pumps, air conditioning equipment or storage piles on the Properties shall be kept screened by approved planting or fencing so as to conceal them from view from neighboring streets, access roads and surrounding areas.

4.9 Maintenance of Property: The Properties and all improvements on the Properties shall be kept and maintained by the Owner thereof in clean, safe, attractive and sightly condition and in good repair.

4.10 No Noxious or Offensive Activity: No offensive or noxious activity shall be carried on or upon the Properties. "Offensive or noxious" activity or behavior shall include but not be limited to a public nuisance or nuisance *per se* and shall also include any behavior which is inconsistent with both the reasonable pleasurable use of the Properties or the Benefitted Property by owners, Owners, their lessees and guests and their reasonable expectations of vacationing, year-round living, studying, working, recreating, or enjoying sports free of excessively noisy behavior grossly disrespecting the rights of others, flashing or excessively bright lights, racing vehicles, offensive displays of public sexuality, significantly loud electronic music distractions, or other similar unreasonable behavior or activity curtailing or likely to curtail the reasonable pleasure and use of the Properties or

the Benefitted Property by others who are not participating in such offensive or noxious activity. Resort athletic events, concerts, festivals, competitions or shows primarily for the use and enjoyment of the Properties by Owners and their guests, conducted under permit from Declarant shall not constitute offensive or noxious activity or behavior unless such permit is withdrawn by Declarant, or its terms and conditions violated.

4.11 No Hazardous Activities: No activities shall be conducted on the Properties and no improvements shall be constructed on the Properties which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon the Properties; and no open fires shall be lighted or permitted on the Properties except within properly designed, safe and approved fireplaces and cooking facilities.

4.12 No Unsightliness: No unsightliness shall be permitted upon the Properties. Without limiting the generality of the foregoing, (a) any unsightly structures, facilities, equipment, tools, television disk antennae, boats, vehicles other than automobiles, objects or conditions shall be enclosed within an approved building or appropriately screened from view, except equipment and tools when in actual use for maintenance or repairs; (b) no trailers, mobile homes, tractors, truck campers or trucks other than pickup trucks shall be kept or permitted to remain upon the Properties; (c) no vehicle, boat or equipment shall be constructed, reconstructed, repaired or abandoned upon the Properties except in an enclosed garage or work space; (d) no lumber, grass, shrub or tree clippings, plant waste, metals, bulk materials or scrap shall be kept, stored or allowed to accumulate on the Properties except in service yards meeting the requirements of Section 4.15; (e) refuse, garbage and trash shall be placed and kept at all times in a covered container and such container shall be kept within an enclosed structure or appropriately screened from view; (f) hanging, drying or airing of clothing or household fabrics shall not be permitted on the Properties if visible from neighboring streets, buildings, or areas surrounding the Properties, except in connection with the retail sale of such items by a commercial business establishment; (g) garage doors shall not be left open for extended periods of time.

4.13 Restrictions on Animals: No animals other than ordinary household pets may be kept or allowed to remain on any of the Properties. Such ordinary household pets may not be kept or allowed to remain on the Properties except in accordance with guidelines adopted by Declarant. Declarant shall have the power to require any Owner or lessee to remove

any animal or other pet belonging to it which is not disciplined or which constitutes an undue annoyance to other Owners or lessees.

4.14 No Annoying Lights, Sounds or Odors: No light shall be emitted from any portion of the Properties which is unreasonably bright or causes unreasonable glare or does not comply with the Design Guidelines; no sound shall be emitted from any portion of the Properties which is unreasonably loud or annoying including without limitation, speakers, horns, whistles, bells or other sound devices, except security and fire alarm devices used exclusively to protect the Properties; and no odors shall be emitted from any Dwelling or Unit or any portion of the Properties which are noxious or offensive to others.

4.15 Rules and Regulations: In order to assure the peaceful and orderly use and enjoyment of the Properties and the Benefitted Property, Declarant may from time to time adopt, modify, and revoke in whole or in part, such reasonable rules and regulations, to be called Rules and Regulations, governing the conduct of persons on the Properties as it may deem necessary, including, but not limited to, Pet Guidelines, Design Guidelines, Sign Guidelines, and methods and procedures for enforcing compliance with the Declaration. Such Rules and Regulations upon adoption, and every amendment, modification, and revocation thereof, shall be delivered promptly to each Owner and the Association and shall be binding upon all Owners. No such Rules or Regulations shall be established which violate the intention or provisions of this Declaration or which shall unreasonably restrict the use of the Properties by the Owners thereof.

4.16 Snow Storage: Declarant shall have the right to designate areas within the Properties to push, stock or store snow.

4.17 Wells and Septic Systems: No private well or septic system or television antenna or other signal receiving system shall be constructed or maintained on the Properties whenever water, sewer or cable television connections and facilities are available within 250 feet of the Dwelling or Unit site or whenever such facilities are in process of construction and completion is projected for not to exceed thirty days beyond completion of the Dwelling or Unit construction.

4.18 Deviations by Agreement with Declarant: Declarant may enter into agreements with any Owner of the Properties, or any part thereof without the consent of any

other Owner of the Properties or any owner of the Benefitted Property, to deviate from any of the covenants set forth in this Article 4 for reasons of practical difficulties or particular hardships which otherwise would be suffered by such Owner. Any such deviation, which shall be manifested by agreement in writing, shall not constitute a waiver of any such covenant as to other Dwelling or Unit sites in the Properties.

4.19 Right of First Refusal: No part of the Properties shall be conveyed or leased, except pursuant to a right of first refusal in favor of Declarant, its successors or assigns. No Dwelling, Unit or Common Properties shall be conveyed or rented, except pursuant to a right of first refusal of Declarant, its successors or assigns, provided, however, that a conveyance by the Declarant to the initial Owner thereof or rental by the Declarant to the initial renter thereof will not be subject to such right of first refusal. An Owner desiring to sell or rent shall (i) first notify Declarant, its successors or assigns, in writing, of his intention to convey or rent the Dwelling, Unit or Common Properties, the names and addresses of the person or parties to whom conveyance or renting is intended, and the price or rental amounts and all other terms of the transaction; and (ii) offer, (subject to the exceptions set forth above), in writing to convey or rent said Dwelling, Unit or Common Properties to Declarant, its successors, assigns or nominees, at the same price or rent and upon the same terms, said offer to remain open until the later of the expiration of thirty (30) days or ten (10) days after expiration or waiver of any right of first refusal applicable to such Dwelling, Unit or Common Properties. If Declarant, its successors, assigns, or nominees, fail to accept such offer within said period, such Owner shall be free to convey or rent said Dwelling, Unit or Common Properties in strict accordance with the notification and at the price of rental and upon the terms set forth therein. In the event of any breach of any provisions of this Article 4.19, Declarant, its successors, assigns or nominees, may, at its or their option, compel conveyance or rental to Declarant, its successors, assigns or nominees of the Dwelling, Unit or Common Properties involved, at the same price or rent and other terms at which the Owner attempted to transfer or transferred the Dwelling, Unit or Common Properties to any other person. This Article 4.19 does not apply to any sale or lease by Declarant, to any mortgage of any Dwelling, Unit or Common Properties or any sale or disposition of any Dwelling, Unit or Common Properties by a mortgagee, whether before, during or after any foreclosure proceeding (any interest of such mortgagee being hereby exempted), but shall reattach and apply fully to any successor in interest to Declarant or any mortgagee. This Article 4.19 shall not apply to non-renewable residential leases of Dwellings or Units of less than 6 months duration.

4.20 Subdivision of Property: Time Sharing, Interval Ownership: The Units located on the Properties shall not be subdivided and no Unit shall be created other than by Declarant, except by means of a written and recorded instrument signed by the Declarant indicating that such subdivision has been approved by Declarant. No Unit occupied for residential use may be subdivided to permit "Time Sharing" or other "devices" to effect interval ownership unless approved by Declarant subject to conditions which may be imposed by Declarant.

For purposes of this Article, "devices" to effect interval ownership shall include, but not be limited to, ownership arrangements, including uses of corporations, trusts, partnerships or tenancies in common in which four or more persons not members of a single household have acquired, by means other than will, descent, inheritance or operation of law, an ownership interest (directly or indirectly, equitable or legal) in the same Unit and such Owners have a formal or informal right-to-use agreement.

4.21 Drainage: Declarant may establish reasonable regulations and restrictions pertaining to drainage and siltation originating on construction sites and parking lots, porosity of pavement materials used on roadways and parking lots and similar provisions relating to hydrological factors on the Properties.

4.22 Prohibition of Motorcycles: No snowmobiles or all terrain vehicles, (other than those used by Declarant for maintenance purposes), trail bikes or motorcycles other than mopeds (or other motor-powered bicycles) with less than or equal to one-brake horsepower shall be permitted within the Properties. Mopeds with less than or equal to one-brake horsepower shall be limited to operation only on the paved roads designed for automobile traffic within the Properties and on trails specifically designated for moped use by Declarant; and the use of such mopeds on bicycle trails, ski trails, leisure trails and recreation areas prohibited.

4.23 Prior Approval of Leases and Changes of Use: No Owner of any Unit or any portion of the Common Properties shall cause or permit any such Unit or any portion of the Common Properties to be leased for any purpose other than residential use unless such lease is first approved in writing by the Declarant, which approval shall not be unreasonably withheld. No Owner of any Unit or Common Properties shall cause or permit any change in the type or character of use of said Unit or Common Properties, including, but not limited to any change

from residential to commercial use, or any change in use from one type or character of commercial or residential use to another type or character of commercial or residential use, without the prior written consent of Declarant, which consent shall not be unreasonably withheld. It shall not be deemed unreasonable for Declarant to withhold its consent to a lease or to a change in the type or character of use of any portion of the Properties if the Declarant reasonably determines that such lease or change of use will adversely affect the mix of type, character or quality of commercial or residential facilities available to patrons of the Sugarloaf Mountain ski and resort area.

5. ARCHITECTURAL CONTROL AND REQUIRED APPROVAL OF CONSTRUCTION OF DWELLINGS, STRUCTURES, OR CLEARING, GRADING AND RELATED MATTER:

5.1 Approval by Declarant: No improvements of any kind, including but not limited to Units, swimming pools, ponds, parking areas, fences, walls, tennis courts, garages, greenhouses, drives, antennae, flag poles, lamp posts, mail boxes, curbs, and walks shall ever be erected, altered, or permitted to remain on the Properties, nor shall any excavating, clearing, removal of trees, or shrubs, or landscaping be done on the Properties, unless the complete plans and specifications therefor are approved in writing by Declarant prior to the commencement of such work. Declarant shall consider the materials to be used on the external features of said buildings or structures, including exterior colors, the rooflines and height, the building bulk or mass of said buildings or structures, the location with respect to topography and finished grade elevations, harmony of external design with existing structures within the Properties or the Benefitted Property and harmony of improvements, alterations and landscaping with the natural setting and surroundings, and shall ascertain whether the architecture conforms to the Design Guidelines.

5.2 General Requirements: Declarant shall exercise its best judgement to see that all improvements, construction, landscaping and alterations on the Properties approved by Declarant conform and harmonize with the Design Guidelines and the natural surroundings and with existing structures as to external design, bulk, rooflines, materials, color, siting, height, topography, grade and finished group elevation.

Declarant shall disapprove any plans submitted to it which are not sufficient for it to exercise the judgement required of it by these Covenants and Restrictions.

Refusal of approval by Declarant of plans, locations or specifications may be based upon any ground, including purely aesthetic conditions, which in the sole and uncontrolled discretion of Declarant shall seem sufficient.

5.3 Declarant Not Liable: Declarant, its successors and assigns, shall not be liable in damages to any persons submitting any plans for approval, or to any Owner by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove, with regard to such plans. Any Owner or any person submitting plans to Declarant for approval, by so doing, shall be deemed to have agreed and covenanted that he will not bring any action or suit to recover damages against Declarant, its successors and assigns and its or their officers as individuals, or its or their advisors, employees, or agents.

5.4 Procedures for Obtaining Required Approval: Whenever approval is required of Declarant, appropriate complete plans, specifications and stake out shall be submitted to Declarant for preliminary and final review and approval. Declarant within a reasonable period of time shall give notice to the applicant of receipt of the completed application for either preliminary or final approval and shall either approve, disapprove or approve with conditions such application within thirty days after such notice. If the application is disapproved in any respect, the applicant shall be notified wherein such plans, specifications and site plans are deficient. If such plans, specifications and site plans are not approved, disapproved or approved with conditions within thirty days after notice of receipt, they shall be deemed approved. At the discretion of Declarant a reasonable filing fee shall accompany the submission of such documents to defray administrative expenses. A copy of each approved set of plans, specifications and site plans shall be kept on file by Declarant.

6. PROPERTY RIGHTS IN THE COMMON PROPERTIES AND OBLIGATION OF THE ASSOCIATION WITH RESPECT THERETO:

6.1 Owners' Easements of Enjoyment: Subject to the provisions of this Declaration and to any condominium declaration subsequently filed with respect to the Properties or any part thereof, or to the incorporating documents of any Association of Owners which is the grantee of Common Properties, every Owner shall have the right and easement of enjoyment in and to the Common Properties as to which such Owner has an ownership interest, directly or through an Association, in common with other such Owners and such easement shall be appurtenant to and shall pass with the title to every Unit or Dwelling.

6.2 Obligation of the Owners with Respect to Common Properties: The Owners jointly and severally, for themselves, their successors and assigns, by acceptance of a deed to a portion of the Properties, subject to and with the benefit of the provisions of this Declaration, which shall be recorded in Franklin County Registry of Deeds, hereby covenant jointly and severally with Declarant as follows:

6.2.1 The Owners will accept conveyance of the Common Properties which Declarant, the Grantee or any successor in title is obligated to or may convey to them.

6.2.2 The Owners will preserve and maintain for their common benefit all of the Common Properties which they hereafter may own, including without limitation the obligation to maintain streets and roadways which may be conveyed to them as Common Properties, pay taxes thereon and keep the same in good and sightly appearance.

6.3 Declarant, the Grantee, or any successor in title, at any time hereafter may convey to the Owners, or some of them, as Common Properties, any canals, ponds, drainage ditches, streets and roadways and other land or improvements owned by Declarant or the Grantee, or any successor in title, located within or abutting upon the Properties and any additions thereto.

6.4 Extent of Owners' Easements: The rights and easements of enjoyment for the benefit of any of the Owners created hereby shall be subject to the following:

6.4.1 Rights of Declarant, its successors and assigns, as herein reserved.

6.4.2 Rights of any Association hereafter duly constituted.

6.4.3 Rights of any other Association of Owners which is the grantee of Common Properties.

6.5 Rights Reserved by the Declarant: Declarant and the Grantee respectively, for itself, its successors and assigns, reserve and consent to the reservation by the other of them, the following rights in Existing Properties and other Common Properties transferred to the Owners:

6.5.1 Certain Utility, Communications, Transportation and Public Convenience Easements: A perpetual, alienable and releasable utility easement and right in, on,

over and under the Common Properties to erect, maintain, operate and use poles, wires, cables, switches, computers, receptacles, satellite transmission earth stations, conduits, directional and informational signs, drainage ways, sewers, irrigation lines, wells, antennae, receivers, garbage collection facilities, pumping stations, tanks, water mains and other suitable equipment including microwave and satellite stations for the conveyance, transmission or use of video, voice, facsimile and data communications, electricity, gas, sewer, water, drainage or other public convenience, utilities and communication facilities on, in or through those portions of the Common Properties as may be reasonably required for utility line purposes; provided, however, that:

- (a) no utility easement shall run across any portion of the Common Properties which is covered by an existing building or across any area for which written approvals to construct a building thereon have been obtained within the past year from Declarant;
- (b) such easement or installation of utilities therein or thereon shall be maintained in as attractive a state as is reasonably feasible;
- (c) Declarant and the Grantee without obligation, reserve, and consent to the reservation by the other of them, the right to transfer any such utilities and easements, in whole or in part, which it owns to the Owners, or some of them, or an Association of Owners, at which time such Owners or such Association of Owners shall be responsible for and shall have the obligations to operate and maintain such utility easements;
- (d) Declarant and the Grantee, without obligation, reserve and consent to the reservation by the other of them, the right to transfer such utilities and utility easements and easements of access to such utility and utility easements, in whole or in part, to another entity, whether public or private, which shall undertake to provide such utility service.

No utility, communications, public convenience or transportation facility described in this Article may be installed or operated unless such facility is approved by Declarant. Declarant or service providers approved by Declarant may charge reasonable fees for the provision of such utility, communications, public convenience or transportation facilities or services.

These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any gradings of the soil or take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance. Any material disturbance to the Properties or other Common Properties caused by such utility installation shall be repaired and said Properties or Common Properties returned to a reasonable reconstruction of their prior condition by Declarant or prompt and reasonable remuneration for such repair shall be made to such Owner by Declarant. Declarant further reserves to itself, its successors and assigns, the right to locate wells, pumping stations, siltation basins and tanks within the Common Properties or on any property designated for such use on the applicable plat of the property, or to locate same upon any property with the permission of the respective Owner.

6.5.2 Title to Appurtenances: Unless expressly waived by Declarant or Grantee, Declarant and Grantee, respectively, reserve, and consents to the reservation by the other of them, exclusively unto itself, its successors and assigns, the title to all poles, pipes, wires, lines, cables, switches, computers, receptacles, satellite transmission earth stations, conduits, directional and informational signs, drainage ways, sewers, irrigation lines, wells, antennae, receivers, garbage collection facilities, pumping stations, tanks, water mains and other suitable equipment including microwave and satellite stations for the conveyance, transmission or use of video, voice, facsimile and data communications, electricity, gas, sewer, water, drainage or other public convenience, utilities and communication facilities as may be installed by Declarant or Grantee, respectively, its successors and assigns, on the Common Properties; provided, however, that:

- (a) Declarant and Grantee, respectively, without obligation reserve, and consent to the reservation by the other of them, the right to transfer any such reserved property, in whole or in part, which it owns to the Owners or an Association of Owners, at which time the Owners or an Association of Owners shall be responsible for and shall have the obligations to operate and maintain such reserved property.
- (b) Declarant and the Grantee, respectively, without obligation, reserve, and consents to the reservation by the other of them, the right to

transfer such reserved property, in whole or in part, to another entity, whether public or private, which shall undertake to provide utility service with such reserved property.

6.5.3. An easement is reserved for surface drainage in and along the streets and such other locations as are shown on any plat marked "drainage easement" or otherwise designated for such intended purpose.

6.5.4 An easement is reserved for the purposes stated in Article 6.5.1 and 6.5.2 with respect to areas within platted streets and roadways. Declarant, its successors, assigns, employees and licensees shall have the unobstructed use at all times of all streets and roadways.

6.5.5 The right to connect with and use of utility lines, wires, pipes and conduits located on the Common Properties for construction and sales purposes, provided that Declarant shall be responsible for the cost of service so used.

6.5.6 The right to use exterior Common Properties for ingress and egress and for the storage of construction materials and equipment used in the construction of Dwellings or Units or other improvements on the Existing Properties, the Benefitted Property or any adjacent real property.

6.5.7 The right to repair, maintain, replace, maintain and improve the Common Properties.

6.5.8 No Affirmative Obligation Unless Stated: ANY RESERVATION OR RIGHT OF DECLARANT OR GRANTEE WHICH IS STATED IN OR IMPLIED FROM THESE COVENANTS AND RESTRICTIONS SHALL NOT GIVE RISE TO ANY AFFIRMATIVE OBLIGATION OR DUTY ON THE PART OF DECLARANT OR GRANTEE UNLESS EXPRESSLY STATED IN THESE COVENANTS.

7. COVENANT FOR MAINTENANCE ASSESSMENTS:

7.1. Creation of the Lien and Personal Obligation of Assessments: Each Owner of any Unit, by acceptance of a deed therefor (whether or not it shall be so expressed in any such deed) shall be deemed to covenant for himself, his heirs, representatives, successors and assigns, to pay to Declarant: (1) annual general purpose assessments or charges; and (2) annual special purpose assessments or charges. All such assessments shall be fixed, established and collected from time to time as hereinafter provided. All such assessments, together with such interest thereon and cost of collection

thereof, as hereinafter provided, shall be a charge on the Unit with respect to which such assessments are made and shall be a lien against such Unit. Each such assessment, together with interest thereon and costs of collection thereof, also shall be the personal obligation of the person who is the Owner of such assessed Unit at the time when the assessment fell due.

7.2. Purpose of Assessments:

7.2.1 Annual General Purpose Assessments: The annual general purpose assessments levied by Declarant shall be used exclusively for the purpose of administering the construction review and permit procedures contained herein, supervision and inspection of the Properties in connection with the duties of Declarant, and enforcement of these Covenants and Restrictions.

7.2.2 Annual Special Purpose Assessments: Declarant may levy annual special purpose assessments against Units for the purpose of promoting the recreation, health, safety and welfare of the Owners or occupants of the Properties or the owners of Benefitted Property, for services and facilities devoted to such purpose and for services related to the use and enjoyment of the Common Properties, the Existing Properties and Benefitted Property by the owners and Owners thereof, including, but not limited to, discharge of the obligations of Declarant as imposed by this Declaration, payment of taxes, if any, upon the Common Properties assessed to Declarant, and repair, replacement and additions for repair and maintenance of streets, roadways and drainage facilities, and for the cost of labor, equipment, materials, management and supervision thereof; provided, however, that nothing in this Article 7.2.2 shall impose on Declarant a duty to perform any services or supply any materials not required elsewhere herein. Such assessments shall be made proportionately with respect to the Units according to their liability for common expenses set forth in the declaration of condominium and, when assessed, shall be added to the annual general purpose assessment with respect to such Units and used exclusively for such stated purpose. Such assessments shall represent only the expenses of Declarant and shall not represent the expenses incurred by the Association pursuant to discharging its responsibilities as set forth herein.

7.3. Basis and Maximum of Annual General and Special Purpose Assessments:

7.3.1 Annual General Purpose Assessments: The annual general purpose assessment shall be \$100 per Unit. From and after January 1, 1988, the annual general purpose

assessment may be increased by Declarant, for the next succeeding three years, and at the end of each such three year period, for additional succeeding periods of three years.

7.3.2 Annual Special Purpose Assessments: The annual special purpose assessment, when made, shall be based upon the projected estimated cost of discharging the purpose for which such assessments are made. If the actual cost of achieving such purpose for any annual assessment period shall exceed the projected estimated cost, such excess shall be added to the annual projected estimated cost for the succeeding annual assessment period and, likewise, if such actual cost shall be less than the projected estimated cost for such annual assessment period, the projected estimated cost for the succeeding annual assessment period shall be reduced accordingly.

7.3.3. Declarant, after consideration of current maintenance costs and future needs, may fix any actual assessment for any year at a lesser amount than provided herein.

7.4. Change in Basis and Maximum of Annual General Purpose Assessments: From and after January 1, 1988, Declarant may change the maximum and basis of the annual general purpose assessments prospectively, provided that any such change shall not exceed ten (10%) of the then current annual general purpose assessment unless the change shall have the assent of two-thirds of the Owners who are voting in person or by proxy, at meeting duly called by Declarant for such purpose, written notice of which stating such purpose shall be sent by Declarant to all Owners at least thirty days in advance of such meeting.

7.5. Quorum for any Action Authorized under Article 7.4: The quorum required for any action authorized by Article 7.4 hereof shall be as follows: At the first meeting called, as provided in Article 7.4. hereof, the presence at the meeting of 60% of the Owners, or of proxies, shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Article 7.4. and the required quorum at any subsequent meeting shall be thirty (30%) of the Owners provided that no such subsequent meeting shall be held more than sixty days following the preceding meeting.

7.6. Date of Commencement of Annual Assessments: Due Dates: The annual assessments provided for herein shall commence on the date (which shall be the first day of a month) fixed by Declarant to be the date of commencement, but in any event not before January 1, 1987. The first annual assessments shall be made for the balance of the calendar year and shall

become due and payable on the day fixed for commencement. The assessments for any year after the first year shall become due and payable on the first day of March of said year. The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to such annual assessment as hereinbefore provided as the remaining number of months in that year bear to 12. The same reduction in the amount of the assessment shall apply to the first assessment levied against any property which hereafter is added to the Properties now subject to assessment at a time other than the beginning of an assessment period.

7.7. Duties of Declarant: Declarant shall fix the date of commencement and the amount of the assessment against each Unit for each assessment period and at that time shall prepare a roster of the Properties and assessments applicable thereto which shall be kept in the office of Declarant and shall be open to inspection by any Owner. Written notice of the assessment thereupon shall be sent to every Owner subject thereto.

Declarant upon demand and payment of a service fee of not more than \$15.00 at any time shall furnish upon the request of any Owner liable for any assessment a certificate in writing signed by an officer of Declarant setting forth what assessments, if any, which have been made with respect to said Owner's property, are unpaid. Such certificate shall be conclusive evidence with respect to the matters certified therein.

7.8 Effect of Non-Payment of Assessment or Other Charges; the Personal Obligation of the Owner; the Lien; Remedies: If any assessment or any other charges payable pursuant to this Declaration are not paid on the date when due as provided herein, then such assessments and charges shall become delinquent and shall, together with interest thereon and cost of collection thereof as provided hereinafter, thereupon become a continuing lien upon the property against which such assessments are made and shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such assessment or charges shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment or charges are not paid within thirty (30) days after the delinquent date, the assessment or charges shall bear interest from the date of delinquency at the rate of 18% per annum and Declarant may bring an action at law

against the person personally obligated to pay the same or to foreclose the lien against such property, and there shall be added to the amount of such assessment or charges the costs of preparing and filing the complaint in such action, and in the event a judgement is obtained, such judgement shall include interest on the assessment or charges as above provided and a reasonable attorney's fee to be fixed by the court, together with the costs of the action.

7.9 Subordination of the Lien to Mortgages: The lien of the assessments or charges provided for herein shall be subordinate to the lien of any mortgagee or deed to secure debt now or hereafter placed upon the Properties subject to assessment, provided, however, that such subordination shall apply only to the assessments or charges which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments or charges thereafter becoming due nor from the lien of any such subsequent assessment or charges.

8. RESTRICTED LANDSCAPE ZONE:

8.1. All landscaping, clearing, grading or improvements within the Common Properties shall be in accordance with Design Guidelines and shall be approved in advance in writing by Declarant in accordance with Article 5.

8.2 Declarant may enter upon any of the Common Properties at any reasonable hour for the purpose of landscaping or maintenance. Such landscaping and maintenance may include, without limitation, removal of underbrush, dead or diseased trees or trees less than four inches in diameter, stumps, trash or debris, planting of grass, watering, application of fertilizer, mowing, and installation or maintenance of road-related signs.

9. OPEN SPACE AREAS:

9.1 Designation: All land area within the Properties not occupied by roads, buildings, or other improvements is hereby designated "Open Space."

9.2 Maintenance: The Owners or an Association of Owners shall maintain the Open Space Areas in accordance with and subject to guidelines adopted by Declarant.

9.3 Declarant's Right to Maintain: Declarant may perform such maintenance within Open Space Areas as Declarant

deems necessary to conform with its guidelines if such maintenance has not been performed by the Owners or an Association of Owners in a timely fashion, and may assess the Owners for its expenses in connection therewith; provided, however, that this Article 9.3 shall not be deemed to require Declarant to perform any such maintenance.

10. GENERAL PROVISIONS:

10.1 Duration: The covenants and restrictions set forth in this Declaration shall run with and bind the land, for the benefit of the Owners and for the benefit of the Benefitted Property and Existing Properties, and shall inure to the benefit of and be enforceable by Declarant, the Grantee, the Association or the owner of any land subject to or benefitted by this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date this Declaration is recorded in the Franklin County Registry of Deeds, after which time these Covenants and Restrictions shall be automatically extended for successive periods of ten years unless an instrument signed by Declarant, and the then Owners of two-thirds of the Dwellings or Units has been recorded in the Franklin County Registry of Deeds agreeing to change these Covenants and Restrictions in whole or in part; provided, however, that no such agreement of change shall be effective unless made and recorded three (3) years in advance of the effective date of such change, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken. Any other provision contained in this Declaration to the contrary notwithstanding, if any provision in this Declaration would otherwise cause this Declaration to violate the rule against perpetuities as applied by the laws of the State of Maine, then this Declaration shall expire and terminate as of the date of the death of the last surviving natural person who is a shareholder of said Sugarloaf Mountain Corporation as of the date of the recording of this Declaration in the Franklin County Registry of Deeds.

10.2 Notices: Any notice sent or required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly given when mailed, postage prepaid, to the last known address of the person who appears as an Owner on the records of Declarant at the time of mailing. Each Owner shall have the affirmative duty and obligation to inform Declarant in writing of any change of ownership of the Properties, the Owner's current address, and any failure of the Owner to receive any information from Declarant at the correct address of the Owner. No Owner may be excused from his obligations established in this Declaration if Declarant mailed

an assessment bill or statement to the last address of said Owner which is recorded on the books of Declarant and for which Declarant has not received the Owner's current address or notice of change of ownership from the Owner.

10.3 Enforcement: Enforcement of these Covenants and Restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction herein contained. Such action may be either to restrain violation or to recover damages, or against the land, to enforce any lien created by these Covenants and Restrictions. Failure by Declarant, the Grantee or any Owner of the Existing Properties or owner of the Benefitted Property to enforce any covenant or restriction herein contained in no event shall be deemed a waiver of the right to do so hereafter.

10.4 Modification: By supplemental declaration recorded in the Franklin County Registry of Deeds, Declarant may modify any of the provisions of this Declaration for the purpose of clarifying any such provisions, provided no such modification shall change the substantive provisions of any such document or materially alter the rights of any Owner established by any such document.

10.5 Severability: Invalidation of any one of the covenants or restrictions herein contained in this Declaration by judgement or court order in no way shall affect any other provisions, which shall remain in full force and effect.

10.6 Arbitration: All claims, disputes and other matters in question between Declarant, the Grantee, their successors or assigns on the one hand, and any Association of Owners, hereafter established, or any Owners, on the other, arising out of, or relating to this Declaration or the breach thereof, except for claims which have been waived by the acceptance of a deed or for which specific provision is made herein for enforcement by court proceedings, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. This agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law. The award rendered by the arbitrators shall be final, and the judgement may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

Notice of the demand for arbitration shall be filed in writing with the other parties and with the American Arbitration Association. The demand for arbitration shall be

made within a reasonable time after the claim, dispute or other matter in question has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

10.7 Construction: Whenever the singular number is used, the same shall include the plural, the plural shall include the singular and the masculine, feminine and neuter genders shall include each other, as the context may require.


IN WITNESS WHEREOF, the foregoing instrument has been executed and its corporate seal thereunto affixed on the day and year first above written by the officer of each of the undersigned thereunto duly authorized.

WITNESS:



MOUNTAINSIDE

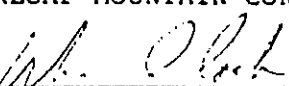
By:


H. King Cummings
Its Chairman of the Board



SUGARLOAF MOUNTAIN CORPORATION

By:



Its President
Warren C. Cook

STATE OF MAINE
CUMBERLAND, SS.

December 11, 1986

Personally appeared before me the above-named H. King Cummings, Chairman of the Board of Mountainside and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of said corporation.

Before me,


~~Notary Public~~
Attorney at Law

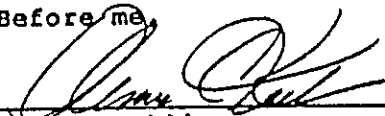
Dennis C. Keeler
Print or Type Name

STATE OF MAINE
CUMBERLAND, SS.

December 11, 1986

Personally appeared before me the above-named
Warren C. Cook, President of Sugarloaf
Mountain Corporation and acknowledged the foregoing instrument
to be his free act and deed in his said capacity and the free
act and deed of said corporation.

Before me,



Notary-Public
Attorney at Law

Dennis C. Keeler

Print or Type Name

EXHIBIT ATO DECLARATION OF COVENANTS AND RESTRICTIONS
DATED DECEMBER 11, 1986

A certain lot or parcel of land with any buildings and improvements thereon situated in the Town of Carrabasset Valley, County of Franklin, State of Maine, formerly Township 4 Range 2 B.K.P.W.K.R., bounded and described as follows:

Beginning at a point which bears S 03° 04' 58"W a distance of 242.12 feet from a plaque in a monument marked "AKW" set by James W. Sewall Company, Old Town, Maine near the southwest corner of the chapel now located at the base of Sugarloaf Mountain so called in said Carrabasset Valley and also N 10° 39' 30" W a distance of 27.81 feet from the northwesterly corner of the Sugarloaf Mountain Center building which is marked by a 1 1/2" aluminum plaque marked J.W.Sewall, RLS 202 affixed to the building;

Thence S 08° 30' 00" W a distance of 112.0 feet to a point;

Thence S 81° 30' 00" E a distance of 14.0 feet to a point;

Thence S 08° 30' 00" W a distance of 50.0 feet to a point;

Thence S 53° 30' 00" W a distance of 28.28 feet to a point;

Thence N 81° 30' 00" W a distance of 80.0 feet to a point;

Thence S 08° 30' 00" W a distance of 64.0 feet to a point;

Thence S 81° 30' 00" E a distance of 9.0 feet to a point;

Thence S 08° 30' 00" W a distance of 27.0 feet to a point

Thence S 81° 30' E a distance of 112.0 feet to a point;

Thence N 08° 30' E a distance of 15.0 feet to a point;

Thence S 81° 30' 00" E a distance of 27.0 feet to a point;

Thence N 53° 30' 00" E a distance of 40.0 feet to a point;

Thence N 08° 30' 00" E a distance of 16.71 feet to a point;
Thence S 81° 30' 00" E a distance of 20.72 feet to a point;
Thence N 08° 30' 00" E a distance of 96.0 feet to a point;
Thence N 81° 30' 00" W a distance of 7.0 feet to a point;
Thence N 06° 30' 00" E a distance of 40.0 feet to a point;
Thence N 81° 30' 00" W a distance of 21.0 feet to a point;;
Thence N 08° 30' 00" E a distance of 77.0 feet to a point;
Thence N 81° 30' 00" W a distance of 83.0 feet to a the Point of Beginning.

Said parcel contains 0.739 acres and is shown on a plan entitled "Sugarloaf Mountain Center A Condominium -Condominium Plat" dated December 15, 1986 by James W. Sewall Company.

Bearings are based on the Maine Grid (West Zone).

Franklin County

Received: December 17, 1986

Time: 1 H 58 M P. M

Attest:

Register

[Signature]

EXHIBIT E

SUGARLOAF/USA

DESIGN REVIEW PROCESS AND DESIGN GUIDELINES



August 1983

SUGARLOAF/USA

DESIGN REVIEW PROCEDURES AND DESIGN GUIDELINES

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1. INTRODUCTION

The basic intent of the Sugarloaf Design Review Process is to keep Sugarloaf a nice place to live and visit. Experience at other resort communities has shown that growth often destroys the natural environment and visual character of special places.

The quality of site planning, architectural design and construction, and landscaping determine to a great extent the character and visual quality of a community. A design review process has been established at Sugarloaf to help preserve the special character of the community as it grows.

This manual explains the requirements of the Sugarloaf architectural design and site review process. The guidelines also provide useful information for property owners, their architects and builders. The material should be studied carefully before design work is started in order to avoid unnecessary delays in obtaining design approval and permits for construction at Sugarloaf.

11. PURPOSE OF THE DESIGN REVIEW PROCESS AND DESIGN GUIDELINES

The Sugarloaf Design Review Process is designed to be beneficial to all members of the Sugarloaf Community.

The Design Review Process establishes the basis for systematic and uniform review of proposed residential and business construction throughout the Sugarloaf Community. It will encourage harmonious architectural design and siting within the natural land forms and native vegetation which make Sugarloaf special. And, it should enhance the quality of life within the Sugarloaf Community as well as protect property values.

The Sugarloaf Design Guidelines have been compiled to aid property owners, architects and builders in following the Design Review Process. The Design Guidelines describe the activities requiring design approval and explain the standards and criteria for Sugarloaf Design Review Board approval. They also provide some helpful tips for building design and construction at Sugarloaf.

The Sugarloaf Design Review Board has been established to review and approve all plans for future construction at Sugarloaf. Therefore, plans for construction on all land subject to Design Review shall be submitted to the Sugarloaf Design Review Board for review and approval.

The Sugarloaf Design Review Board is comprised of five members of the Sugarloaf Mountain Corporation management team, two members of the Sugarloaf Mountain Corporation Board of Directors, and at least two design professionals. The majority of voting members shall comprise a quorum.

In addition to the Sugarloaf Design Review process there are mandatory regulations and codes at the local and state levels which also must be complied with. The Sugarloaf Planning and Development Office has copies of applicable documents for owner reference and will assist in any way possible. However, the ultimate responsibility for compliance with these regulations rests with the property, site, or unit owners.

III. DECISION CRITERIA OF DESIGN REVIEW BOARD

The Design Review Board will make all decisions based on the Declarations of Covenants and Restrictions and on the Design Guidelines contained herein.

Legal Basis for Design Review

The Declaration of Covenants and Restrictions for each area within the Sugarloaf Community provides the legal basis for reviewing and accepting new building proposals at Sugarloaf. The Covenants and Restrictions are intended to be mutually advantageous to all members of the Sugarloaf Community. These Covenants were established because the concept of architectural design review has a long and successful history of assisting in the preservation of the value, character, and amenities of residential and recreational communities.

The Declarations of Covenants and Restrictions cover a wide variety of subjects including: site planning and land use; building design, materials and height; landscaping of property; and other development standards. Because these standards and requirements are included in the Declarations of Covenants and Restrictions they are legally binding. The Design Guidelines reinforce the Declarations of Covenants and Restrictions and provide further design guidance and information for property owners, architects, and builders.

Time and care have been taken to insure that these guidelines do not conflict with the various Declarations. However, should an unintentional conflict arise, the Declarations takes precedence. For this reason, careful review of all Declarations pertaining to an individual building site should be undertaken before the design process is begun.

Further decision criteria of the Design Review Board:

1. Sugarloaf is a thoughtfully planned recreational community. The natural beauty of the mountain environment, the recreational amenities, and the controlled development contribute to the enjoyment of Sugarloaf.
2. The Design Review Board encourages sensitive site planning and diverse architectural styles which conform to the Sugarloaf Design Guidelines and the applicable Declaration of Covenants and Restrictions. Applicants should strive to preserve the integrity of the natural environment, to remove a minimum amount of the native vegetation, to preserve particularly beautiful trees, and to promote minimal disturbance of the natural site features and views and vistas to and from the site.

3. As problems arise with the implementation of the guidelines, policies, and procedures of the Design Review Board, every effort will be made by the Board to address the problems and adopt solutions to avoid recurrence in the future. The policies and guidelines will be subject to review and revision by the Board as necessary to keep them current and manageable.
4. The Design Review Board will continuously evaluate the building styles and techniques in the Sugarloaf Community to determine those that successfully fulfill development objectives. A feature or an entire design which is determined to fall short of development objectives will not be construed as a precedent for repetition.
5. It is not in the interest of the Sugarloaf Community to permit lesser quality development in response to cost considerations.
6. A building should be designed for the specific site and for the particular need of its users. Therefore, buildings shall be reviewed on a site-by-site basis according to the criteria established for the specific area. Approval of a design for one site even within the same area or village will not necessarily mean the same design will be approved for any other site.
7. Homes of similar or identical design of high architectural quality from stock plans available from Sugarloaf Mountain Corporation are permitted provided that the design fits the site and that near duplication shall be limited to sites out-of-sight of the closest comparable house, except in planned unit areas designed as an integral whole and built entirely by Sugarloaf Mountain Corporation.
8. Most plans published in typical plan books are unfortunately not appropriate to the mountain environment at Sugarloaf and will not conform to the Declarations of Covenants and Restrictions and Design Guidelines. Adaptation of such plans to the local environment by a qualified architect is required and often the changes required are extensive and costly. Experience has shown that the preparation of architectural plans which are based on the Design Guidelines and the applicable Declaration of Covenants and Guidelines is the most efficient and cost effective approach.

IV. PLANNING CONSTRUCTION

It is strongly recommended that property owners consult an architect familiar with the development standards at Sugarloaf and with the applicable local and state codes and regulations.

For information regarding architects, designers, and contractors familiar with the design standards and construction process at Sugarloaf, please contact the Planning and Development Office at Sugarloaf.

The Office of Planning and Development staff are available to assist you in contacting qualified people for the design and construction of your home. They will also assist in the interpretation of the guidelines, offer informal suggestions about your design concept prior to the initiation of the formal Design Review Process and will work with you during the application process to ensure that your proposal receives prompt consideration.

The Planning and Development Office has information on most applicable state and local codes and regulations which must be met when building in Carrabassett Valley. The Staff will be happy to discuss the various requirements with you.

It is essential that the plans approved by the Design Review Board be constructed exactly as indicated on the approved plans. Deviations from plans which could occur during construction will be subject to penalties unless such deviations are approved in writing by the Design Review Board prior to construction.

V. DESIGN REVIEW PROCESS

Plans for all new construction, subsequent alterations, or additions must be reviewed and approved in writing by the Design Review Board prior to the initiation of construction. If, for any reason, construction is started prior to the receipt of written approval by the Sugarloaf Design Review Board, the property owner shall be deemed in violation of the Sugarloaf Design Review Process and shall be subject to penalties and corrective measures as determined by the Design Review Board.

Further, construction within the Sugarloaf Community requires compliance with all applicable codes and regulations of the Town of Carrabassett Valley and the State of Maine.

DESIGN REVIEW AND APPROVAL SEQUENCE

- A. Owner Meets informally with the Sugarloaf Planning and Development Office to discuss plans and to obtain assistance in the application process.
- B. Owner Submits application, fee, and sketch plans
- C. DRB Application complete? If not, return to owner. If complete, preliminary review of application, plans, and stakeout. Notify owner of findings.
- D. Owner Submits final plans
- E. DRB Application complete? If not, return to owner. If complete, final review of application, plans, and stakeout. If approved, issue design certificate.
- F. Owner Obtains building permit from the Town of Carrabassett Valley

A. PRE-APPLICATION CONFERENCE

We encourage you and your architect to come to the Sugarloaf Planning and Development Office to discuss your plans and to learn about the resources available to you through the Planning and Development Office. The Pre-Application Conference provides you with the opportunity to talk over your preliminary sketch ideas, to discuss the Sugarloaf development philosophy, and to answer any questions you might have.

The Design Review and Approval Process is intended to be a helpful and beneficial process. The Planning and Development Office Staff is eager to assist in expediting applications and approvals through the process. In order to do so, early cooperation and coordination is necessary.

The Pre-Application Conference is optional. We would encourage you to take advantage of this opportunity but you are not required to do so.

B. PRELIMINARY APPLICATION

The applicant shall complete a preliminary stakeout and submit a preliminary application for Design Review Board comment. This preliminary review is intended to resolve possible design problems and ensure that the Design Guidelines and Declaration of Covenants and Restrictions are being followed during the design development stage prior to the preparation of final construction documents. The applicant can avoid many of the problems which might create delays in the design approval process by discussing early work with the staff of the Planning and Development Office.

The preliminary application shall consist of:

1. A fully completed APPLICATION FOR RESIDENTIAL DEVELOPMENT available from the Sugarloaf Planning and Development Office.
2. A check or cash payment of the FILING FEE. Fees are determined by development area and are related to the cost per square foot of the structure. Please refer to Appendix A for the fees applicable to your development site.

No additional fee shall be required for resubmission of applications revised in response to comments made by the Design Review Board. Applications for review of subsequent alterations or additions to existing buildings shall be subject to the same approval process as new construction.

3. Two sets of the following documents:

a. Site Analysis : Scale 1"=20'

- 1) Provide a tree survey indicating the location and the species of all trees 4" or larger DBH (diameter at breast height) and the location of significant clusters of smaller trees.

Should an individual tree survey be impractical due to the presence of a uniformly heavy stand of second growth, the site plan should include a statement to this effect.

- 2) Indicate views and vistas to and from the site. Small photographs keyed to the site analysis plan are helpful but are not required.
- 3) Show the general location of existing or proposed neighboring buildings and indicate possible impacts on proposed construction. Again, photos would be helpful.
- 4) Identify other natural or man-made features which could affect the design such as steep slopes, ledges, boulders or areas without trees.
- 5) Identify the existing natural and man-made drainage patterns on the site. Should you need additional assistance, contact the Sugarloaf Planning and Development Office.

b. Site Plan : Scale 1" = 20'

- 1) Show existing topography using two (2) foot contour intervals. For most projects, the topographic mapping will be available from the Planning and Development Office. In the event that your property or site is not mapped with two (2) foot contour intervals the Planning and Development Office will be able to assist you in obtaining the correct mapping.
- 2) Indicate property boundaries, set back lines, location of access street right of way, and all easements.

- 3) Superimpose the building plan and area of the site to be disturbed on a copy of the tree survey. Indicate the construction limit line and circle the trees to be saved within this limit. Describe how the builder will protect the trees to be retained and how the construction limit line will be maintained.
- 4) Show location of all utilities, including telephone, electrical, sewer and water.
- 5) In a general manner, indicate the proposed site development including elements such as: driveway, parking areas, patios, decks, fencing, retaining walls, service yard, etc.
- 6) Show proposed drainage system and calculate runoffs. Indicate new grading and changes in topography. Where applicable, limit of fill line must be at least five feet (5') from property lines. If culverts are to be used indicate location, size and anticipated volume and direction of stormwater flow.
- 7) Show proposed landscaping. Indicate general massing of plant materials and intended species.
- 8) If appropriate, a site section to show clearly the relationship of buildings, parking, and other site features. Major grade changes are especially important to illustrate.

c. Architectural Drawings : Minimum scale 1/8"=1'0"
 Preferred scale 1/8"=1'0"
 Acceptable scale 1/4"=1'0"

1) Floor Plans

- a) Show all level changes and the relationship of the building to important site features.

2) Elevation Drawings

- a) Show all sides of the proposed structure.
- b) Indicate existing grade, proposed grades and finish floor elevations.
- c) Indicate all building materials including siding, window and door types and intended colors.

3) Section Drawings

- a) Show a minimum of one typical building wall section through the most important portion of the house.
- d. The Design Review Board encourages the submission of an optional 1/8"=1'0" scale chip board model of the building massing and adjacent site area.
- e. Submit a written statement describing how the design and site plan meet the design guidelines and established character for your development area.
- f. Submit any additional information which will aid the Design Review Board in the evaluation of the proposed building and site design.

4. Preliminary Stakeout

When applicable, locate and identify property monuments; identify side property lines with string. Then identify the general location of the proposed structure on the site. Identify all corners of the proposed structures, including major site features such as decks, patios, garages, and service yards. Mark the construction limit line and all trees within the limit which will be saved.

C. DESIGN REVIEW BOARD ACTION

Within seven (7) days of submission of the Preliminary Application, the Planning and Development Office will determine whether or not the preliminary application is complete. If it is not complete, it will be returned to the applicant without consideration by the Board. If it is complete, it will be placed on the next Design Review Board meeting agenda. The Board will make every effort possible to expedite its review and comments. However, the Board may take up to thirty (30) days for preliminary comments, after completeness is determined.

The Design Review Board will then: 1) Approve the preliminary design as submitted; 2) Approve the preliminary design with conditions; or 3) Deny approval and state the principle reason for denial.

Design Review Board Rejection : The Board may offer specific suggestions to assist in resolving problems which arise during the review process. The Board can, however, reject an application based on the professional judgement of its members. Reasons for rejection include, among others:

- Insufficient information to adequately evaluate the design or design intent.
- Poor overall design quality.
- Incompatible design elements.
- Inappropriate design treatment.
- A design found to have an adverse effect on the character of Sugarloaf or its residents.

Approval of a preliminary application does not obligate the Review Board to approve and certify the final application. If in the judgement of the Board the final application does not carry out the design principles established by the preliminary application, or if it does not meet the design guidelines as demonstrated by the preliminary application, or if the design has been modified or adjusted in a manner unacceptable to the Design Review Board.

D. FINAL APPLICATION

Final Applications shall include:

1. A revised APPLICATION FOR DEVELOPMENT.
2. Two complete sets of hard line drawings. Each sheet of drawings and the first page of all other documents shall include the site number, street name, applicant's name, architect or designer, and date of drawings.

Submission shall include:

- a. Site Plan : Scale 1"=20'

Show all information required for a preliminary submittal except it shall be accurately drawn "hard line." Identify all materials, show full dimensions, and show exterior lighting, if any.

- b. Landscape Plan : Scale 1"=20'

Superimpose landscape plan over site plan and indicate: location, bounds, numbers, and species of all plants, trees, shrubs, and ground cover.

- c. Architectural Drawings

- 1) Floor Plans : Minimum scale 1/8"=1'-0"
Preferred scale 1/4"=1'-0"

- a) Show all changes in floor level and relationship to exterior grades.

- b) Show all dimensions.
 - c) Include door and window symbols and schedules.
 - d) Show all attached decks, fences and other appurtenances. Indicate materials and, if appropriate, show sections and elevations.
 - e) Indicate all interior finishes and materials.
 - f) Provide either a rendered, three dimensional drawing or a revised, take-apart model showing the relationships between the various building elements and the site.
- 2) Elevation Drawings : Minimum scale $1/8"=1'$
Preferred scale $1/4"=1'$
- a) Show all exterior views of the principal structure including those which will be partially blocked from view by elements such as garages or fences. Show all exterior views of accessory structures.
 - b) Indicate building materials, window types, and door types.
 - c) Show finished floor elevations and existing and proposed grade lines.
- 3) Building Section : Scale $3/8"=1'-0"$
Wall Section : Scale $3/4"=1'-0"$
- a) Show a minimum of one building section through the most important portion of the house and the typical exterior wall sections.
 - b) Indicate all materials.
- 4) Roof Plan : Minimum scale $1/8"=1'-0"$
Preferred scale $1/4"=1'-0"$
- a) Show all vents, chimneys, skylights, ridges, valleys, etc.
 - b) Indicate all materials and colors.

3. Exterior Materials, Colors Specifications, and Samples

Except when the Board specifically elects to waive this requirement, where the colors or materials are known to the Board, both the names of proposed exterior materials and physical samples shall be included for all buildings, garages, and accessory structures. A final application will not be considered complete without these exterior samples.

Please include the following: the name, grade, description, and sample of roofing to be used; the name, grade, and sample of siding with chosen color applied; specifications and manufacturers for all windows and doors; and any other exterior materials of significance to the design.

4. Construction Schedule

The applicant shall provide a detailed construction schedule indicating the scheduled commencement and completion of the following phases of construction activities:

Site Clearing and Foundation Work

Exterior Construction: Framing
Roofing
Siding

Tie-in to Utilities: Power
Water
Sewer

Driveway--when applicable, indicate expected timing on culvert installation

Landscaping

This schedule will serve as the basis for Design Review Board monitoring of your construction activities and it will assist in the overall coordination and management of all construction activities at Sugarloaf.

Because Sugarloaf is an active recreational resort, the Design Review Board believes construction activities should be scheduled sensitively to minimize the impact on visitors and residents of the community. Please refer to Section VII, Construction Activities at Sugarloaf, for further details.

5. Final Stakeout

The applicant shall clearly identify the location of all property lines, where applicable, and proposed construction including decks, patios, garages, service yards, driveways, parking areas retaining walls, major

grade modifications and all utility lines.

Clearly identify the construction limit lines and place appropriate barriers so that vegetation outside the limit line is protected. Flag with red tape all trees to be saved within the construction limit line and place appropriate barriers so that the trees will be adequately protected during construction in the judgement of the Design Review Board. If selective clearing is proposed outside the construction limit line, it must be clearly identified.

E. DESIGN REVIEW BOARD ACTION

Within seven (7) days of the receipt of the Final Application, the Planning and Development Office will review the application for completeness and for conformance with the design guidelines and the conditions, if any, from the approved preliminary application. If incomplete, the application will be returned to the applicant without consideration from the Design Review Board. If complete, the applicant will be so notified and the application will be placed on the agenda of the next Design Review Board meeting.

Once the final application is accepted, the Design Review Board has thirty (30) days within which to review and comment on the final application, inspect the site for compliance with the plans, and make its final decision. If no action is taken by the Design Review Board within the 30 day period, the application shall be considered approved.

Design Review Board Approval : When compliance has been ascertained, the plans shall be stamped "Approved for Design Compliance". A Sugarloaf Design Certificate will be issued once the applicant has signed the Sugarloaf Construction Agreement and all fees have been paid in full. The Certificate must be posted and maintained in a visible manner next to the Town Building Permit on the construction site.

F. TOWN OF CARRABASSETT VALLEY BUILDING PERMIT

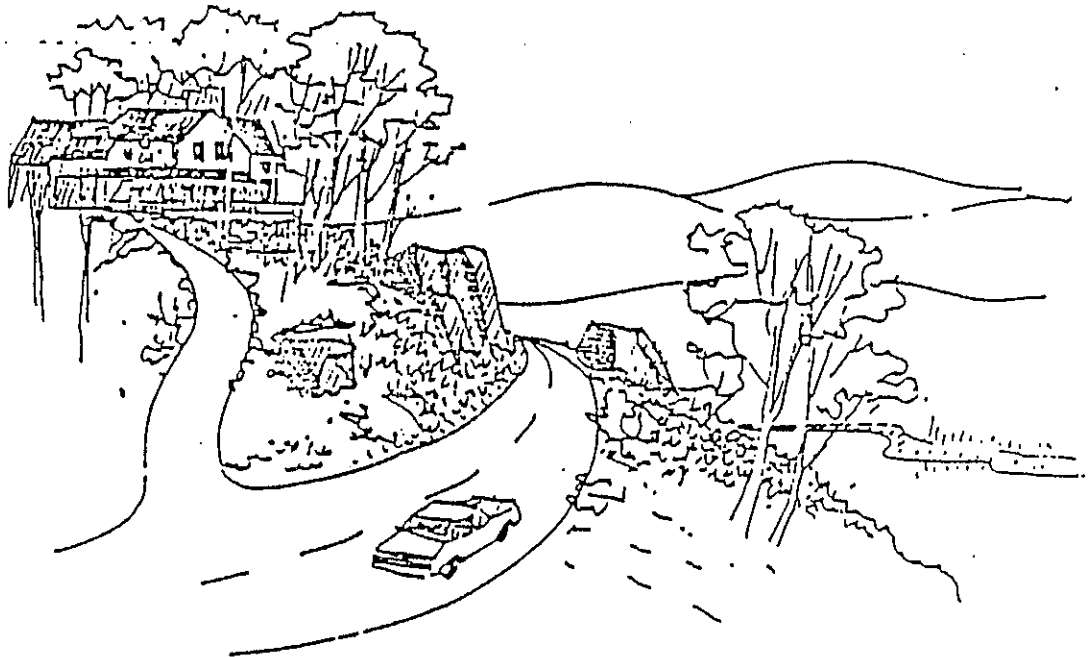
Approval by the Design Review Board and the issuance of the Sugarloaf Design Certificate does not preclude the necessity of obtaining a Building Permit from the Town of Carrabassett Valley. If the applicant has not already done so, a Building Permit must be obtained from the Town. Once the Town Building Permit is obtained the applicant should post both the Town Permit and the Sugarloaf Design Certificate on the construction site. The applicant may then begin site clearance and construction.

VI. DESIGN GUIDELINES

A. SITE PLANNING

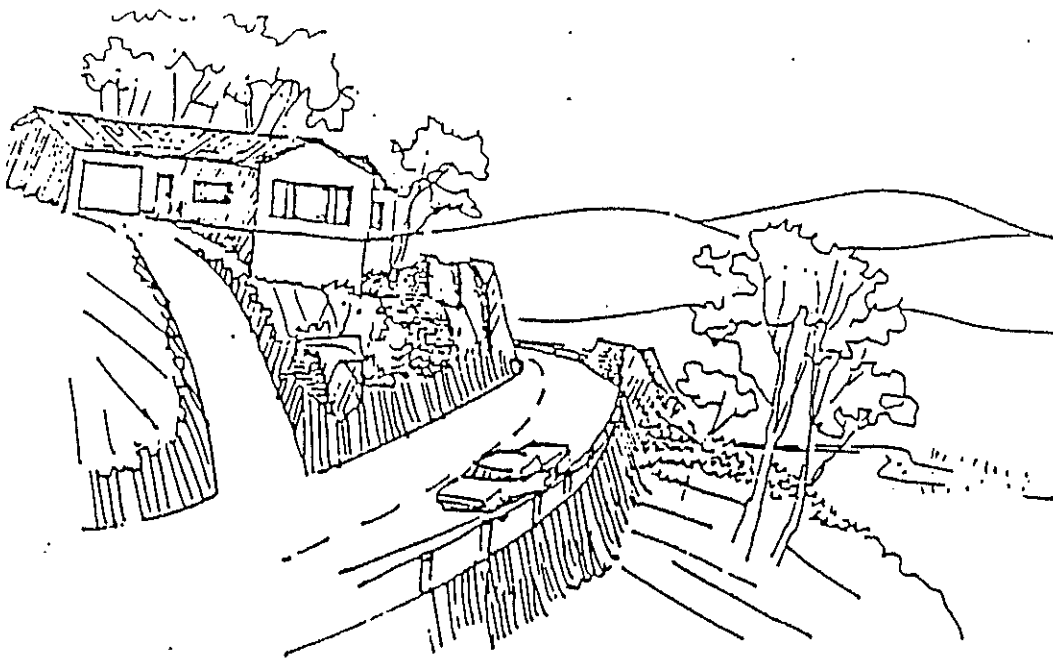
1. Grading

When you build your home at Sugarloaf, you may want to use grading to create visual interest, to provide privacy, or to improve climate control. It is important, however, that disruption of the natural conditions be kept to a minimum and that all grading be softened to avoid abrupt changes in the natural terrain.



DESIRABLE CONDITION Site Contours Respected

The natural hillsides at the mountain are relatively stable. Conventional excavating equipment can be used for most excavation. It is recommended that site planning and building design accommodate any natural bedrock conditions. Blasting is discouraged and requires a special permit. If permitted, blasting must be carefully controlled.



UNDESIRABLE CONDITION
Site Contours Disregarded

Earth cuts and fill must be revegetated, terraced or controlled by retaining walls to protect against erosion and sedimentation. New slopes resulting from cut or fill in excess of 3:1 require special attention, refer to Section C., #5.

2. Drainage

Careful consideration should be given to the impact your site development will have on the overall drainage patterns of your development area.

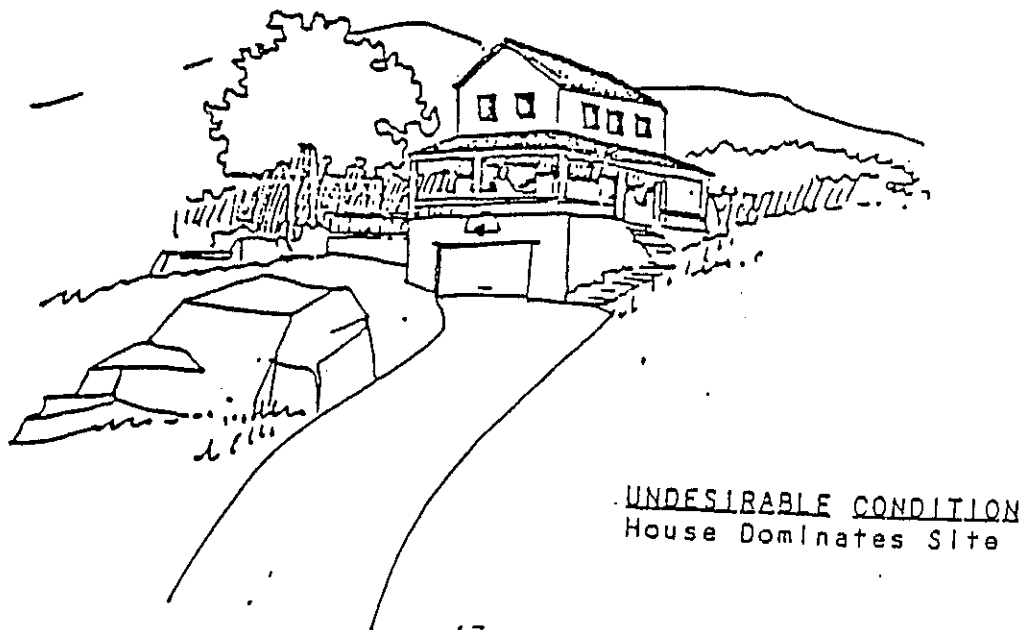
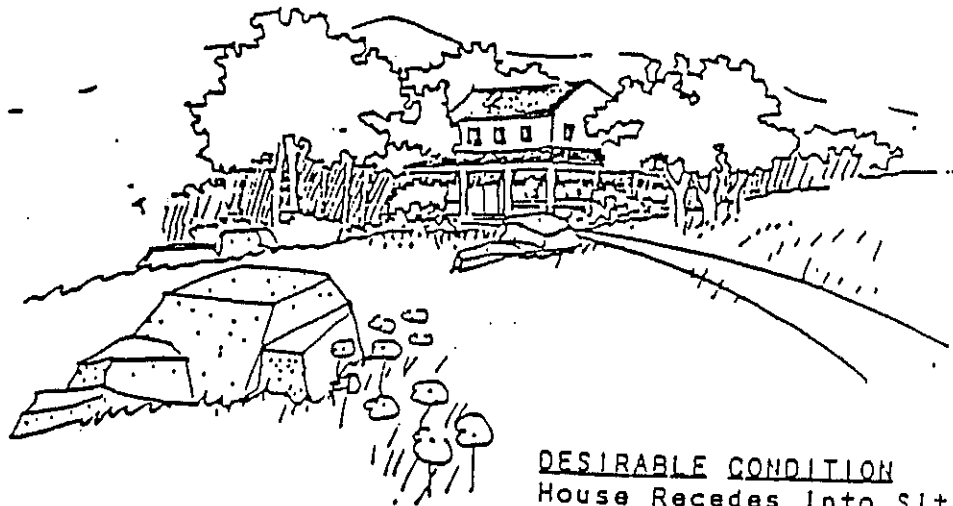
When building on sloped terrain, the drainage system for your site should distribute the runoff from storms or irrigation over large areas of land to slow runoff velocity and to increase absorption. Natural overland drainage is recommended when possible. Open lined channels are recommended only in difficult conditions and culverts are recommended only in extreme instances.

You should also be aware that sparse vegetative cover, fine grained soils, and steep slopes create conditions that can result in erosion and sedimentation. Where large changes in grade require extensive cut and fill and the resulting slope is greater than 3:1, retaining walls, terracing, and/or a combination of jute mesh, to retain soil and grasses which are both fast growing and erosion resistant are recommended. Where resulting slopes are in excess of 2:1, retaining walls will be required.

3. Siting

You will want to site your house to take advantage of the fine views. But there are some further siting considerations you should also keep in mind.

Buildings should fit into the landscape. Buildings on a sidehill should be set into the slope, not on it. They should be sited parallel to land contours and avoid intrusions above ridge lines. Significant site features such as healthy trees and rock outcroppings should be preserved intact.



Driveways on sloping ground should not run perpendicular to land contours. All cut and fill should be softened and revegetated to prevent erosion. Interference with natural drainage flows should be avoided as should interception of surface drainage from roadways.



UNDESIRABLE CONDITION
Run Off Diverted

5. Pools, Tennis Courts, Childrens' Play Yards, etc.

The Sugarloaf Community has been carefully designed as a balanced recreational resort. Every effort has been and will continue to be made to accommodate the desires of the homeowners and visitors in the provision of recreational amenities.

In order to minimize disruption of natural terrain and to maximize utilization, the location and development of recreational amenities is carefully controlled. Therefore, individual recreational facilities such as swimming pools, tennis courts, paddle tennis courts, swing sets, wading pools, etc., are generally not permitted at Sugarloaf.

However, should a residential property owner decide that one or more of these amenities is critical to the enjoyment of his or her property at Sugarloaf, the Design Review Board will consider but not necessarily approve an application for construction. To receive consideration, the amenity must be compatible with the approved architectural design of a residence (or multifamily structure) and must be properly screened from view.

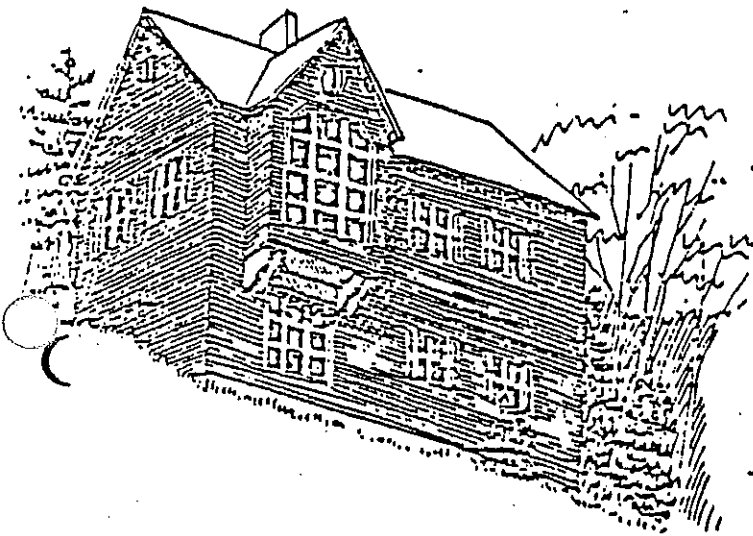
6. Utilities

All utility lines must be buried underground. They should be located under or immediately adjacent to driveways whenever possible to minimize the necessary cutting of trees and to provide easy access for repairs. Transformer pads, air conditioners, and similar mechanical equipment must be screened from view.

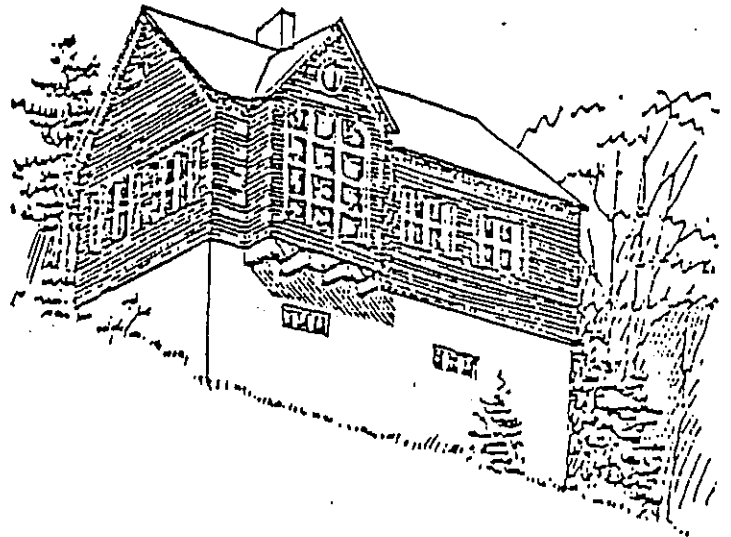
B. ARCHITECTURE

1. Foundations

Because the majority of construction at Sugarloaf takes place on a side hill, foundations are more visible and therefore require special attention. Exposed concrete must be avoided wherever possible. All building walls shall extend to within 12" of the proposed grade unless an alternative is approved by the Design Review Board. The closure between the grade and the wall shall appear solid if not a foundation wall.



DESIRABLE CONDITION
Concrete Foundation Concealed



UNDESIRABLE CONDITION
Concrete Foundation Exposed

2. Exterior Walls

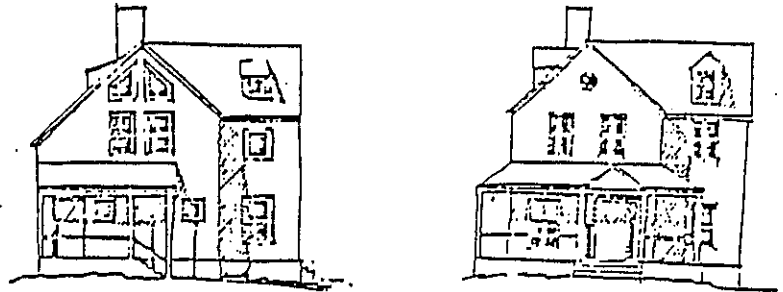
Exterior walls should reflect the quality of permanence. The use of clear grained wood siding is encouraged. The wood siding should be treated with natural preserving stains. The stain color should be compatible with the earth tones characteristic of the soil, rock, vegetation, and other natural elements of the site.

Wall materials and colors may be further restricted by development area and therefore you should consult the guidelines for your development area. In areas where indigenous architectural forms are encouraged, traditional colored paint or stain may be used as accents. The design guidelines for individual development areas will identify permitted variations from the earth tone palette.

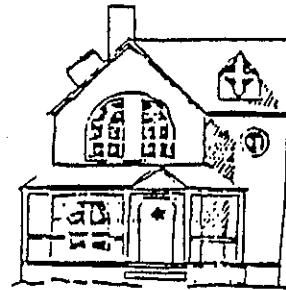
3. Windows and Doors

The amount, size and shape of glass incorporated into your building must, in the opinion of the Design Review Board, be firmly integrated into the design of your building. In general, rectilinear window and door openings are preferred. The arbitrary use of irregular shapes is discouraged.

DESIRABLE CONDITIONS
Shapes Fit Into Design

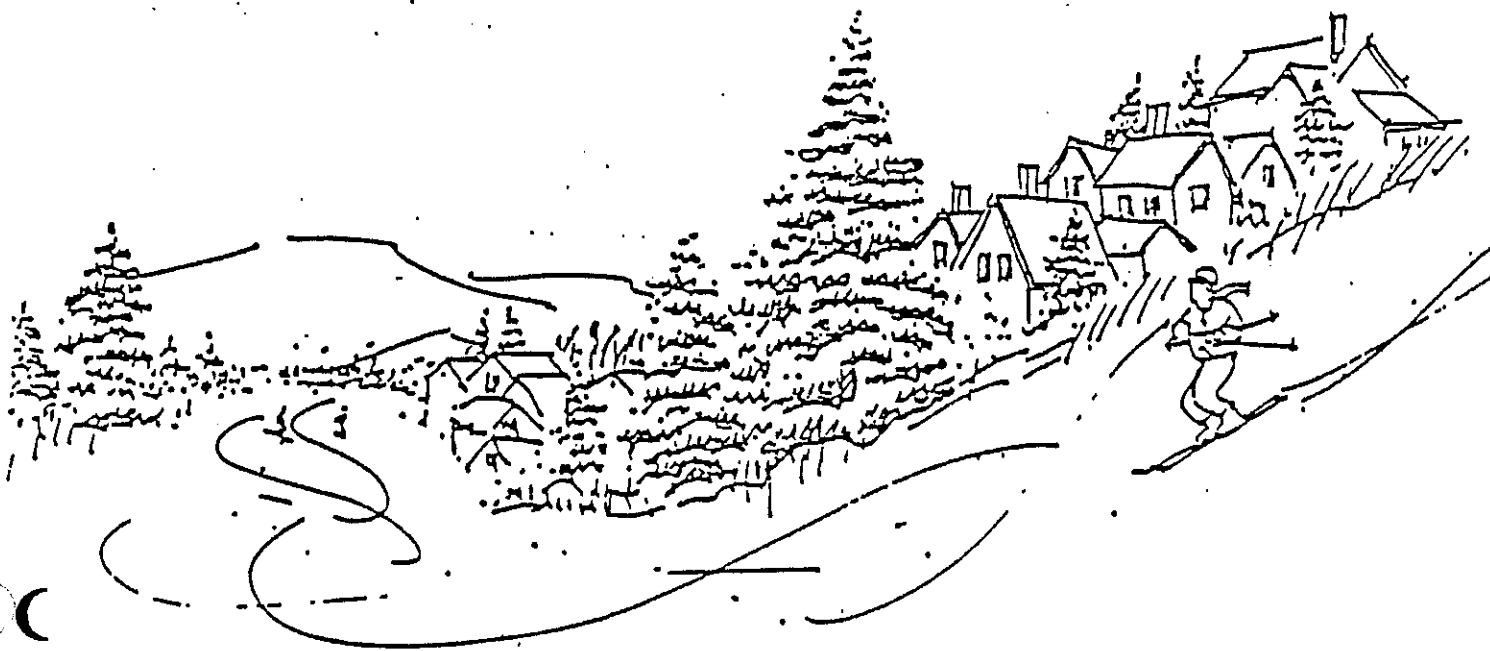


UNDESIRABLE CONDITION
Too Many Irregular Shapes



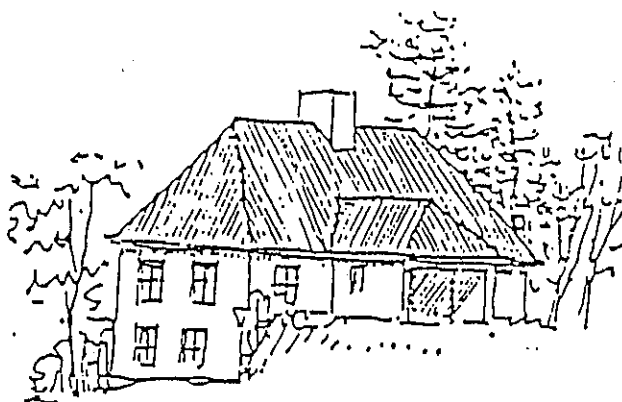
The use of double entryways is encouraged for the main entrance to the building. Inclement weather conditions warrant double entryways. They also provide room to remove boots, store skis and firewood, etc. Double entries should be an integral part of the architectural design of the building and not an afterthought.

4. Roofs

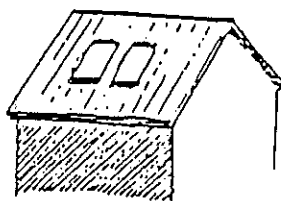
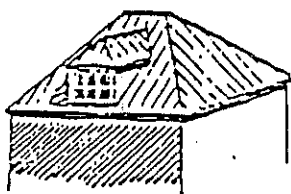
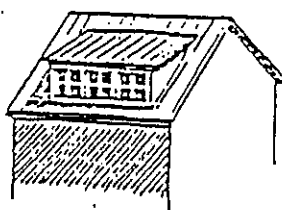
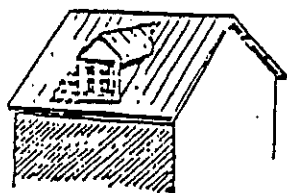


Roofs are the dominant architectural forms on the mountainside, particularly as viewed from the ski trails. Therefore the roofscape deserves careful consideration.

Roof forms should be more forceful than wall forms and should contribute to the impression that the building is firmly grounded. Therefore, pitched, gable, and hip variations and composites are preferred. Roof dormers are encouraged. Shed roofs that are thoroughly integrated with the building form are also acceptable.



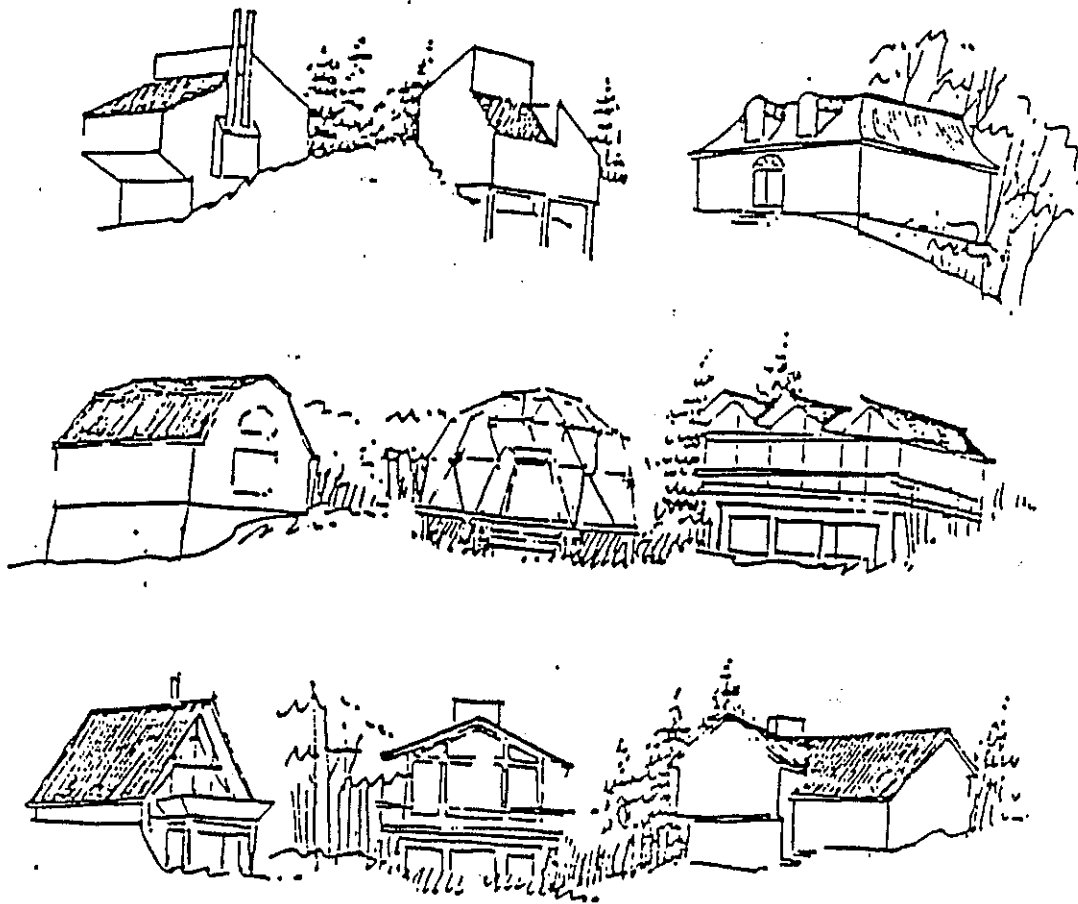
PREFERRED DORMER TYPES AND SKYLIGHT PLACEMENT.



Rooftop access stairways, radio or TV antennae, etc., shall not protrude from the roof. Skylights should be set back from the eave line, placed as close to the roof surface as is functional, and located parallel to the roof plane.

Flat topped chimneys with side venting flues and spark arrestors are recommended. Preferred flue materials are brick and masonry-finish. Exposed metal chimneys are not permitted.

DISCOURAGED ROOF FORMS AND CHIMNEY TYPES:



Preferred roofing materials are: architectural asphalt shingles, non-glare metal, or fire treated shakes or shingles. In general, the roof color should be darker than the wall color.

5. Garages

Garages are desirable at Sugarloaf. They offer protection from the weather and they contribute to the overall efficiency of the parking situation as well.



DESIRABLE CONDITION
Garage Integrated Into
House Design



UNDESIRABLE CONDITION
Garage Dominates House Design

Care must be taken in the placement of garages and in the treatment of garage doors so that they do not visually dominate the main approaches to the building/s. Placement of the garage on the back or side of the house is encouraged.

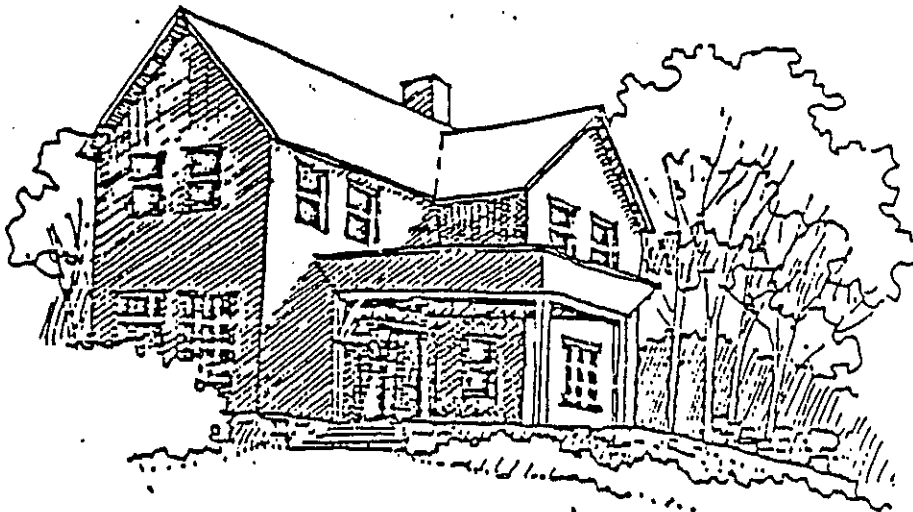
6. Porches and Decks

The cool, and often windy, mountain climate at Sugarloaf makes wind protected porches and decks desirable. Screened porches will add to summer enjoyment but must be an integral part of the building design.



DESIRABLE CONDITION

Porches Integrated Into Design



UNDESIRABLE CONDITION

Porch Not Integrated Into Design of House

7. Fencing and Walls

Fencing and walls may not be used to delineate individual homesite or residential property boundaries. They may be used to break the wind, provide privacy, screen service yards, define outdoor living areas, or aid in pet control.

DESIRABLE CONDITION
Natural Woods Feeling
Preserved

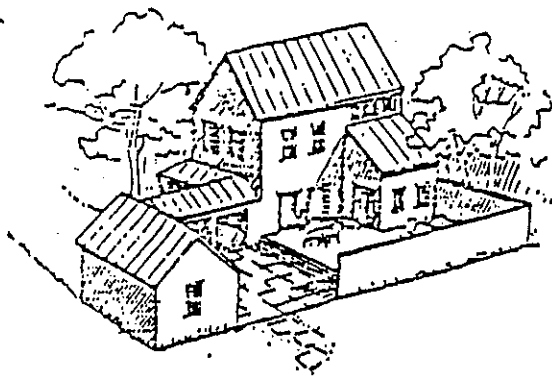


UNDESIRABLE CONDITION
Property Boundaries Fenced



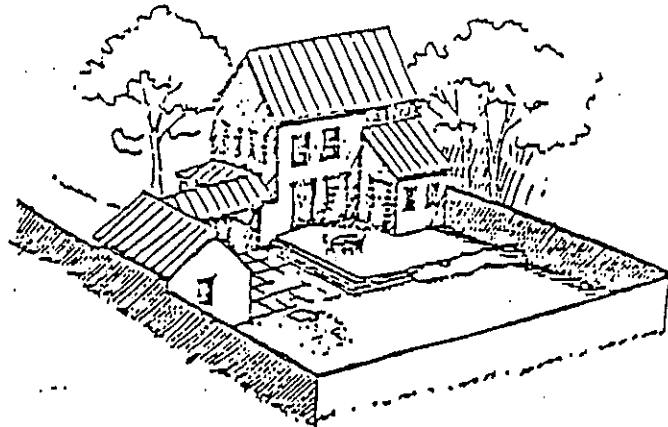
Choice of fencing or wall type and materials will depend on the architectural design of related buildings, on the specific use or purpose of the fence, and on the specific restrictions of the applicable landscape zone.

For aesthetic and environmental reasons, solid fencing shall be attached to the building or used within fifteen (15) feet thereof and shall not exceed seven (7) feet in height. The preferred material for solid fencing is wood and all structural members should be on the interior of the fence. Stone walls are also encouraged provided they blend with the architecture and site design.



DESIRABLE CONDITION

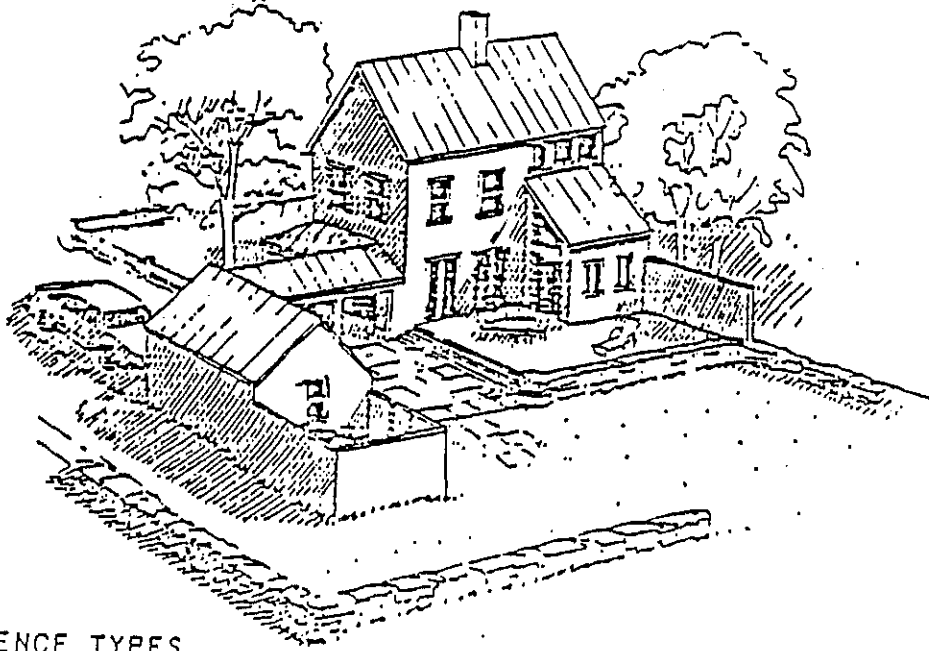
Solid Fence Used to Screen Porch



UNDESIRABLE CONDITION

Solid Fence Used to Screen Yard

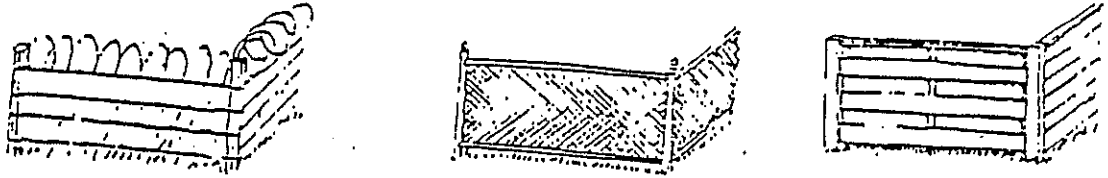
In order to decrease visual impact, fencing further than fifteen (15) feet from the building/s shall be open and shall not exceed four (4) feet in height. Split rails and wood posts are preferred fencing materials, although other designs in wood or alternative materials will be considered provided they preserve or enhance the architectural and site design. For example, the Design Review Board will encourage the use of low stone walls to enhance landscaping detail.



PREFERRED USE OF FENCE TYPES

Solid Fencing for Service Area Screen and Side of Porch, Low Open Fencing in Front of House, and Low Stone Wall for Landscaping Detail

In general, fences will be most attractive when they are similar to buildings in color, texture, material, and pattern.



UNDESIRABLE FENCE TYPES

8. Gateways and Entrances

The individual character of a residence or development area may be strengthened by a well designed entrance or gate. Because entrances and gates can provide visual interest and help establish building or neighborhood locations, they are strongly encouraged, subject to Design Review Board Approval.

9. Parking

Parking on any road within the Sugarloaf Community is explicitly prohibited. At least two off-street parking spaces shall be provided per dwelling unit. In cases where there are four or more bedrooms, the Design Review Board may require additional parking. The design of parking spaces should take snow removal requirements into consideration.

C. LANDSCAPE ARCHITECTURE

The natural landscape at Sugarloaf is a significant factor in the resort's aesthetic and recreational character. Because the natural environment is such an integral part of the Sugarloaf Community, all landscaping activities at Sugarloaf should compliment the native plant communities. The ultimate goal is to maintain an integrated and harmonious community between man and nature. Therefore, Sugarloaf Mountain Corporation has established four landscape zones within which different types of landscaping are encouraged. Refer to the Sugarloaf Landscape Zones Map in Appendix B.

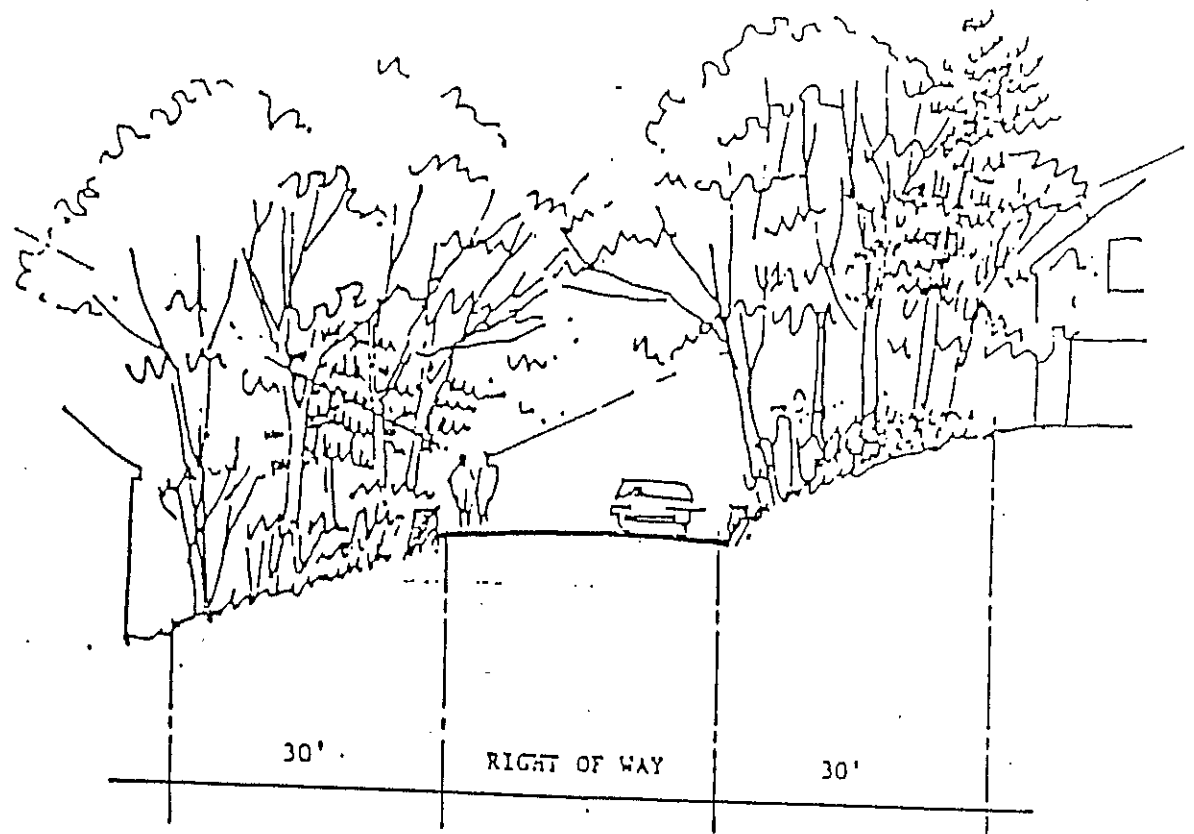
1. Landscape Zones

a. Restricted Landscape Zone A

In order to preserve the wilderness integrity of the Sugarloaf Golf Club Course, Restricted Landscape Zone A has been designated along both sides of the Sugarloaf Golf Club Course as shown on the map in Appendix B. There will be no tree removal allowed in this zone other than that accomplished by the golf course maintenance crew. There will be no ornamental or decorative planting allowed unless it is consistent with the landscaping theme of the golf course and approved by the Design Review Board.

b. Restricted Landscape Zone B

Restricted Landscape Zone B consists of all land within thirty (30) feet of the edge of road right of ways as shown on the map in Appendix B. This zone has been created to provide a clean, consistent appearance along all roadways at Sugarloaf. The landscape design within this zone may vary on a village by village basis. Depending on the village character, the landscaping may include fencing, lighting, walkways, etc., subject to Design Review Board approval. This zone will be maintained by the individual property owners according to the village theme. In cases where property owners are not maintaining this zone properly, Sugarloaf Mountain Corporation has reserved the right to do so and to assess the property owners for this service.



RESTRICTED LANDSCAPE ZONE B

c. Residential Landscape Zone

The Residential Landscape Zone has been limited to the land within the Construction Limit Line as established in the Sugarloaf Design Review Process and approved by the Design Review Board. Tastefully designed ornamental and decorative landscaping may be planted within this zone. Within this zone, grass lawns are permitted up to twenty five (15-25) feet from the building foundations; however, smaller grassed areas are encouraged.

The areas outside the construction limit line, even if privately owned, must be maintained as naturally vegetated areas and are included in the Open Space Zone. Where permitted by the Design Review Board, a transition zone from the Residential Landscape Zone to the Open Space Zone will be designated to allow for selective planting and pruning according to an approved plan.

d. Open Space Zone

All land not otherwise designated falls within the open space zone. If this designation falls on individually owned property the property owner will maintain this area. If not on individually owned property, the Home Owners Association will maintain it. Good forest management practices are encouraged. Removal of blow downs, dead or diseased trees, and undesirable second growth such as alders is recommended. Selective thinning and planting is permitted subject to Design Review Board approval.

2. Recommended Design Philosophy and Plant Materials

Because the mountain environment at Sugarloaf has relatively harsh climatic conditions, plant materials must be chosen with care. The use of native plant species is highly recommended. They tend to be the most adaptable and the most self-sufficient. Nursery stock of purely native plant material may be difficult to find. In this case we recommend the use of hardy species which will grow in the Sugarloaf climate. For your reference, a listing is attached in Appendix C.

Through the use of adaptable or native plant species, one can eliminate most of the maintenance costs associated with contemporary suburban landscaping activities. Once established, these plants will require no more water or nutrients than those provided by nature. Plants selected for their ornamental value should be examined for their adaptability to the mountain environment at Sugarloaf as well.

The native plant communities in Carrabassett Valley include numerous species of ferns, orchids, and other "non-weedy" wildflowers, grasses, mosses, shrubs, and trees. These plants are essentially self-sufficient and they perpetuate themselves without maintenance.

1944

1

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1945

The Design Review Board encourages naturalistic plantings arranged in dense, informal patterns which characterize the surrounding indigenous landscape. A properly designed natural landscape planting is one that forms a complete natural community or plant association. For example, one plant community commonly found on Sugarloaf Mountain is the mixed hemlock and hardwood community. This community consists of hemlock, spruce, and mixed hardwood overstory trees with a fairly open forest in the understory. The ground layer is characterized by the luxuriant growth of ferns with moss-covered boulders and many low-growing wildflowers. This community occurs along ravines and stream corridors below the 2000 foot elevation.

The use of the same plants as those found in the adjacent landscape will create a subtle yet pleasing setting for the building/s and maintain the overall visual and aesthetic appeal of the Sugarloaf Community. The refurbishing or repetition of the surrounding scheme will also give the building a look of permanence and belonging, as if it had always been there.

In areas where the native vegetation is being retained sound forest management practices should be implemented. When necessary, and with the approval of the Design Review Board trees greater than four (4) inches DBH can be removed, underbrush removed and selective thinning accomplished.

3. Ground Cover

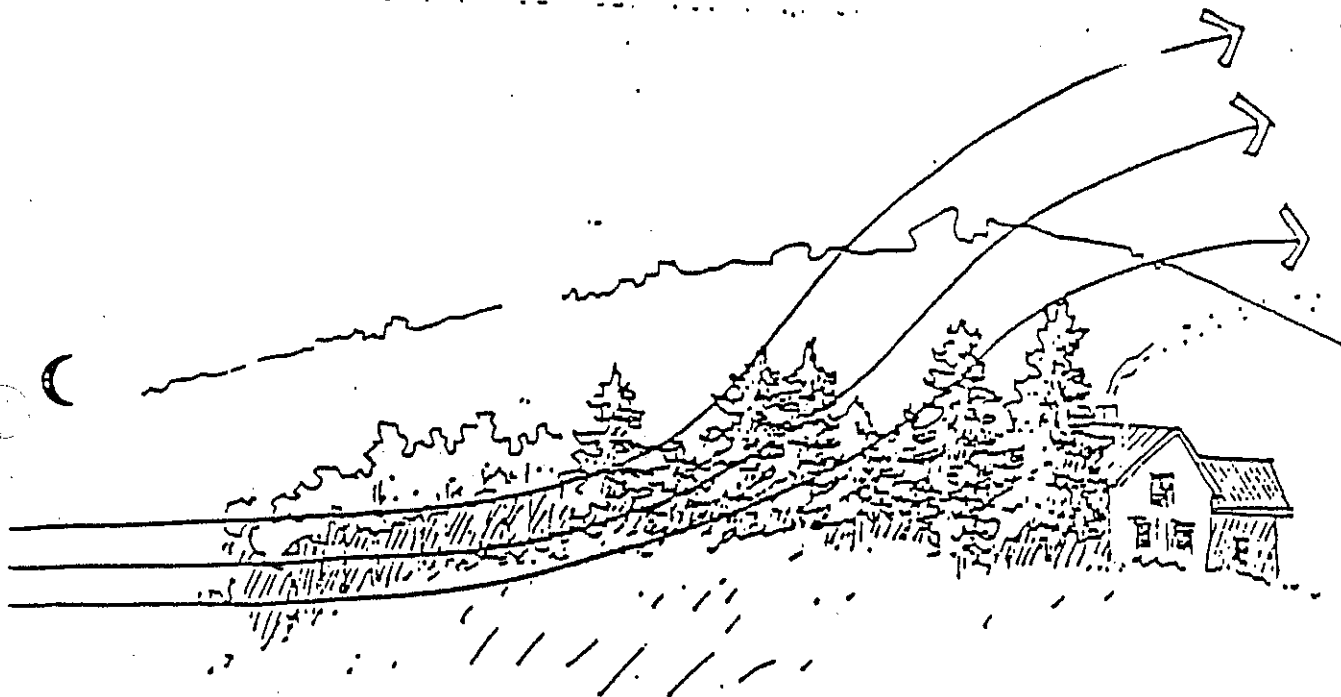
The use of ground cover on disturbed terrain at Sugarloaf is strongly recommended. By consolidating the disturbed surfaces of fine-grained soils, ground cover plays an important role in the prevention of erosion and sedimentation. Ground cover also provides a form of natural cooling as it absorbs radiation from the sun.

Tolerant grasses, forbes, and wildflowers are the preferred ground cover at Sugarloaf. Once established, they require little maintenance. They are well suited to the mountain climate, they provide variety and visual interest, and they blend well within the surrounding landscape. Grass mixture recommendations are available from the Planning and Development Office.

Irrigated turf or lawns are considered acceptable in high-use areas near buildings within the Residential Landscape Zone. It is recommended that lawn areas be kept to a minimum for aesthetic and maintenance reasons.

4. Windbreaks

Windbreaks help block prevailing winter winds and provide a significant amount of insulation. Where large tracts of woodland are abundant, deciduous trees can act as a sufficient windbreak, but evergreens are more effective since they retain their dense foliage year round.



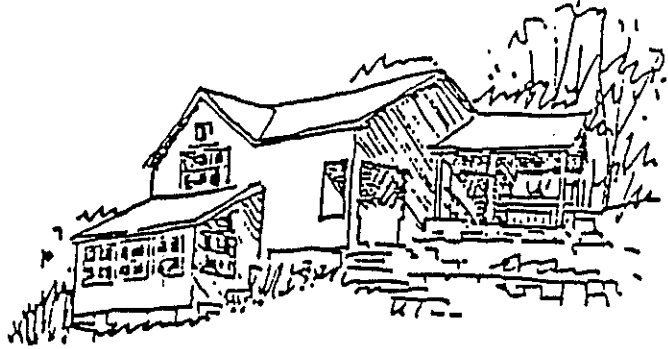
DESIRABLE WINDBREAK

Evergreens are planted in unevenly spaced clusters

When using evergreens for a windbreak, the trees should not be planted to form a solid barrier. Solid windbreaks create areas of low pressure immediately to the leeward side which pulls winds downward, reduces the length of total area sheltered, and causes drifting of snow in the winter. In addition to the practical reasons for planting evergreens in staggered, unevenly spaced clusters, the aesthetic effect is more desirable.

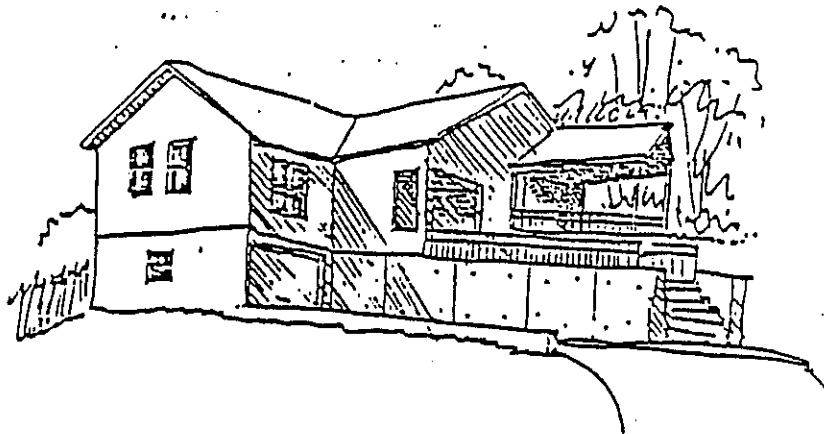
5. Retaining Walls

Steep or unusual terrain will present an opportunity to use retaining walls or planters to resolve an otherwise difficult relationship between grades. Generally, slopes over 3:1 should be mitigated with retaining walls and slopes over 2:1 must be controlled with retaining walls.



DESIRABLE CONSTRUCTION METHOD

House Is Built Into Site and Retaining Walls are Used



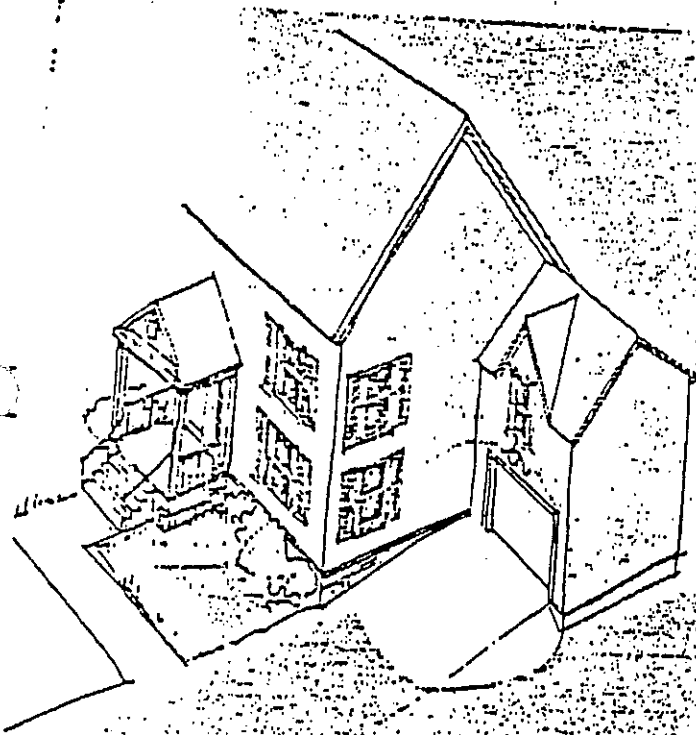
UNDESIRABLE CONSTRUCTION METHOD

Site Flattened to Accommodate House, No Retaining Walls Used, and Concrete Foundation Is Exposed

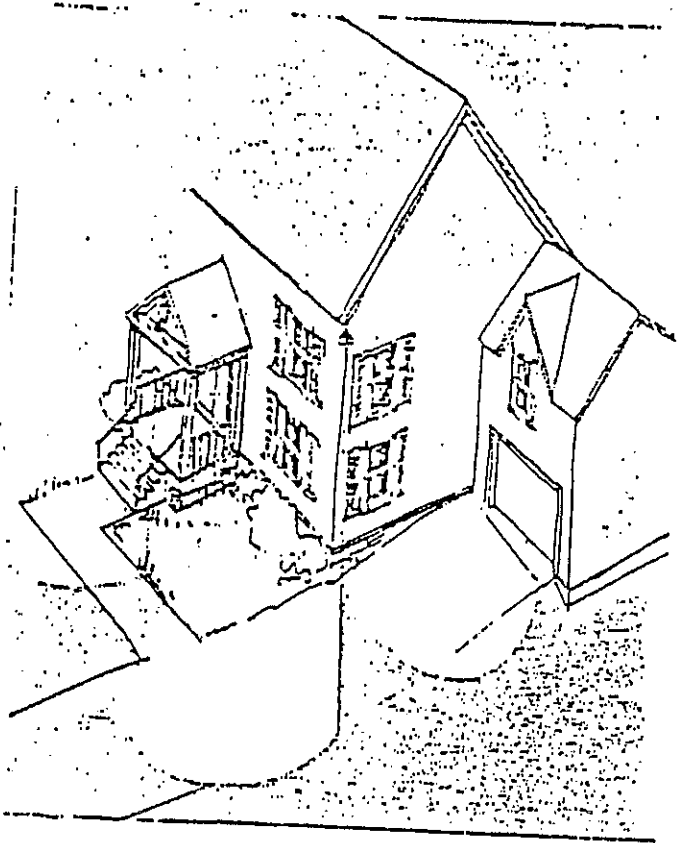
Stone and concrete are the preferred materials, although carefully designed, construction with pressure treated timbers is also acceptable. The use of concrete blocks and stucco is not permitted. Retaining wall design and construction details are available from the Planning and Development Office.

6. Exterior Lighting

Exterior lighting systems must be chosen with care. All exterior lighting must direct light downward to avoid glare. The light sources shall not be visible from neighboring properties. In most situations, areas requiring illumination should be lit with a number of low-intensity sources rather than a large single source. Flood lighting is particularly bad and because the light source is visible will not be approved.

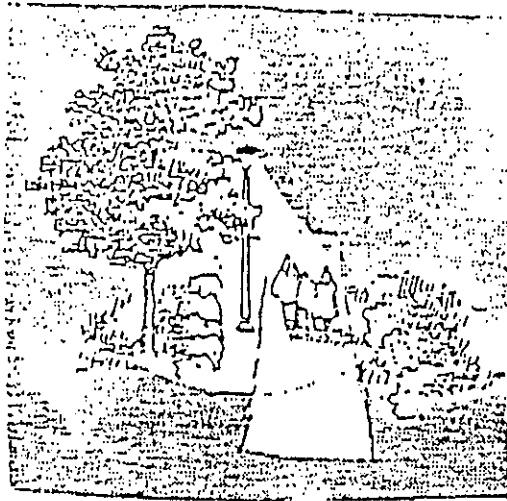


DESIRABLE EXTERIOR LIGHTING
Low Intensity Source,
Directed Downward

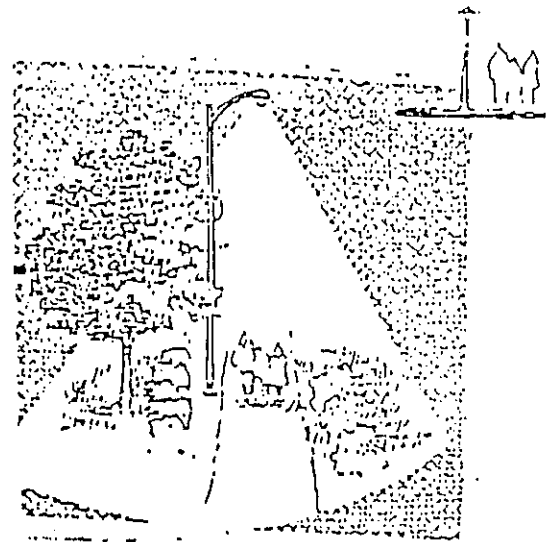


UNDESIRABLE EXTERIOR LIGHTING
Flood Lighting, High Intensity
Source, Visible From Far Away

The use of pressure treated wood standards for lights on poles is required and they should be no more than eight (8) feet in height as a general rule. Dark colored fixtures, preferably with black or brown matte finishes are encouraged because they tend to be less obtrusive than light-colored fixtures.



PREFERRED WALKWAY LIGHTING
 Low Intensity Source,
 Mounted Only 8 Feet Above Walkway



UNDESIRABLE WALKWAY LIGHTING
 High Intensity Source,
 Mounted Too High Above Walkway

A listing of recommended exterior lighting fixtures is available from the Planning and Development Office.

VII. CONSTRUCTION AT SUGARLOAF

A. PRE-CONSTRUCTION ACTIVITIES

1. No lot is to be cleared or construction otherwise started on any lot without written approval of the Design Review Board even if a Building Permit has been obtained from the Town. Before approval is given, the applicant must sign the Sugarloaf Building Construction Agreement in which the applicant agrees to pay for any damages to streets, ditches, common areas, trees to be saved, or adjoining lots or sites which might occur during site clearing, landscaping, or home construction.
2. Approval by the Design Review Board does not preclude the necessity for obtaining a Building Permit from the Town of Carrabassett Valley and for compliance with all applicable codes and regulations.
3. The Design Review Board or its designated representative will inspect the buildings under construction for compliance with approved plans and may report its findings to the Town Building Inspector.
4. There is no dumping area available at Sugarloaf nor is there a pit for obtaining earth fill. Provisions for these services should be made from other sources.

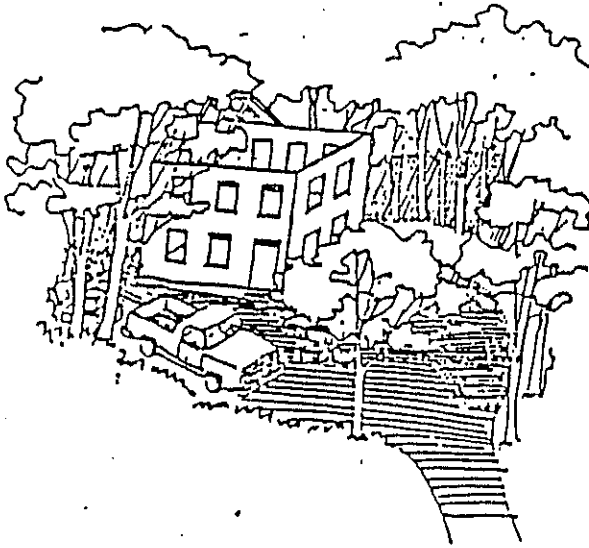
B. CONSTRUCTION ACTIVITIES

Sugarloaf is a recreational resort community which attracts people who seek the unique recreational and scenic environmental amenities Sugarloaf has to offer. While visitors and residents all understand the need for construction activity they will enjoy their time here more if construction activities take place in an orderly and timely manner. Therefore we ask your cooperation with the following procedural requirements:

1. In order to minimize the damage to the natural terrain, ingress and egress to the lot shall be made through only one place on the site as indicated on the final application. Damage to streets, common areas and trees as a result of construction will be assessed by the Design Review and charged to owners.
2. Only those trees indicated to be removed on the approved site plan shall be removed. Care should be exercised to protect all other trees from equipment damage and/or filling. Snow fencing or chain link fencing should be placed outside the drip line of the trees to be saved.

Care should be taken during construction to avoid cutting, placing any fill, or storage of equipment or materials under the tree drip line. The procedure shall be established as part of the final application.

3. Materials must be stored in an inconspicuous area of the site within the established limits of construction as specified in the final application. No vehicles or materials will be permitted outside the construction limit line. The use of adjoining properties for access to the site or for the storage of materials is forbidden unless written permission is obtained from the owners.



DESIRABLE CONDITION

Site Properly Maintained



UNDESIRABLE CONDITION

Site Improperly Maintained

4. Cleanliness will be practiced and contractors are required to make frequent, cleanups of surplus materials, trash, coffee cups, wrappers, etc. Cleanups shall be made at least once a week on Fridays so that the community will be clean for weekend visitors. Unsightly building sites constitute nuisances to the community and will be handled according to the Covenants and Restrictions.
5. One sign identifying the contractor, architect and landscape architect, may be displayed on the lot. This sign must not exceed 16 inches by 16 inches and must be consistent with the Sugarloaf Sign Guidelines. No loud or gaudy colors will be permitted. When the job is completed the sign must be removed immediately. No other signs will be displayed at any time, including those of subcontractors or signs advertising other goods or services.

APPENDIX A

DEVELOPMENT OFFICE PROCEDURES AND FEES

The Development Office is located in the Corporate Offices of Sugarloaf Mountain Corporation in Village Center. All applications for building certificates should be addressed to Larry Warren, President, Sugarloaf Mountain Corporation, and must be accompanied by a check for the \$100 non-refundable application fee.

During the construction phase, each owner of a single family home will be charged a fee of \$6,000 for hookup to the sewerage and water systems. Each owner is also responsible for the cost of water and sewer pipe and its installation from the nearest trunk lines.

EVERGREEN SHRUBS: Use as screen, for wintercolor, as ground cover

1. Rosebay Rhododendron Tall (20') white flowers, hardiest rhododendron
2. *PJM Rhododendron and varieties Hardy, lilac, purple, and white varieties, orange fall color, dense, neat
3. *Mugo Pine Low (18"), dense
4. *Dwarf Japanese Yew Dark, dense medium screen
5. *Dense Yew Lower screen
6. *Bar Harbor Juniper Use for foundation, winter color
7. Andorra Juniper Low ground cover; purple-rust winter color
8. Wilton Juniper Bluegreen ground cover
9. Oldfield Common Juniper Native, open, bluegreen shrub
10. Compact Pfitzer Juniper Dense, but spreading, bluegreen

DECIDUOUS SHRUB: Use as border at woods and roadways, screen, for flowers, etc.

1. Canada Yew Native, open, spreading
2. *Lowbush Blueberry Native ground cover
3. *Cranberrybush Viburnum Native shrub, white flowers, red fruit
4. *Arrowwood Viburnum Native, tall, dense, good fall color
5. Nannyberry Viburnum Tall, specimen tree-like, white flowers
6. *Summersweet Native, white fragrant flowers, tolerates wet
7. Winged Euonymus Tall, pink fall color, good winter form
8. Compact Euonymus Dense, good hedge
9. *Red-Twig Dogwood Best in winter, red stems
10. Yellow Twig Dogwood Best in winter, yellow stems
11. Winterberry Native, best in winter, red berries, tolerates wet, call
12. *Bayberry Native in lower elevations, neat, medium border, needs sun
13. Swamp, Rhodora, *Roseshell, Pinxterbloom All flower pink and are native in lower elevations, open forms, delicate
14. Inkberry Native in lower elevations, tolerates wet, good border, similar to Bayberry
15. *Rugose rose Requires sun, white, pink summer flowers, good border
16. Virginia Rose Native in lower elevations, pink summer flowers, more delicate than Rugose
17. *Early, Late, Common Lilacs All flower at different times in spring and are hardy, colors white, lilac, purple, reds

APPENDIX C

"BEST PLANTS" SUMMARY

- * Native on mountain

EVERGREEN TREES

1. Veitch Fir
2. * White Spruce
3. White Pine
4. * Canada Hemlock

DECIDUOUS SHADE TREES

1. * Sugar Maple
2. * Red Maple
3. * Paper Birch
4. River Birch

UNDERSTORY (SMALL) TREES

1. American Hornbeam
2. Amur Maple

FLOWERING/ORNAMENTAL TREES

1. Allegheny Serviceberry
2. Japanese Flowering Crab
3. Sargent Crab

EVERGREEN SHRUBS

1. PJM Rhododendron
2. Hugo Pine
3. Dense Yew
4. Bar Harbor Juniper
5. Wilton Juniper

DECIDUOUS SHRUBS

1. * Lowbush Blueberry
2. Arrowwood Viburnum
3. * Cranberrybush Viburnum
4. Summersweet
5. Compact Winged Euonymus
6. Red-Twig Dogwood
7. Bayberry
8. Roseholli Azalea
9. Rugose Rose
10. Early, Late, Common Lilacs

NATIVE GROUND COVERS AND WILD FLOWERS

1. * Hayscented, * Cinnamon, Ostrich, Christmas Fern
2. Bleeding Hearts
3. * Columbine
4. Solomon's Seal

VINES

1. * Virginia Creeper
2. Trumpet Honeysuckle

PERENNIALS AND ANNUALS

1. Daylilies
2. Iris
3. Narcissus (Daffodils)
4. Impatiens
5. Pansies (Viola)
6. Geraniums
7. Chrysanthemums

NATIVE GROUND COVERS: Use instead of lawn and in wooded areas,
along paths

- | | |
|--------------------------------|----------------------------------|
| 1. *Hayscented, Cinnamon ferns | Delicate, Cinnamon tolerates wet |
| 2. *Ostrich Fern | Large fern, likes sun |
| 3. *Christmas Fern | Semi-evergreen |
| 4. Bunchberry | White flower, red berries |
| 5. Lily-of-the-Valley | Vigorous, fragrant white flowers |
| 6. *Bleeding Hearts | Pink flowers, delicate foliage |
| 7. Ginger | Heartshaped leaves |

WILDFLOWERS: Use in ground cover and at wood's edges

- | | |
|----------------------------|---|
| 1. Lady's Slipper | Pink, white, spring |
| 2. Trillium | White, spring |
| 3. *Columbine | Red, white, blues, early summer
flowering |
| 4. Crested Iris | White, blues, late spring |
| 5. *Solomon's Seal | Tall, all summer foliage |
| 6. Jack-in-the Pulpit | Early spring, unusual |
| 7. Trout Lily | Yellow, early spring bloomer,
spreads, tolerates wet |

VINES: Use on walls, along porch rails, at fences

- | | |
|-------------------------|---|
| 1. *Virginia Creeper | Native, red fall color, needs
support |
| 2. Bittersweet | Native, orange berries, vigorous,
needs no support |
| 3. *Trumpet Honeysuckle | Pink/orange flowers, needs support |
| 4. Dutchman's Pipe | Big leaves, needs support,
vigorous |

PERENNIALS: Use in borders or at house, all need some sun

- | | |
|----------------------------------|--|
| 1. *Daylilies | Semi-shade spreading, low
maintenance, reds, yellows, gold,
orange |
| 2. Tiger Lilies | Native, tolerates wet |
| 3. *Iris | Semi-shade, all colors, late May,
early June blooming, spreading |
| 4. *Spring bulbs-Narcissus, etc. | Daffodils, Narcissus, Crocus,
etc., naturalize. |

ANNUALS: Use for summer, fall accent color on porch, in garden beds

- | | |
|---------------------|---|
| 1. Begonias | Tolerates shade, pink, white |
| 2. *Impatiens | Pink, white, red, tolerates shade |
| 3. *Pansies (Viola) | Tolerates some shade, reseeds
itself, white, purple, blue,
yellow. Best in spring and fall. |
| 4. *Geraniums | Requires sun, pink, reds, whites |
| 5. Petunias | Requires sun, all colors |
| 6. Alyssum | Requires sun, white |
| 7. Marigolds | Requires sun, yellows, golds,
orange |
| 8. *Chrysanthemums | Hardy ones need winter mulching.
Whites, yellows, rust, mauve,
lilacs. Fall blooming |

EXHIBIT "F" TO
PUBLIC OFFERING STATEMENT
SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

LIMITED WARRANTY CERTIFICATE
(Unit)

Issued To and Accepted By

Purchaser

Seller, as Declarant, has sold to you Unit Quarter No(s). _____, at Sugarloaf Mountain Center, A Condominium, located in Carrabassett Valley, Maine. The Unit associated with your Unit Quarters (the "Unit") has been constructed in accordance with the local building code of the Town of Carrabassett Valley, Maine. In any new construction certain items may require adjustment. This Limited Warranty Certificate describes Seller's obligations to make such adjustments.

I. COVERAGE AND DURATION

A. *Non-Consumer Products*

1. Seller warrants that at the time of closing any improvements to the Unit made or contracted for by the Seller are free from defective materials. This warranty is limited to any defects to materials brought to Seller's attention in writing within two years from the time of closing.

2. Seller warrants that any improvements to the Unit made or contracted for by the Seller are, at the time of closing, constructed in accordance with applicable law, according to sound engineering and construction standards and in a workmanlike manner. Construction complying with the National Building Code and Code Administrators (BOCA), Basic Building Code or equivalent applicable local building code, if any, shall be deemed to satisfy such sound engineering or construction standards. However, the BOCA Basic Building Code is not the sole evidence or measure of sound engineering and construction standards since some improvements which are constructed in a workmanlike manner according to sound engineering and construction standards may not be intended to comply with the BOCA Basic Building Code because of the unique nature of those improvements. This warranty is limited to any improvements to the Unit made or contracted for by the Seller which have not been constructed in accordance with applicable law, according to sound engineering and construction standards and in a workmanlike manner, brought to Seller's attention in writing within two (2) years from the date hereof.

3. Seller warrants that the Unit is, at the time of closing, suitable for the ordinary uses of real estate of its type.

B. *Consumer Products*

1. Seller gives no warranty on appliances or other equipment sold with the Unit except as may be required by the statutory warranty.

2. Seller's sole obligation with respect to items not warranted by Seller shall be to deliver to the Association at the time of Closing any manufacturers' warranties covering such appliances and equipment in the Unit except insofar as the same may be Common Elements. Seller is not responsible for performance under manufacturers' warranties in any way.

C. *Examples*

1. The following are examples of non-consumer products: doors, windows, wiring, toilet, bathtub, lavatory, etc.

2. The following appliances and other equipment sold with the Unit are examples of consumer products: thermostat, individual heating system, refrigerator/freezer, microwave oven, television, VCR, and other Common Furnishings. (These items, and all other Common Furnishings, will be owned and maintained by the Association, as is more fully explained in the Supplemental Quartershare Declaration for Sugarloaf Mountain Center, A Condominium, as recorded in the Franklin County Registry of Deeds.)

II. SELLER'S RESPONSIBILITY

In the event of any defect in any item or component thereof covered by Seller's limited warranty or the statutory warranty, Seller, at its election, will either repair or replace the affected item or component at no cost to the Unit Owner. Replacement items or components will be substantially comparable to those replaced (although identical colors and other features may not necessarily be available). Seller will correct the defect in such manner as to restore the component to the condition which would have existed had the defect not been present. This Part II states the Seller's entire responsibility under this limited warranty and the statutory warranty with regards to defects, subject to the EXCLUSIONS, LIMITATION OF IMPLIED WARRANTIES, and WARRANTY PROCEDURES.

III. EXCLUSIONS

A. Seller's warranty and the statutory warranty do not include cracks, popping nails or other effects of normal settlement, or expansion, contraction, shrinkage or warping of materials that may occur in walls, floors, ceilings, doors or any of the components of the Unit, or other effects of drainage, seepage, leakage or other water problems including rain, snow, storm, wind or hurricane damage, and/or the corrosive effects of ocean salt.

B. Seller's warranty and the statutory warranty do not include defects or smudges in painted surfaces, chipping and/or cracking of marble, formica, fiberglass or tiles, defective or broken glass, or similar defects readily visible to the human eye, which are not noted for correction at the time of inspection by the initial Purchaser before Closing.

C. Seller's warranty and the statutory warranty do not cover normal maintenance items or conditions resulting from wear and tear and/or misuse or negligence. Seller's warranty and the statutory warranty do not apply where use or maintenance was contrary to the Condominium Documents or rules and regulations of the Condominium or where any defect results from damage by the Unit Owner, invitees or guests, or by negligence or unreasonable use (including failure to provide reasonable and necessary maintenance).

D. Furniture, wallcoverings, furnishings or the like, as shown in or about any model unit are for display purposes only and are not considered a part of the Unit. Further, the location of wall switches, thermostats, chases, plumbing and electrical outlets and similar items may vary from Unit to Unit and may not be as shown in any model Unit. Any floor plans, sketches or sales drawings shown to Purchaser other than those which are a part of the Plans or the Public Offering Statement are for display purposes only and may not be exactly duplicated.

E. SELLER SPECIFICALLY DISCLAIMS ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL (SECONDARY) DAMAGE TO ANY PERSON, THE UNIT, OTHER COMPONENTS OR ANY OTHER REAL OR PERSONAL PROPERTY, RESULTING FROM A DEFECT. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU.*

IV. LIMITATION OF IMPLIED WARRANTIES

ON CONSUMER PRODUCTS FINALLY DETERMINED BY A COURT TO BE WITHIN THE STATUTORY WARRANTY DESCRIBED ABOVE, ALL IMPLIED WARRANTIES ARE LIMITED IN DURATION TO THE PERIOD OF THIS WRITTEN WARRANTY. This includes, without limitation, the implied warranties of merchantability and fitness created by Title 11 M.R.S.A. Sections 2-314 and 2-315 and the implied warranties of quality and suitability created by Section 1604-113(b) of the Maine Condominium Act. Some states do not allow limitations on how long an implied warranty lasts, so the above limitation may not apply to you.* This warranty gives you specific legal rights, and you may have other rights which vary from state to state.*

V. WARRANTY PROCEDURES

A. The following procedures have been established to permit maximum efficiency in administering work under warranty:

Each Unit Quarter Owner or the Unit Quarter Owner's representative had the opportunity to inspect his Unit prior to Closing. At that time a list of items needing correction in accordance with Seller's warranty usually is prepared on the "Unit Inspection Form". Certain additional items may arise from time to time, as is normal in a new building. If any additional items arise, the procedure to be followed for correcting these items is as follows:

1. Ninety days after occupancy, if the Unit Quarter Owner has discovered defects that are covered by this Limited Warranty Certificate, in order to obtain performance of any of the Seller's warranty obligations, a written statement of all warranty claims should be sent to:

Sugarloaf Mountain Center
Condominium Association
Rural Route One, Box 2299
Carrabassett Valley, Maine 04947

2. Upon receipt of the written statement, Seller's representative will meet the Unit Quarter Owner, inspect the Unit and list all warranted defects on the "Warranty Inspection Form", a copy of which is attached, to be signed by both the Unit Quarter Owner and Seller's representative.

3. Any latent defects that may be discovered subsequent to the completion of the "Warranty Inspection Form", during the period covered by the Limited Warranty Certificate, will be handled individually upon written notice from the Unit Quarter Owner to Seller sent to the address set forth in paragraph 1 above and in accordance with the same rules and procedures established in the "Warranty Inspection Form" and the "Unit Inspection Form".

B. If the Unit Quarter Owner and Seller's representative fail to agree upon the defects to be noted on the Warranty Inspection Form or the workmanlike correction of such defects, Seller will, within five days after receipt of the date of the Unit Quarter Owner's request therefor, submit the disagreement to the Project Architect for decision, and such decision shall be final and binding on Seller Declarant and the Unit Quarter Owner. The Project Architect will render his decision based on the plans and specifications for the Unit, the Public Offering Statement and the Declaration. The charge by the Project Architect for this service will be paid one-half by Declarant and one-half by the Unit Quarter Owner prior to resolution. The Project Architect is Sasaki Associates.

VI. ASSIGNMENT

This Limited Warranty Certificate may be assigned by the Purchaser to a subsequent owner of the Unit effective on the date that the subsequent owner notifies Seller in writing of such assignment; this Limited Warranty Certificate is not otherwise transferable.

VII. INTERPRETATION

Nothing contained herein shall be deemed to be in derogation of the warranty required by Section 1604-113(b) of the Maine Condominium Act, as amended, as of this date. No action taken to correct defects shall extend this warranty. This Limited Warranty Certificate shall be governed by the laws of the State of Maine.

Dated:

SUGARLOAF MOUNTAIN CENTER
CONDOMINIUM ASSOCIATION

By: _____
Its
"Seller"

"Purchaser"

"Purchaser"

"Purchaser"

"Purchaser"

*NOTE: This Limited Warranty Certificate has been prepared to comply with the requirements of the federal Magnuson-Moss Warranty-Federal Trade Commission Improvement Act enacted in 1975 (15 U.S.C. Section 2301); the sentences indicated by asterisks are required by regulations promulgated by the Federal Trade Commission (16 C.F.R. Section 701.3).

SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

WARRANTY INSPECTION FORM (UNIT)

(Attachment to Limited Warranty Certificate)

Purchaser

Purchaser

Unit Quarter Number(s)

Listed below are all of the defects discovered to date in the Units associated with my (our) Unit Quarters in accordance with the terms and conditions of my (our) Limited Warranty Certificate dated _____.

Date: _____

"Purchaser"

Date: _____

"Purchaser"

Seller agrees to correct in a workmanlike manner, the items listed above.

SUGARLOAF MOUNTAIN CENTER
CONDOMINIUM ASSOCIATION

Date: _____

By: _____
Its

Seller

I (we) acknowledge that the above items have been completed in a workmanlike manner.

Date

"Purchaser"

Date

"Purchaser"

MSA/67680.CZ4

EXHIBIT "G" TO THE PUBLIC OFFERING
STATEMENT FOR SUGARLOAF MOUNTAIN
CENTER, A CONDOMINIUM, HAS BEEN
DELETED AS NO LONGER NECESSARY WITH
RESPECT TO UNITS SOLD BY THE
ASSOCIATION.

EXHIBIT "H" TO
PUBLIC OFFERING STATEMENT
SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

AGREEMENT TO REDUCE PERIOD OF LIMITATIONS
(Unit and Common Elements)
(Unit Quarter Owner)

_____ Purchaser's Name	_____ Purchaser's Name
_____ Address	_____ Address
_____ City, State and Zip Code	_____ City, State and Zip Code

Unit Quarter No(s): _____

Seller: Sugarloaf Mountain Center Condominium Association

The Seller, as successor to the original Declarant which created Sugarloaf Mountain Center, A Condominium, has sold the Unit Quarters to the Purchaser pursuant to an Agreement of Sale between the Seller and the Purchaser. The Purchaser agrees with Seller pursuant to Paragraph 20 of the Agreement of Sale as follows:

1. The six (6) year period, during which a judicial proceeding for breach of any obligation arising under Sections 1604-112 and 1604-113 of the Maine Condominium Act must be commenced with respect to the Unit and/or Common Elements, is hereby reduced to a period of limitations of two years (2) as permitted pursuant to Section 1604-115(a) of the Maine Condominium Act.

2. Accordingly, the statute of limitations with respect to each Common Element is reduced to 2 years from the date that such Common Element is completed, or, if later, (i) as to a Common Element which may be added to the Condominium or portion thereof, for 2 years after the time the first Unit therein is conveyed to a Purchaser or (ii) as to a Common Element within any other portion of the Condominium, for 2 years after the time the first Unit in the Condominium is conveyed to a Purchaser.

3. Except as modified hereby the Agreement of Sale between the Seller and the Purchaser and any Limited Warranty Certificate issued to the Purchaser by the Seller remain in full force and effect.

Dated: _____

"Purchaser"

SUGARLOAF MOUNTAIN CENTER
CONDOMINIUM ASSOCIATION

By: _____
Its

"Seller"

C. Declarant's warranty and the statutory warranty do not cover normal maintenance items or conditions resulting from wear and tear and/or misuse or negligence. Declarant's warranty and the statutory warranty do not apply where use or maintenance was contrary to the Condominium Documents or rules and regulations of the Condominium or where any defect results from damage by a Unit Owner or the Association or by negligence or unreasonable use (including failure to provide reasonable and necessary maintenance).

D. DECLARANT SPECIFICALLY DISCLAIMS ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL (SECONDARY) DAMAGE TO ANY PERSON, THE UNIT, OTHER COMPONENTS OR ANY OTHER REAL OR PERSONAL PROPERTY, RESULTING FROM A DEFECT. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU.*

IV. LIMITATION OF IMPLIED WARRANTIES

ON CONSUMER PRODUCTS FINALLY DETERMINED BY A COURT TO BE WITHIN THE STATUTORY WARRANTY DESCRIBED ABOVE, ALL IMPLIED WARRANTIES ARE LIMITED IN DURATION TO THE PERIOD OF THIS WRITTEN WARRANTY. This includes, without limitation, the implied warranties of merchantability and fitness created by Title 11 M.R.S.A. Sections 2-314 and 2-315 and the implied warranties of quality and suitability created by Section 1604-113(b) of the Maine Condominium Act. Some states do not allow limitations on how long an implied warranty lasts, so the above limitation may not apply to you.* This warranty gives you specific legal rights, and you may have other rights which vary from state to state.*

V. WARRANTY PROCEDURES

A. The following procedures have been established to permit maximum efficiency in administering work under this and the statutory warranty:

If any items covered by this limited warranty arise, the procedure to be followed for correcting these items is as follows:

1. If a Purchaser or the Association discovers defects that are covered by this Limited Warranty Certificate, in order to obtain performance of any of the Declarant's warranty obligations, a written statement of all warranty claims should be sent by the Association to:

Apex, Inc.
One Portland Square
Portland, Maine 04112-9540

The Purchaser cannot send notice of defects to Declarant or engage with the Declarant in any meetings or negotiations regarding the defects. The Purchaser must be represented by the Association which shall intervene on behalf and in the name of the Purchaser. The Purchasers irrevocably delegate these responsibilities to the Association.

2. Upon receipt of the written statement, Declarant's representative will meet a representative of the Association, inspect the affected Common Element and list all warranted defects on the "Warranty Inspection Form", a copy of which is attached hereto, to be signed by both the representative of the Association and Declarant's representative.
3. Any latent defects that may be discovered subsequent to the completion of the "Warranty Inspection Form", during the period covered by the Limited Warranty Certificate, will be handled individually upon written notice from the Association to Declarant sent to the address set forth in paragraph 1 above and in accordance with the same rules and procedures established in the "Warranty Inspection Form".

B. If the Association's representative and Declarant's representative fail to agree upon the defects to be noted on the Warranty Inspection Form or the workmanlike correction of such defects, Declarant will, within five days after receipt of the date of the Association's request therefor, submit the disagreement to the Project Architect for decision, and such decision shall be final and binding on Declarant and the Association. The Project Architect will render his decision based on the plans and specifications for the Condominium, the Public Offering Statement and the Declaration. The charge by the Project Architect for this service will be paid one-half by Declarant and one-half by the Association prior to resolution. The Project Architect is Sasaki Associates.

VI. INTERPRETATION

Nothing contained herein shall be deemed to be in derogation of the warranty required by Section 1604-113(b) of the Maine Condominium Act, as amended, as of this date. No action taken to correct defects shall extend this warranty. This Limited Warranty Certificate shall be governed by the laws of the State of Maine.

Dated: _____

APEX, INC.

By: _____

Its

"Declarant"

SUGARLOAF MOUNTAIN CENTER
CONDOMINIUM ASSOCIATION

By _____

Its Treasurer

By _____

Its Secretary

"Association"

EXHIBIT "I" TO
PUBLIC OFFERING STATEMENT
SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

LIMITED WARRANTY CERTIFICATE
(Common Elements)

Issued To and Accepted By

Sugarloaf Mountain Center Condominium Association

Apex, Inc., as Declarant, is selling condominium unit quarters in Sugarloaf Mountain Center, A Condominium, located in Carrabassett Valley, Maine. The Common Elements of the Condominium have been constructed in accordance with the local building code of the Town of Carrabassett Valley, Maine. In any new construction certain items may require adjustment. This Limited Warranty Certificate describes Declarant's obligations to make such adjustments to the Common Elements and outlines the methods to follow to obtain such adjustments.

I. COVERAGE AND DURATION

A. *Non-Consumer Products*

1. Declarant warrants that any improvements to each of the Common Elements made or contracted for by the Declarant are free from defective materials, brought to Declarant's attention in writing within two (2) years from the date that such Common Element is completed or, if later, (i) as to a Common Element which may be added to the Condominium or portion thereof, for two years after the time the first Unit therein is conveyed to a Purchaser or (ii) as to a Common Element within any other portion of the Condominium, for two years after the time the first Unit in the Condominium is conveyed to a Purchaser.

2. Declarant warrants that each improvement to each Common Element made or contracted for by the Declarant is constructed in accordance with applicable law, according to sound engineering and structural standards and in a workmanlike manner. Construction complying with the National Building Code and Code Administrators (BOCA), Basic Building Code, or equivalent applicable local building code, if any, shall be deemed to satisfy such sound engineering or construction standards. However, the BOCA Basic Building Code is not the sole evidence or measure of sound engineering and construction standards since some improvements which are constructed in a workman-like manner according to sound engineering and construction standards may not be intended to comply with the BOCA Basic Building Code because of the unique nature of those improvements. This warranty is limited to any improvement to the Common Elements made or contracted for by the Declarant which has not been constructed in accordance with applicable law, according to sound engineering and construction standards and in a workmanlike manner, brought to Declarant's attention in writing within two (2) years from the date that such Common Element is completed or, if later, (i) as to a Common Element which may be added to the Condominium or portion thereof, for two years after the time the first Unit therein is conveyed to a Purchaser or (ii) as to a Common Element within any other portion of the

Condominium, for two years after the time the first Unit in the Condominium is conveyed to a Purchaser.

3. Declarant warrants that the Common Elements are suitable for the ordinary uses of real estate of their type.

B. Consumer Products

1. Declarant gives no warranty on appliances or other equipment which constitutes a Common Element except as may be required by the statutory warranty.

2. Declarant's sole obligation with respect to items not warranted by Declarant shall be to deliver to the Sugarloaf Mountain Center Condominium Association (the "Association") any manufacturers' warranties covering such appliances and equipment, except insofar as the same may be part of a Unit. Declarant is not responsible for performance under manufacturers' warranties in any way.

C. Examples

1. The following are examples of non-consumer products: doors, windows, wiring, toilet, bathtub, lavatory, etc.

2. The following appliances and other equipment included in the Common Elements are examples of consumer products: thermostat, common heating and air conditioning system, doorbell.

II. DECLARANT'S RESPONSIBILITY

In the event of any defect in any item or component thereof covered by Declarant's limited warranty or the statutory warranty, Declarant, at its election, will either repair or replace the affected item or component at no cost to the Association. Replacement items or components will be substantially comparable to those replaced (although identical colors and other features may not necessarily be available). Declarant will correct the defect in such manner as to restore the component to the condition which would have existed had the defect not been present. This Part II states the Declarant's entire responsibility under this limited warranty and the statutory warranty with regards to defects, subject to the EXCLUSIONS, LIMITATION OF IMPLIED WARRANTIES and WARRANTY PROCEDURES.

III. EXCLUSIONS

A. Declarant's warranty and the statutory warranty do not include cracks, popping nails, bumps, chips, deteriorating plaster, sedimentary accumulation or clogs in plumbing elements, blemishes, chips or stains in porcelain finishes, dried caulking, or other effects of aging, settlement, or expansion, contraction, shrinkage or warping of materials that may occur in walls, floors, ceilings, doors or any of the components of the Common Elements or other effects of drainage, seepage, leakage or other water problems including rain, snow, storm, wind or hurricane damage, and/or the corrosive effect of ocean salt.

B. Declarant's warranty and the statutory warranty do not include defects or smudges in painted surfaces, chipping and/or cracking of marble, formica, fiberglass or tiles, defective or broken glass, or similar defects.

(
*NOTE: This Limited Warranty Certificate has been prepared to comply with the requirements of the federal Magnuson-Moss Warranty-Federal Trade Commission Improvement Act enacted in 1975 (15 U.S.C. Section 2301); the sentences indicated by asterisks are required by regulations promulgated by the Federal Trade Commission (16 C.F.R. Section 701.3).

SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

WARRANTY INSPECTION FORM (Common Elements)

(Attachment to Limited Warranty Certificate)

Listed below are all of the defects discovered to date in the Common Elements in accordance with the terms and conditions of the Limited Warranty Certificate.

Date: _____

SUGARLOAF MOUNTAIN CENTER
CONDOMINIUM ASSOCIATION

By: _____
Its President

Association

Declarant agrees to correct in a workmanlike manner, the items listed above.

APEX, INC.

Date: _____

By: _____

Its:

Declarant

I (we) acknowledge that the above items have been completed in a workmanlike manner.

SUGARLOAF MOUNTAIN CENTER
CONDOMINIUM ASSOCIATION

Date: _____

By: _____
Its

Association

The Association and the Declarant agree that the following procedures have been established to efficiently identify and correct possible defects discovered in the Common Elements:

1. All incomplete items and defects readily visible to the human eye shall be noted for completion or correction on this Warranty Inspection Form.

2. In case there is a failure to agree between Declarant or Declarant's representative and the Association concerning inclusion of the legitimate items and defects to be noted on this Warranty Inspection Form, Declarant will, within five (5) days after the date of inspection, submit the disagreement to the Project Architect for final decision, and such decision shall be final and binding on Declarant and the Association. The Project Architect will render his decision on the items in dispute based on the plans and specifications for the Condominium, the Public Offering Statement and the Declaration. The charge by the Project Architect for this service will be paid one-half by the Declarant and one-half by the Association upon resolution.

3. The signature of Declarant's representative on this Warranty Inspection Form constitutes agreement by the Declarant to correct in a workmanlike manner all items noted on this form. Corrective work shall start promptly and be carried out expeditiously by Declarant.

4. Upon completion of all corrective work noted on this Warranty Inspection Form, Declarant will so notify the Association in writing and the Association shall acknowledge such completion by signing Part II of this form. In the event the Association and the Declarant fail to agree on the satisfactory completion of the corrective work referred to above, Declarant, within five (5) days after notifying the Association, will submit the disagreement to the Project Architect and the same provisions established for disagreement concerning the items to be noted on this Warranty Inspection Form will govern.

MSA/67690.AF1

EXHIBIT "J" TO
PUBLIC OFFERING STATEMENT
SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM
AGREEMENT TO REDUCE PERIOD OF LIMITATIONS
(Common Elements)

Association: SUGARLOAF MOUNTAIN CENTER CONDOMINIUM ASSOCIATION

Date: _____

Seller: Apex, Inc.

The Seller is successor to the original Declarant which created Sugarloaf Mountain Center, A Condominium. The Association agrees with the Seller pursuant to the forms of Paragraph 20 of the Agreement of Sale, the form of which is included in the Public Offering Statement, as follows:

1. The six (6) year period, during which a judicial proceeding for breach of any obligation arising under Section 1604-112 and 1604-113 of the Maine Condominium Act must be commenced with respect to the Common Elements, is hereby reduced to a period of limitations of 2 years as permitted pursuant to Section 1604-115(a) of the Maine Condominium Act.

2. Accordingly, the statute of limitations with respect to each Common Element is reduced to 2 years from the date that such Common Element is completed, or, if later, (i) as to a Common Element which may be added to the Condominium or portion thereof, for 2 years after the time the first Unit therein is conveyed to a Purchaser or (ii) as to a Common Element within any other portion of the Condominium, for 2 years after the time the first Unit in the Condominium is conveyed to a Purchaser.

3. Except as modified hereby, the various Agreements of Sale between the Seller and the Unit Owners in the form included in the Public Offering Statement and any Limited Warranty Certificates issued by the Seller to the Association and Unit Owners remain in full force and effect.

SUGARLOAF MOUNTAIN CENTER
CONDOMINIUM ASSOCIATION

By: _____
Its Treasurer

By: _____
Its Secretary

"Association"

APEX, INC.

By: _____
Norman E. Bilodeau
Its President

"Seller"

SUPPLEMENTAL QUARTERSHARE DECLARATION
SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

SUPPLEMENTAL DECLARATION PURSUANT TO
CHAPTER 10-A OF TITLE 33 OF THE
MAINE REVISED STATUTES OF
1964, AS AMENDED, KNOWN
AS THE TIME-SHARE ACT

CONDOMINIUM: SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

QUARTERSHARE DECLARANT: APEX, INC.

ASSOCIATION: SUGARLOAF MOUNTAIN CENTER
CONDOMINIUM ASSOCIATION

PREMISES: TOWN OF CARRABASSETT VALLEY
FRANKLIN COUNTY, MAINE

PREPARED BY:

VERRILL & DANA
P.O. BOX 586
ONE PORTLAND SQUARE
PORTLAND, MAINE 04112
MARTIN S. AMICK

SUPPLEMENTAL QUARTERSHARE DECLARATION
SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM

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SUPPLEMENTAL QUARTERSHARE DECLARATION

SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM
CARRABASSETT VALLEY, MAINE

THIS SUPPLEMENTAL DECLARATION is made this 19th day of December, 1988, by APEX, INC., a Maine corporation (the "Quartershare Declarant") and the undersigned Owners of Units in SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM.

ARTICLE ICREATION OF QUARTERSHARES

1.1. Declaration. The Quartershare Declarant and the undersigned Owners are the Owners of certain condominium units in SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM (the "Condominium") Carrabassett Valley, Franklin County, Maine, created by Mountainside, a Maine corporation pursuant to the DECLARATION OF SUGARLOAF MOUNTAIN CENTER, A CONDOMINIUM dated December 11, 1986, recorded in the Franklin County Registry of Deeds in Book 936, Page 43, as amended by the Amendment To The Declaration of Sugarloaf Mountain Center, A Condominium, dated November 23, 1987, and recorded in said Registry in Book 1002, Page 216, (as further amended from time to time, the "Declaration") and to the Plats and Plans described in the Declaration recorded in said Registry of Deeds (as amended, the "Plats and Plans"). The Quartershare Declarant desires to subject the Residential Units described in the Declaration to this Supplemental Declaration, in order to constitute such Residential Units as "Time-share Property" as defined in Chapter 10-A of Title 33 of the Maine Revised Statutes of 1964, as amended (referred to herein as the "Time-share Act"), so that such Residential Units shall be conveyed, owned, used and occupied in a plan of Quartershare Ownership whereby each Unit subject to this Supplemental Declaration has been, and hereby is, declared as four (4) separate fee simple interests-in-common in such Unit under which the exclusive right of use, possession and occupancy of that Unit circulates amongst the various owners-in-common of the Unit in accordance with the fixed time schedule contained in this Supplemental Declaration on a periodically recurring basis for periods of time established by said schedule. It is intended that this Supplemental Declaration submit, and it does hereby submit, the designated Residential Units of Sugarloaf Mountain Center, A Condominium, to the within described plan of Quartershare Ownership which constitutes such Units as part of a plan described in the Time-share Act. This Supplemental Declaration is intended to be a "Time-share Instrument," as defined in the Time-share Act. The Quartershare Declarant and the undersigned Owners hereby make and declare the following limitations and restrictions on occupancy and alienation upon said Residential Units which have become the subject of this