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AMENDED AND RESTATED DECLARATION
MT. MANSFIELD COMPANY CONDOMINIUMS TOWN HOUSES #1
AND
AMENDED AND RESTATED BYLAWS
MT. MANSFIELD COMPANY CONDOMINIUM TOWN HOUSES #1

This document incorporates all amendments to the aforesaid Declaration and Bylaws adopted by the Owners since the publication of the original Declaration and Bylaws on December 14, 1972 through the date hereof and restates both instruments in their entireties, as amended.

The Property which was originally subjected to condominium ownership on December 14, 1972 contains 11.67± acres is described in Appendix A to the Declaration. By Warranty Deed dated March 18, 1994 and recorded at Volume 278, Page 84 of the Stowe Land Records, the Mt. Mansfield Company Condominium Town House #1 Association of Owners acquired from Mt. Mansfield Company, Inc. an adjacent 3.2±-acre parcel of land, the location of which is shown upon a survey plan recorded at Map Book 7, Page 3 of the Stowe Land Records. By an instrument entitled Reciprocal Grants of Easements, dated February 24, 1994 and May 4, 1994 and recorded at Volume 281, Page 158 of the Stowe Land Records, the Mt. Mansfield Company Condominium Town House #1 Association of Owners and Mt. Mansfield Company, Inc. granted to each other certain easements on their respective properties. The Condominium Property is therefore both burdened and benefited by those reciprocal easements. The entire 14.87±-acre Condominium Property, which includes both the dedicated 11.67± acres and the acquired 3.2± acres, the three easement parcels (Parcels A, B and C) and the general location of all above-ground improvements are shown upon a survey plan entitled "Plan of Property of Mt. Mansfield Co. Condominium Town Houses #1 Association of Owners, Stowe, Vermont," prepared by Spear Surveying, Inc., dated November 1992, revised February 1994 and recorded at Map Book 10, Page 32 of the Stowe Land Records.

The undersigned officer of the Mt. Mansfield Company Condominiums Town Houses #1 Association of Owners does hereby certify that the amendments contained within the attached Amended and Restated Declaration and Bylaws have been approved by the Owners in accordance with the provisions of the Declaration and Bylaws in effect as of each approval.

Dated this 24th day of Sept., 1994.

Thomas D. North
Thomas North, President

VL200 CH153

AMENDED AND RESTATED
DECLARATION
MT. MANSFIELD COMPANY CONDOMINIUM TOWN HOUSE #1
STOWE, VT

This Declaration (and Appendices attached hereto and made a part hereof) is made and executed in the Town of Stowe, County of Lamoille, State of Vermont, this 14th day of December 1972, by Mt. Mansfield Co., Inc., a Vermont corporation having its principal place of business in Vermont at Stowe, hereinafter called "Declarant," for itself, its successors, grantees and assigns, pursuant to the provisions of the Vermont Condominium Ownership Act (V.S.A. Title 27, Sections 1301-1329), hereinafter referred to as the "Condominium Ownership Act."

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property located on the westerly side of Vermont Route #108, known as the Mountain Road, in the Town of Stowe, County of Lamoille, State of Vermont, hereinafter referred to as "Land" and more particularly described in Appendix A of this Declaration which is included herein and made a part hereof; and

WHEREAS, Declarant is the owner of certain condominium buildings and certain other improvements heretofore constructed or hereafter to be constructed upon the Land, all of which are hereinafter called "Property," and it is the desire and intention of the Declarant to divide the property into condominiums and to sell and convey the same to various purchasers, subject to the covenants, conditions and restrictions herein reserved to be kept and observed; and

WHEREAS, simultaneously herewith, Declarant filed for record in the Office of the Clerk of the Town of Stowe, Vermont, a lot plan and a set of floor plans of the buildings constructed or to

be constructed on the property as required by the Condominium Ownership Act; and

WHEREAS, Declarant desires and intends by filing this Declaration and (Appendices hereto) and the aforesaid lot plan and floor plans to submit the above described property and the condominium buildings and other improvements constructed thereon, together with all appurtenances thereto, to the provisions of the aforesaid act as a Condominium Property and to impose upon said property mutually beneficial restrictions under a general plan of improvement for the benefit of all of said condominiums and the owners thereof;

NOW, THEREFORE, the Declarant does hereby publish and declare that all of the property described above is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the following covenants, conditions, restrictions, uses, limitations and obligations, all of which are declared and agreed to be in furtherance of a plan for the improvement of said property and the division thereof into condominiums, and shall be deemed to run with the land and shall be a burden and a benefit to Declarant, its successors, and assigns and any person acquiring or owning an interest in the real property and improvements, their grantees, successors, heirs executors, administrators, devisees and assigns.

I. NAME OF THE CONDOMINIUM PROPERTY

The name by which this condominium property shall be known is Mt. Mansfield Company Condominium Town Houses #1.

II. DEFINITIONS

Certain terms as used in this Declaration (and in the By-laws, which are Appendix c attached hereto) shall be defined as follows, unless the context clearly indicates a different meaning therefor:

A. "Association of Owners" shall mean "Association of Apartment Owners" as defined under the Condominium Ownership Act and means all of the unit owners acting as a group in accordance with this Declaration and By-Laws;

B. "Board of Directors" shall mean the governing body of the property, elected pursuant to paragraph II of the By-Laws;

C. "Common Areas and Facilities" are as defined in the Condominium Ownership Act and are more fully described in Sub-paragraph D of Paragraph 3 hereof.

D. "Common Expenses" shall mean and include:

1. All sums lawfully assessed against the owners by the Association of Owners;
2. Expenses of Administration, maintenance, repair or replacement of the common areas and facilities;
3. Expenses agreed upon as common expenses by the Association of Owners;
4. Expenses declared common expenses by the provisions of the Condominium Ownership Act or by this Declaration or the By-Laws.

E. "Common Profits" means the balance of all income, rents, profits and revenues from the common areas and facilities remaining after the deduction of the common expenses;

F. "Condominium" shall mean the entire estate in the real property owned by any owner, consisting of an undivided interest in the common areas and facilities and ownership of a separate interest in a unit;

G. "Declarant" shall mean Mt. Mansfield Company, Inc. of Stowe, Vermont, which has executed this declaration;

H. "Declaration" shall mean this instrument by which the property is made subject to the Condominium Ownership Act and shall include the By-Laws of the Association of Owners and all other Appendices attached thereto;

I. "Limited Common Areas and Facilities" are as defined in the Condominium Ownership Act and more fully described in Sub-paragraph E of Paragraph 3 hereof;

J. "Manager" shall mean the person or firm designated by the Board of Directors to manage the affairs of the property;

K. "Mortgage" shall mean a Deed of Trust as well as a mortgage;

L. "Mortgagee" shall mean a beneficiary under or

holder of a Deed of Trust as well as a Mortgage;

M. "Owner" means "Apartment Owner" as defined under the Condominium Ownership Act and shall mean the person owning a unit in fee simple absolute and an undivided interest in the fee simple estate of the common areas and facilities in the percentage specified and established in the Declaration;

N. "Person" shall mean any natural person, firm, partnership, corporation, or co-tenants or tenants-in-common;

O. "'Plans" shall mean the lot plan and floor plans of the Mt. Mansfield Company Condominium Town Houses #1, filed for record herewith by Declarant;

P. "Property" shall mean the entire parcel of real property referred to in this Declaration to be divided into condominiums, (and fully described in Appendix A) including the land, buildings, and all improvements and structures thereon, all owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for common use in connection therewith;

Q. "Record" or "recording" shall mean to file of record with the Office of the Clerk of the Town of Stowe, Vermont;

R. "Unit" shall mean "apartment" as defined in the Condominium Ownership Act and shall mean those parts of the property which are not owned in common with the owners of other condominiums in the property and shall include one or more rooms or enclosed spaces located on one or more floors in a building, and with a direct exit to a common area leading to a street or highway. Boundary lines of each unit are shown particularly in the plans. Each unit encompasses the space bounded by the unfinished interior surfaces of windows and window frames, doors and door frames, trim, and the interior surfaces of the lowermost floors, uppermost ceilings and bearing walls;

S. "Unit Number" means the number, letter, or combination thereof, designating the unit in Exhibit B of this Declaration, and the plans.

III. DETAILED DESCRIPTION

A. Description of Land

The land on which the Mt. Mansfield Company Town Houses #1 are located is that certain tract or parcel of land in the Town of Stowe, County of Lamoille, State of Vermont, more particularly described in Appendix A included herein and made a part hereof.

B. Description of the Buildings

The Mt. Mansfield Company Condominium Town Houses #1 shall consist of 51 apartment units located in 17 separate buildings. Said buildings are two stories in height and are constructed principally of wood, wood framing and wooden materials with cement block masonry party walls.

C. Description of Units

The number, location, approximate area and number of rooms in each unit and carport are as set forth in Appendix B attached hereto and in the plans incorporated herewith by reference. The immediate common area to which each unit has access is the corresponding entrance way to each unit as more particularly shown in the plans.

D. Description of Common Areas and Facilities

"Common Areas and Facilities" shall mean all land and all other portions of the property not contained within any unit and also includes, but not by way of limitation, roofs, foundation, pipes, ducts, flues, chutes, conduits, wires and other utility installations to the outlets; bearing walls, perimeter walls, columns and girders, to the interior surfaces thereof, regardless of location; walkways and parking areas, which are now or hereafter contained within the Condominium property; all installations of power, lights, gas, hot and cold water existing for common use, all devices or installations existing for common uses and all other elements of the property rationally of common use or necessary to its existence, upkeep and safety.

E. Description of Limited Common Areas and Facilities

"Limited Common Areas and Facilities" shall mean all balconies, patios, carports and enclosed storage areas, adjacent to or associated with one particular unit and intended for use with that particular unit or several particular units as set

forth in Appendix B hereof. All areas which do not fall within the above definition of limited common areas and facilities or of the unit itself, shall be deemed Common Areas and Facilities as set forth in Sub-paragraph D above.

F. Value of the Property and Each Unit

The value of the property and each unit and the percentage of undivided interest in the common areas and facilities appertaining to each unit and its owner for all purposes, including voting, is set forth in Appendix B attached hereto and made a part hereof as if herein set forth in full.

IV. STATEMENT OF PURPOSES, USE AND RESTRICTIONS

The units, common areas and facilities, and limited common areas and facilities shall be occupied and used as follows:

A. An owner shall not occupy or use his unit, or permit the same or any part thereof to be occupied or used for any purpose other than for the personal use for dwelling purposes by the owner and owner's family or the owner's guests, or as part of a resort condominium operation.

B. No commercial business other than the operation of a resort condominium shall be allowed within the buildings.

C. There shall be no obstruction of the common areas and facilities. Except in the case of carports and enclosed storage areas, nothing shall be stored in the common areas and facilities without the prior consent of the Board of Directors.

D. Nothing shall be done or kept in any unit or in the common areas and facilities or limited common areas and facilities which will increase the rate of insurance on said common or limited common areas and facilities without the prior written consent of the Board of Directors. No owner shall permit anything to be done or kept in his unit or in the common or limited common areas or facilities which will result in the cancellation of insurance of any unit or any part of the common or limited common areas or facilities, or which would be in violation of any law. No waste will be committed of the common or limited common areas and facilities.

E. No sign or flag of any kind shall be displayed to

the public view or from any unit or from the common or limited common areas and facilities without the prior consent of the Board of Directors.

F. No animals, livestock or poultry of any kind shall be raised, bred or kept in any unit or in the common or limited common areas and facilities, except that dogs, cats or other household pets may be kept in the units, subject to rules and regulations adopted by the Board of Directors and Manager.

G. No noxious or offensive activity shall be carried on in any unit, in the common or limited common areas and facilities, nor shall anything be done therein which may be or become an annoyance or nuisance to other owners.

H. Nothing shall be altered or constructed in or removed from the common or limited common areas and facilities, except upon the written consent of the Board of Directors.

I. There shall be no violation of rules for the use of the common or limited common areas and facilities adopted by the Board of Directors and furnished in writing to the owners, and the Board of Directors is authorized to adopt such rules.

J. None of the rights and obligations of the owners created herein, or by the Deeds conveying the condominiums shall be altered in any way by encroachments due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of an owner or owners if said encroachment occurred due to the willful conduct of said owner or owners.

K. The Declarant, and persons it may select, shall have the right of ingress and egress over, upon and across the common and limited common areas and facilities and the right to store materials thereon and make such other use thereof as may be reasonably necessary incident to construction, development, sale and operation of the condominiums, to operation of the property as a resort condominium facility, and of other subsequent projects of the overall development of which the property is a

part.

V. AGENT FOR SERVICE OF PROCESS

The person in Stowe, Lamoille County, Vermont for the service of notice of process in matters pertaining to the property as provided under the Condominium Ownership Act is: The incumbent president of the Association of Owners

VI. VOTING REQUIREMENTS IN THE EVENT OF DAMAGE OR DESTRUCTION

A. In case of fire, casualty or any other disaster the insurance proceeds, if sufficient to reconstruct the buildings, shall be applied to such reconstruction. Reconstruction of the buildings, as used in this paragraph means restoring the buildings to substantially the same condition in which they existed prior to the fire, casualty or other disaster, with each Unit and the Common Area having the same vertical and horizontal boundaries as before. Such reconstruction shall be accomplished by the Board of Directors.

B. If the insurance proceeds are insufficient to reconstruct the building, damage to or destruction of the building shall be promptly repaired and restored by the Board of Directors, using proceeds of insurance, if any, on the buildings for that purpose, and the Unit owners shall be liable for assessment for any deficiency. However, if three-fourths (3/4) or more of the buildings are destroyed or substantially damaged and if the Owners, by a vote of at least three-fourths (3/4) of the voting power, do not voluntarily, within one hundred (100) days after such destruction or damage, make provision for reconstruction, the Board of Directors shall record, in the Stowe Land Records, a notice setting forth such facts, and upon the recording of such notice:

(1) The property shall be deemed to be owned in common by the Owners;

(2) The undivided interest in the property owned in common which shall appertain to each owner shall be the percentage of undivided interest previously owned by such Owner in the Common Area;

(3) Any liens affecting any of the condominiums shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the Owner in the property; and

(4) The property shall be subject to an action for partition at the suit of any Owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the Owners in a percentage equal to the percentage of undivided interest owned by each Owner in the Common Area, after first paying out of the respective share of the Owners, to the extent sufficient for the purposes, all liens on the undivided interest in the property owned by each Owner.

Notwithstanding all other provisions hereof, the owners may, by an affirmative vote of at least three-fourths (3/4) of the voting power, at a meeting of Unit Owners duly called for such purpose, elect to sell or otherwise dispose of the property. Such action shall be binding upon all unit Owners and it shall thereupon become the duty of every Unit Owner to execute and deliver such instruments and to perform all acts as in manner and form may be necessary to effect the sale.

VII. TERMINATION OR DISSOLUTION

A. The property may be removed from the provisions of the Condominium Ownership Act, if (1) the owners by an affirmative vote of all (100%) of the voting power at a meeting of the Association of Owners, duly called for such purposes, elect so to do, and (2) if the holders of all liens affecting any of the Condominiums consents thereto or agree, in either case by instruments duly recorded, that their liens be transferred to the percentage of undivided interest of the owner in the common areas and facilities.

B. Upon a proper vote to sell the property, such action shall be binding upon all owners and it shall thereupon become the duty of every owner to execute and deliver such instruments and to perform all acts as in manner and form may be necessary to effect the sale.

C. Upon removal of the property from the Condominium Ownership Act, the property shall be considered to be owned in common by the owners. The undivided interest in the property owned in common which shall appertain to each owner shall be the percentage of undivided interest previously owned by the owner in the common areas and facilities.

VIII. BY-LAWS

The By-Laws shall be as set forth in Appendix C hereof, as the same may be amended from time to time in accordance with the provisions thereof.

IX. VOTING

At any meeting of the Association of Owners, each owner, either in person or by proxy, shall be entitled to cast a number of votes in behalf of his unit or units corresponding with the percentage of ownership in the common areas and facilities as shown on Appendix B, attached hereto and incorporated herein by reference thereto. If there is more than one record owner with respect to any one unit, any or all of such persons may attend any meeting of the Association, but it shall be necessary for those record owners present to act unanimously with respect to the vote pertaining to the unit.

X. NOTICES

Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered forty-eight (48) hours after a copy of same has been deposited in the U.S. Postal Service air mail, postage prepaid, addressed to each such person at the address given by such person to the Board of Directors or Manager for the purpose of service of such notice, or to the unit of such person if no address has been given to the Board of Directors or Manager. Such address may be changed from time to time by notice in writing to the Board of Directors or the Manager.

XI. MORTGAGE PROTECTION

Notwithstanding all other provisions hereof:

A. The liens created hereunder upon any condominium

shall be subject to, and shall not affect the rights of the holder of the indebtedness secured by any recorded first mortgage (meaning a mortgage with first priority over other mortgages) upon such interest made in good faith and for value, provided that after the foreclosure of any such mortgage there may be a lien created pursuant to Paragraph VI-B of the By-Laws as set forth in Appendix C hereon on the interest of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such purchaser as an owner after the date of such foreclosure sale, which said lien, if any claimed, shall have the same effect and be enforced in the same manner as provided herein;

B. No amendment to this paragraph shall affect the rights of the holder of any such mortgage recorded prior to the recordation of such amendment who does not join in the execution thereof;

C. By subordination agreement executed by a majority of the Board of Directors, the benefits of Sub-paragraph A and B above may be extended to mortgages not otherwise entitled thereto.

XII. EXCLUSIVE OWNERSHIP AND POSSESSION BY OWNER

A. Each owner shall be entitled to exclusive ownership and possession of his unit. Each owner shall be entitled to an undivided interest in the common areas and facilities in the percentage expressed in Appendix B of the Declaration. The percentage of the undivided interest of each owner in the common areas and facilities as expressed in Appendix B shall have a permanent character and shall not be altered without the consent of all owners expressed in an amended Appendix B duly recorded. The percentage of the undivided interest in the common areas and facilities shall not be separated from the unit to which it appertains and shall be deemed to be conveyed or encumbered or released from liens with the unit even though such interest is not expressly mentioned or described in the conveyance or other instrument. Each owner may use the common areas and facilities in accordance with the purpose for which they are intended,

without hindering or encroaching upon the lawful rights of the other owners.

B. An owner shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, bearing walls, floors, ceilings, windows and doors bounding his unit, nor shall the owner be deemed to own the utilities running through his unit which are utilized for, or serve more than one unit, except as a tenant in common with the other owners. An owner, however, shall be deemed to own the inner surfaces of the walls, floors, ceilings, windows, and doors bounding his unit.

XIII. OWNER'S OBLIGATION TO REPAIR

A. Each owner shall at his expense keep the interior of his unit and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating, painting, tiling, waxing, papering or varnishing which may at any time be necessary to maintain the good appearance and condition of his unit. In addition to decorating and keeping the interior of the unit in good repair, the owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, water heaters, heating and air conditioning equipment, lighting fixtures, refrigerators, dishwashers, disposals or ranges, range hoods and fans or carpeting that are located in his unit or are benefiting his unit exclusively.

B. The owner shall also, at his own expense, keep his patio, balcony, carport and storage area in a clean and sanitary condition. In addition, the owner shall, at his expense, keep his carport, patio and extended balcony (those projecting beyond the original building outline) in good condition and repair, including appropriate patio landscaping. The Board of Directors and Manager shall not be responsible to the owner for loss or damage by theft or otherwise of articles which may be stored by the owner in the patio, balcony, carport; storage area, or unit.

C. The owner shall promptly discharge any lien which may hereafter be filed against his condominium.

XIV. PROHIBITION AGAINST STRUCTURAL CHANGES BY OWNER

The owner shall not, without first obtaining written consent of the Board of Directors, make or permit to be made any structural alteration, improvement or addition in or to his unit, or in or to the exterior of the buildings or other common areas and facilities or limited common areas and facilities. The owner shall, however, do no act nor any work that will impair the structural soundness or integrity of the buildings or safety of the property or impair any easement or hereditament. The owner shall not paint or decorate any portion of the exterior of the buildings or other common areas and facilities or any portion of any patio, balcony, carport or storage area, without first obtaining written consent of the Board of Directors.

XV. ENTRY FOR REPAIRS

The Association of Owners shall have the irrevocable right, to be exercised by the Manager or Board of Directors, to have access to each unit and any limited common area and facility associated therewith from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the common areas and facilities therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the common areas and facilities or to another unit or units or to other limited common areas and facilities.

XVI. FAILURE OF BOARD OF DIRECTORS TO INSIST ON STRICT PERFORMANCE NO WAIVER

The failure of the Board of Directors or Manager to insist in any one or more instances, upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or to exercise any right or option herein contained, or to serve any notice or to institute any action shall not be construed as a waiver or a relinquishment for the future, of such term, covenant, condition or restriction; but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Board of Directors or Manager of any assessment from an owner, with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach, and no waiver by the Board of Directors or Manager of any provision

hereof shall be deemed to have been made unless expressed in writing and signed by the Board of Directors or Manager.

XVII. LIMITATION OF BOARD OF DIRECTORS' LIABILITY

The Board of Directors shall not be liable for any failure of any service to be obtained and paid for by the Board of Directors hereunder, or for injury or damage to person or property caused by the elements or by another owner or person, or resulting from electricity, water or rain which may leak or flow from outside or from any parts of the buildings, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless caused by gross negligence of the Board of Directors. No diminution or abatement of common expense assessments shall be claimed or allowed for inconveniences or discomfort arising from the making of repairs or improvements to the common areas and facilities or from any action taken to comply with any law, ordinance or orders of a government authority.

XVIII. INDEMNIFICATION OF BOARD OF DIRECTORS' MEMBERS

Each member of the Board of Directors shall be indemnified by the owners against all expenses and liabilities including attorney's fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a member of the Board of Directors, or any settlement thereof, whether or not he is a member of the Board of Directors at the time such expenses are incurred, except in such cases wherein the member of the Board of Directors is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Board of Directors.

XIX. INSURANCE

The Board of Directors shall obtain and maintain at all times insurance of the type and kind and in at least the amounts provided in the By-Laws, and including insurance for such other

risks, of a similar or dissimilar nature, or as are or shall hereafter customarily be covered with respect to other condominium properties similar in construction, design and use which insurance shall be governed by the following provisions:

A. Exclusive authority to adjust losses under policies hereafter in force in the property shall be vested in the Board of Directors as Insurance Trustee or its authorized representative;

B. In no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder, be brought into contribution with insurance purchased by individual owners or their mortgagees;

C. Each owner may obtain additional insurance at his own expense; provided, however, that no owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the Board of Directors, on behalf of all of the owners, may realize under any insurance policy in which the Board of Directors may have in force on the property at any particular time;

D. Each owner shall be required to notify the Board of Directors of all improvements made by the owner to his unit, the value of which is in excess of One Thousand Dollars (\$1,000.00).

E. Any owner who obtains individual insurance policies covering any portion of the property other than personal property belonging to such owner, shall be required to file a copy of such individual policy or policies with the Board of Directors within thirty (30) days after purchase of such insurance;

F. The Board of Directors shall be required to make every effort to secure insurance policies that will provide for the following:

1. A waiver of subrogation by the insurer as to any claims against the Manager, and his respective servants, agents and guests;

2. That the master policy on the property cannot be canceled, invalidated, or suspended on account of the conduct of any one or more individual owners;

3. That the master policy on the property cannot be canceled, invalidated or suspended on account of the conduct of any officer or employee of the Board of Directors or Manager without prior demand in writing that the Board of Directors or Manager cure the defect;

4. That any "no other insurance" clause in the master policy exclude individual owners' policies from consideration.

G. The annual insurance review which the Board of Directors is required to conduct as provided in Paragraph II-E-2 of the By-Laws shall include an appraisal of the improvements in the property by a representative of the insurance agent writing the master policy.

XX. PARKING

Certain individually designated units have carports as further set forth in Appendix B, which carports are part of the limited common areas and facilities. The property has certain other open parking areas and facilities which shall be common areas and facilities. The Board of Directors is authorized to make such rules and regulations as may be required for the efficient and best use of such open parking areas.

XXI. NO PARTITION

There shall be no judicial partition of the property or any part thereof, nor shall Declarant or any person acquiring any interest in the property or any part thereof seek any such judicial partition, until the happening of the conditions set forth in Paragraphs VI and VII of this Declaration; provided, however, that if any condominium shall be owned by two or more co-tenants as tenants-in-common or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition as between such co-tenants. Such partition shall not affect any other condominium.

XXII. ENFORCEMENT

Each owner shall comply strictly with the provisions of this Declaration, the By-Laws and the administrative rules and regulations drafted pursuant thereto as the same may be lawfully

amended from time to time and with decisions adopted pursuant to said Declaration, By-Laws, Administrative Rules and Regulations, and failure to comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Board of Directors or Manager on behalf of the Association of Owners, or in a proper case, by an aggrieved owner.

XXIII. PERSONAL PROPERTY

A. The Board of Directors or Manager may acquire and hold, for the benefit of the owners, tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in such personal property shall be owned by the owners in the same proportion as their respective interest in the common areas and facilities, and shall not be transferable except with a transfer of condominium. A transfer of a condominium shall transfer to the transferee ownership of the transferor's beneficial interest in such personal property.

B. Within thirty (30) days following the completion of construction of the property, the Declarant shall execute and deliver a bill of sale to the Board of Directors on behalf of all the owners, transferring all items of personal property located on the property and furnished by the Declarant, which personal property is intended for the common use and enjoyment of the owners.

XXIV. INTERPRETATION

The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a condominium property. Failure to enforce any provisions hereof shall not constitute a waiver of the right to enforce said provision or any other provision hereof.

XXV. AMENDMENT

Except as otherwise provided herein and except as prohibited by the Condominium Ownership Act, the provisions of the Declaration may be amended by an affirmative vote in writing, of the record owners holding at least seventy-five (75) percent of

the total vote hereunder. The vote on any proposed amendment shall be certified by the Board of Directors and any approved amendment shall be effective upon recording in the Stowe Land Records of a copy thereof, certified by an officer of the Association of Owners as having been approved by the owners. Any amendment altering the percentage of ownership in the common areas and facilities or voting rights shall require the approval of one hundred (100) percent of the owners.

XXVI. SEVERABILITY

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

XXVII. CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference and in no way to define, limit or describe the scope of this Declaration or the intent of any provision hereof.

XXVIII. LAW CONTROLLING

This Declaration and the By-Laws attached hereto shall be construed and controlled by and under the laws of the State of Vermont.

XXIX. EFFECTIVE DATE

This Declaration shall take effect upon filing.

IN WITNESS WHEREOF, the undersigned has executed this instrument this 14th day of December, 1972.

MT. MANSFIELD COMPANY INC. by
SEPP RUSCHP, President and
General Manager and duly
authorized agent

/S/ Sepp Ruschp

STATE OF VERMONT
COUNTY OF LAMOILLE, SS.

On this 14th day of December, 1972, before the undersigned officer, personally appeared Sepp Ruschp who acknowledged himself to be the President and duly authorized agent of Mt. Mansfield Company Inc. of Stowe, Vermont, described in the foregoing instrument; and executed the foregoing instrument by signing his name; and acknowledged it to be his free act and deed and the free act and deed of the Mt. Mansfield Company Inc.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

/S/ Tom Amidon
Notary Public

My commission expires: 2/10/73

Residing at: Stowe, Vermont

APPENDIX A
LAND DESCRIPTION
MT. MANSFIELD COMPANY CONDOMINIUM TOWN HOUSES #1

BEING a part of the lands and premises presently owned by the Mt. Mansfield Company, Inc. of Stowe, Vermont, and being further described as a parcel of land containing eleven and one-half (11-1/2) acres, more or less, said parcel of land lying southwesterly of the so-called Toll House ski area facilities of the Mt. Mansfield ski area and being more fully described as follows:

Commencing at a point S 27° 30' W and 145 feet from the southeast corner of the Base Lodge Restaurant building; thence S 65° 00' E 100 feet; thence S 10° 00' W 605 feet; thence N 48° 00' W 1225 feet; (this last described line is 50 feet northerly and parallel to present high tension power line); thence N 65° 00' E 415 feet to a point 50 feet southerly of the center line of the Toll Road; thence parallel to Toll Road and easterly with a bearing S 78° 30' E 540 feet; thence S 27° 30' W 260 feet (this last described line is parallel to and 100 feet westerly of the west line of the Base Lodge Restaurant building); thence S 65° 00' E 160 feet to point of beginning.

Also included herein is a right of way 50 feet in width to be used in common with others, said right of way leading from Vermont Route No. 108 to the within described parcel of land, said right of way being further described as follows:

Commencing in the center of Vermont Route 108 at the entrance to the parking area between the office building and the Base Lodge Restaurant building, thence westerly N 69° 00' W 200 feet; thence S 58° 00' W 230 feet; thence S 28° 00' W 180 feet; thence S 10° 00' W 80 feet; thence S 60° 00' W 25 feet to boundary of Town House area at a point 30 feet westerly from the easterly corner thereof.

Also included herein is the right in common with others to take water from a certain water system together with the right to repair and maintain said water system and pipe lines, said costs to repair and maintain to be shared equally by the users, said water system and pipe lines located northerly of the herein described parcel of land upon adjacent property of the Mt. Mansfield Company, Inc.

Also included herein is the right to use a certain septic and leach facility in common with others together with the right to maintain same, including pipe lines, said costs to repair and maintain to be shared equally by the users, said septic and leach facility and pipe lines located southerly of the herein described parcel of land upon adjacent property of the Mt. Mansfield Company, Inc.

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APPENDIX B

UNIT IDENTIFICATION, VALUE
PERCENTAGE OF OWNERSHIP OF UNDIVIDED INTEREST
IN THE COMMON AREAS AND FACILITIES

MT. HANSFIELD COMPANY CONDOMINIUM TOWN HOUSES #1

Bldg. No.	Apt. No.	No. of Rooms	Approximate Area Sq. Ft.	Common Areas Percentage of Owner- ship	Parking
1A	A	4	1080 Sq. Ft.	.0167	P
1A	B	5	1300 Sq. Ft.	.0201	P
1A	C	3	630 Sq. Ft.	.0100	P
2B	A	4	1400 Sq. Ft.	.0217	P
2B	B	4	1400 Sq. Ft.	.0217	P
2B	C	4	1400 Sq. Ft.	.0217	P
3B	A	4	1400 Sq. Ft.	.0217	P
3B	B	4	1400 Sq. Ft.	.0217	P
3B	C	4	1400 Sq. Ft.	.0217	P
4A	A	4	1122 Sq. Ft.	.0174	P
4A	B	5	1326 Sq. Ft.	.0205	P
4A	C	3	773 Sq. Ft.	.0120	P
5B	A	4	1400 Sq. Ft.	.0217	P
5B	B	4	1400 Sq. Ft.	.0217	P
5B	C	4	1400 Sq. Ft.	.0217	P
6B	A	4	1400 Sq. Ft.	.0217	P
6B	B	4	1400 Sq. Ft.	.0217	P
6B	C	4	1400 Sq. Ft.	.0217	P
7A	A	4	1122 Sq. Ft.	.0174	P
7A	B	5	1326 Sq. Ft.	.0205	P
7A	C	3	773 Sq. Ft.	.0120	P
8A	A	4	1122 Sq. Ft.	.0174	P
8A	B	5	1326 Sq. Ft.	.0205	P
8A	C	3	773 Sq. Ft.	.0120	P
9B	A	4	1400 Sq. Ft.	.0217	P
9B	B	4	1400 Sq. Ft.	.0217	P
9B	C	4	1400 Sq. Ft.	.0217	P
10A	A	4	1122 Sq. Ft.	.0174	P
10A	B	5	1326 Sq. Ft.	.0205	P
10A	C	3	773 Sq. Ft.	.0120	P

APPENDIX B (Continued)

Bldg. No.	Apt. No.	No. of Rooms	Approximate Area Sq. Ft.	Common Areas Percentage of Ownership	Parking
11B	A	4	1400 Sq. Ft.	.0217	P
11B	B	4	1400 Sq. Ft.	.0217	P
11B	C	4	1400 Sq. Ft.	.0217	P
12A	A	4	1122 Sq. Ft.	.0174	P
12A	B	5	1326 Sq. Ft.	.0205	P
12A	C	3	773 Sq. Ft.	.0120	P
13B	A	4	1400 Sq. Ft.	.0217	CPC
13B	B	4	1400 Sq. Ft.	.0217	CPC
13B	C	4	1400 Sq. Ft.	.0217	CPC
14B	A	4	1400 Sq. Ft.	.0217	CPC
14B	B	4	1400 Sq. Ft.	.0217	CPC
14B	C	4	1400 Sq. Ft.	.0217	CPC
15B	A	4	1400 Sq. Ft.	.0217	CPC
15B	B	4	1400 Sq. Ft.	.0217	CPC
15B	C	4	1400 Sq. Ft.	.0217	CPC
16B	A	4	1400 Sq. Ft.	.0217	P
16B	B	4	1400 Sq. Ft.	.0217	P
16B	C	4	1400 Sq. Ft.	.0217	P
17A	A	4	1122 Sq. Ft.	.0174	P
17A	B	5	1326 Sq. Ft.	.0205	P
17A	C	3	773 Sq. Ft.	.0120	P

CPC - Carport has been constructed and assigned to designated unit as a limited common area and facility associated with the unit.

P - Common parking areas as designated.

Value

Total Value: \$2,900,000.00

Building Type A: 1 - \$ 38,500.00
 2 - \$ 54,500.00
 3 - \$ 64,500.00

Building Type B: 2 - \$ 60,500.00
 2 - \$ 60,500.00
 2 - \$ 60,500.00

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APPENDIX C

AMENDED AND RESTATED
BY-LAWS

MT. MANSFIELD COMPANY CONDOMINIUM TOWN HOUSES #1

I. Application of By-Laws

All present and future owners, mortgagees, lessees and occupants of units and their employees, and any other persons who may use the facilities of the property in any manner are subject to the Declaration, these By-Laws and Rules and Regulations made pursuant hereto and any amendment to these By-Laws upon the same being passed and duly set forth in an amendment to the Declaration, duly recorded.

The acceptance of a deed or conveyance or the entering into of a lease or the act of occupancy of a unit shall constitute an agreement that these By-Laws (and any Rules and Regulations made pursuant hereto) and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified and will be complied with.

II. Board of Directors

The affairs of the Association of Owners shall be conducted by a board of six (6) directors.

A. Election

At each annual meeting, the owners shall elect two (2) members of the Board of Directors. At least thirty (30) days prior to any annual meeting, the Board of Directors shall elect from the owners a Nominating Committee of not less than two (2) members, and such Nominating Committee shall recommend to the annual meeting one nominee for each position on the Board of

Directors to be filled at that particular annual meeting. Nominations for the Board of Directors may also be made from the floor at the annual meeting. Members of the Board of Directors shall be required to be unit owners, spouses of unit owners, officers of corporate unit owners or partners of partnership unit owners.

B. Term

Members of the Board of Directors shall serve for a term of three (3) years, with the term of one-third (1/3) of the directors expiring annually. The members of the Board of Directors shall serve until their respective terms expire and their successors are elected, or until their death, resignation or removal.

C. Resignation and Removal

Any member of the Board of Directors may resign at any time by giving written notice to the President, other Board Members or Manager, and any member may be removed from membership on the Board of Directors by an affirmative vote of owners having two-thirds (2/3) of the total votes. Whenever there shall occur a vacancy on the Board of Directors due to death, resignation, removal or any other cause, the remaining Directors shall elect a successor Director to serve for the remainder of the unexpired term.

D. Compensation

The Board of Directors shall receive no compensation for their services unless expressly provided for by the Board with the approval of the owners having two-thirds (2/3) of the total votes.

E. Powers and Authority of the Board of Directors

The Board of Directors, for the benefit of the condominiums and the owners, shall enforce the provisions of the Declaration, By-Laws and Rules and Regulations governing the property and shall acquire and shall pay for out of the common expense fund hereinafter provided for the following:

1. Water, sewer, garbage collection, electrical, telephone and gas and other necessary utility service for the common areas and facilities (and to the extent not separately metered or charged, for the units and limited common areas and facilities);

2. To the extent available, "special" form all-risk coverage property insurance on the Common Areas and Facilities and the Limited Common Areas and Facilities, as defined in the Declaration, with extended coverage endorsements for the full insurable replacement value of the common areas and facilities and limited common areas and facilities (such limits and coverage to be reviewed at least annually by the Board of Directors and increased or decreased in its discretion) payable as provided in the Declaration or such other fire and casualty insurance as the Board of Directors shall determine gives substantially equal or greater protection to the owners and their mortgagees, as their respective interests may appear, which said policy or policies may provide for a separate loss payable endorsement in favor of the mortgagees or mortgagees of each condominium if any;

3. A policy or policies insuring the Board of Directors, owners and the Manager against any liability to the public or to the owners of units and of the common and limited common areas and facilities, and their invitees, or tenants, incident

to the ownership and/or use of the property, and including the personal liability exposure of the owners, incident to the ownership and/or use of the property. Limits of liability under such insurance shall not be less than One Million Dollars (\$1,000,000.00) for any one person injured, for any one accident, and shall not be less than One Hundred Thousand Dollars (\$100,000.00) for property damage each occurrence (such limits and coverage to be reviewed at least annually by the Board of Directors and increased at its discretion). Said policy or policies shall be issued on comprehensive liability basis and shall provide cross liability endorsement wherein the rights of named insured under the policy or policies shall not be prejudiced as respects his, her or their action against another named insured;

4. Workmen's Compensation Insurance to the extent necessary to comply with any applicable laws;

5. The services of a person or firm to manage its affairs (herein called "The Manager") to the extent deemed advisable by the Board of Directors as well as such other personnel as the Board of Directors shall determine shall be necessary or proper for the operation of the common areas and facilities, whether such personnel are employed directly by the Board of Directors or are furnished by the Manager;

6. Legal and accounting services necessary or proper in the operation of the common areas and facilities or the enforcement of the Declaration;

7. To the extent deemed advisable by the Board of Directors, a fidelity bond naming the Manager (if any), and such other persons as may be designated by the Board of Directors as

principals and the Owners as obligees, in such amounts as may be established, from time to time, by the Board of Directors;

8. Painting, maintenance, repair and all landscaping of the common areas and facilities, and such furnishings and equipment for the common areas and facilities as the Board of Directors shall determine are necessary and proper, and the Board of Directors shall have the exclusive right and duty to acquire the same for the common areas and facilities; provided, however, that the interior surfaces of each unit shall be painted, maintained and repaired by the owners thereof, all such maintenance to be at the sole cost and expense of that particular owner. In addition, the owner shall at his expense, keep his carport, patio and extended balcony (those projecting beyond the original building outline) in good order, condition, and repair, including appropriate patio landscaping;

9. Any other materials, supplies, labor, services, maintenance, repairs, structural alterations, insurances, taxes or assessments which the Board of Directors is required to secure or pay for pursuant to the terms of the Declaration or By-Laws or which in its opinion shall be necessary or proper for the operation of the common areas and facilities or for the enforcement of the Declaration; provided that if any such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes or assessments are provided for a particular unit, carport, patio, or extended balcony, the cost thereof shall be specifically assessed to the owners of such units;

10. Maintenance and repair of any unit, carport, patio, or extended balcony, if such maintenance or repair is reasonably necessary in the discretion of the Board of Directors to protect the common areas and facilities or to preserve the

appearance and/or value of the property, and the owner or owners of said unit, carport, patio, or extended balcony, have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board of Directors to said owner or owners, provided that the Board of Directors shall levy a special assessment against the condominium unit of such owner or owners for the cost of said maintenance or repair;

11. The Board of Directors shall have the right to acquire, operate, lease, manage and otherwise trade and deal with property real and personal including condominiums in the property as may be necessary or convenient in the operation and management of the property, and in accomplishing the purposes set forth in the Declaration;

12. The Board of Directors shall have the exclusive right to contract for all goods, services and insurance, payment for which is to be made from the common expense fund. This provision shall not be construed to prohibit the Board of Directors from delegating such authority to a Manager as it deems proper;

13. The Board of Directors' powers hereinabove enumerated shall be limited in that the Board of Directors, without the authorization of the Association of Owners shall have no authority to acquire and pay for out of the common expense fund capital additions and improvements (other than for the purposes of replacing portions of the common areas and facilities, subject to all the provisions of the Declaration and By-Laws) having a cost in excess of Fifteen Thousand Dollars (\$15,000.00) except as expressly provided for in Paragraph V.

F. Meetings of the Board of Directors

Four (4) members of the Board of Directors shall constitute a quorum, and if a quorum is present, the decision of a majority of those present shall be the act of the board of Directors. The Board of Directors shall annually elect all of the officers of the Association of Owners as set forth in Paragraph IV of these By-Laws. The meeting for the election of officers shall be held at a meeting of the Board of Directors to be called immediately following the annual meeting of the Association of Owners.

G. Special Meetings

Special meetings of the Board of Directors may be called by or with the request of the President or by any two Board Members. Such meetings may be held either within or without the State of Vermont.

H. Notice of Meetings

Regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of Directors shall, at least ten days before the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called; however, if an agenda is prepared for such a meeting, the meeting need not be restricted to discussions of those items listed on the agenda.

I. Waiver of Notice

Any member of the Board of Directors may, at any time waive

notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at a meeting shall constitute a waiver of notice of such meeting except where a Director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

III. Meetings of the Association of Owners

A. The presence in person or by proxy at any meeting of the Association of Owners of owners holding at least twenty-five (25) percent of the total votes, in response to notice to all owners of record properly given in accordance with Paragraph X of the Declaration, shall constitute a quorum. Unless otherwise expressly provided in the Declaration, any action may be taken at any meeting of the Association of Owners upon the affirmative vote of a majority of the voting power of the owners present and voting.

B. Annual and Summer Meetings

There shall be an annual meeting of the Association of Owners on the third Saturday of January of each year upon the common areas and facilities or at such other date (not more than sixty (60) days before or after such date) or at such other convenient place in Stowe, Vermont as may be designated by written notice of the Board of Directors delivered to the owners not less than fifteen (15) days prior to the date fixed for said annual meeting. The fiscal year of the Association of Owners is hereby designated to be January 1 - December 31. The Board of Directors shall, no later than the date of the annual meeting,

submit to the owners a budget for the current fiscal year that shall itemize the estimated common expenses for the fiscal year with the allocation thereof to each owner. At the annual meeting, the Board of Directors shall present a statement of the common expenses and common profits, if any, itemizing receipts and disbursements for the preceding fiscal year, together with the allocation thereof to each owner.

There shall be a summer meeting of the Association of Owners during the month of July on a date and at a time to be determined by the Board of Directors. Written notice of the summer meeting shall be delivered to the owners not less than fifteen (15) days prior to the date fixed by the Board of Directors for said meeting.

C. Special Meetings

Special meetings of the Association of Owners may be called at any time for the purpose of considering matters which, by the terms of the Declaration require the approval of all or some of the owners, or for any other reasonable purpose. Said meetings shall be called by written notice, signed by a majority of the Board of Directors, or by the owners having one-third (1/3) of the total votes and delivered not less than fifteen (15) days prior to the date fixed for said meeting. Said notices shall specify the date and time of the meeting, and the matters to be considered. Such special meetings shall be held upon the common areas and facilities or at such other convenient place in Stowe, Vermont.

D. Parliamentary Rules

Robert's Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Declaration or these By-Laws.

IV. Officers of Association

The officers of the Association of Owners shall be a President, Vice President, Secretary and Treasurer. The offices of Secretary and Treasurer may, by vote of the Association of Owners at any annual meeting, be combined as one office. All officers shall be unit owners, spouses of unit owners, officers of corporate unit owners or partners of partnership unit owners and the President must be a member of the Board of Directors. No officer shall receive compensation for serving as such. Officers shall be annually elected by, and may be removed and replaced by, the Board of Directors. The Board of Directors may in its discretion require that officers be subject to fidelity bond coverage in favor of the Association of Owners.

A. President

The President shall preside at all meetings of the Association of Owners and of the Board of Directors and may exercise the powers ordinarily allocable to the presiding officer of an Association, including the appointment of committees.

B. Vice President

The Vice President shall perform the functions of the President in the absence or inability of the President.

C. Secretary

The Secretary shall keep minutes of all proceedings of the Board of Directors and of the meetings of the Association of Owners and shall keep such books and records as may be necessary and appropriate for the records of the Association, and its

Board of Directors. At the discretion of the Board of Directors, some or all of these duties may be delegated to the authorized Manager or to some other person or persons.

D. Treasurer

The Treasurer shall be responsible for supervising the fiscal affairs of the Association, but may delegate the daily handling of income and expense payments to the authorized Manager employed by the Association.

V. Maintenance, Repair and Replacement of Common Areas and Facilities

It shall be the responsibility of the Board of Directors to determine questions relating to the maintenance, repair and replacement of all common areas and facilities. There shall be no structural alterations, capital additions to, or capital improvements of the common areas and facilities requiring an expenditure in excess of Fifteen Thousand Dollars (\$15,000.00) without sixty (60) days prior notice to all owners. Unless within the aforementioned 60-day period owners holding the majority of the total votes of the Association of Owners shall give notice of disapproval of such structural alterations, capital additions to, or capital improvement of the common areas and facilities, the owners shall be deemed to have approved the same.

VI. Common Expenses

A. Assessments

1. Prior to the annual meeting of the Association, the Board of Directors shall estimate the net charges to be paid

during the upcoming fiscal year (including a reasonable provision for contingencies and replacements and less any expected income and any surplus from the prior year's operation). Said "estimated cash requirement" shall be approved at the annual meeting and assessed to the owners pursuant to the percentages set forth in the schedule attached to the Declaration and marked Appendix B and/or the percentage set forth in any unit modification agreement which may be in force and effect with respect to an owner's unit. If said sum estimated proves inadequate for any reason, including nonpayment of any owner's assessment, the Board of Directors may at any time levy a further assessment, which shall be assessed to the owners in like proportion unless otherwise provided herein. Each owner shall be obligated to pay assessments made pursuant to this paragraph to the Board of Directors in equal quarterly installments, or in such other reasonable manner as the Board of Directors may, from time to time, designate;

2. The common Expense Fund may also include such amounts as the Board of Directors may deem proper for general working capital, for a general operating reserve, for a reserve fund for replacements and major maintenance and to make up for any deficit in the common expenses for any prior year;

3. All funds collected hereunder shall be expended for the purposes designated herein;

4. The omission by the Board of Directors in any year to fix the assessments hereunder for that or the next year shall not be deemed a waiver or modification in any respect of the provisions of the Declaration and By-Laws or a release of the owners from the obligation to pay the assessments, or any installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a

new assessment is fixed. Amendments to this paragraph shall be effective only upon unanimous written consent of the owners and their mortgagees. No owner may exempt himself from liability for his contribution towards the common expenses by waiver of the use or enjoyment of any of the common areas and facilities or by abandonment of his unit;

5. The Manager or Board of Directors shall keep detailed, accurate records in chronological order, of the receipts and expenditures affecting the common areas and facilities specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred. Records and vouchers authorizing the payments involved shall be available for examination by owners or their duly authorized representative at convenient hours of weekdays.

B. Default in Payment of Assessments.

1. Each common expense assessment and each special assessment shall be the separate, distinct and personal debt and obligation of the owner against whom the same are assessed at the time the assessment is made and shall be collectible as such. The Board of Directors shall have the right to impose a reasonable late charge for any payment of common expenses and/or special assessment payments not made on or before its due date. The following procedure will apply to invoicing and payment of any common expense assessment and special assessment:

a. Common expense assessments will be billed quarterly with invoices being mailed to each owner at least thirty (30) days prior to the first day of each quarter.

b. Invoices for special assessments will be

mailed to each owner within seven (7) days after the Board of Directors has approved any such special assessment. The invoice shall specify a payment date.

c. Any common expense assessment not paid on or before the first day of the quarter will incur interest, calculated on a daily basis, at a rate of 1 1/2 percent per month, from its due date until paid. Any special assessment not paid on or before the specified payment date will incur interest, calculated on a daily basis, at a rate of 1 1/2 percent per month, from the specified payment date until paid.

d. Thirty (30) days after the first day of the quarter and thirty (30) days from due date of special assessment invoices, the president of the Board of Directors shall send any non-paying owner a certified letter, return receipt requested, informing the owner of the delinquency.

e. If payment is not received within sixty (60) days from the date of the certified letter, the president shall instruct the Association's attorney to commence the lien process, as provided for in these By-Laws.

f. If payment of a quarterly common expenses assessment is not received sixty (60) days after the first day of the quarter, a twenty percent (20%) penalty, based on the amount of the common expense assessment, will be added to the assessment amount due. The interest charge, calculated on a daily basis, at the rate of 1 1/2 percent per month, will still be applied from the first day of a quarter on the delinquent quarterly assessment and on the twenty percent (20%) penalty payment starting sixty (60) days after the first day of the quarter, until all payments are received by the Board of Directors.

g. If payment of a special assessment is not received sixty (60) days from its due date, a twenty percent (20%) penalty, based upon the amount of the special assessment, will be added to the special assessment amount due. The interest charge will be applied on the special assessment from its due date and will also be charged on the twenty percent (20%) penalty payment commencing sixty (60) days after the due date of the special assessment, until all payments are received by the Board of Directors.

h. The Board of Directors is authorized to defer for up to six (6) months the payment of the quarterly common expense assessment, any special assessment and penalty payment(s), upon an owner's request for special consideration due to unusual or specific circumstances beyond the owner's control which prohibit timely payment(s). The owner has to request this deferral in writing to the Association's president at least fifteen (15) days prior to the due date.

i. Suit to recover a money judgment for unpaid assessments may be maintained without foreclosing or waiving the lien securing same. The amount of any assessment plus any late payment penalty imposed by the Board of Directors, interest and costs of collection, including reasonable attorney's fees, shall constitute a lien upon a delinquent owner's unit and a notice of lien authorized by the Board of Directors and signed by one or more members of the Board of Directors, the Association Manager, or the Association's attorney may be recorded in the Stowe Land Records. Said lien shall have priority over all other liens and encumbrances, recorded or unrecorded, except only:

(i) Tax and special assessment liens on the unit in favor of any governmental assessing unit and special district;

(ii) All sums unpaid on a first mortgage of record on the unit; and

(iii) Mechanic's liens.

2. A certificate executed and acknowledged by the President or the Manager stating the indebtedness secured by the lien upon any condominium created hereunder, shall be conclusive upon the Board of Directors and the owners as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any owner or any encumbrancer or prospective encumbrancer of a condominium upon request at a reasonable fee, not to exceed Ten Dollars (\$10.00).

3. Upon payment of a delinquent assessment concerning which a certificate or a notice of lien has been recorded, or other satisfaction thereof, the President or Manager shall cause to be recorded in the same manner as the certificate of indebtedness or notice of lien a further certificate or release of lien stating the satisfaction and the release of the lien thereof. Such lien for nonpayment of assessment may be enforced by sale by the Board of Directors, such sale to be conducted in accordance with the provisions of law applicable to the exercise of powers of sale or foreclosure of mortgages on real property or in any other manner permitted by law. In any foreclosure or sale, the owner shall be required to pay the costs and expenses of such proceedings and reasonable attorney's fees.

4. In case of foreclosure, the owner shall be required to pay a reasonable rental for the condominium and the plaintiff in the foreclosure action shall be entitled to the appointment of a receiver to collect the rental without regard to the value of the mortgage security. The Board of Directors or the Manager acting on its behalf shall have the power to buy in the condominium at foreclosure or other sale and to hold, lease, mortgage and convey the condominium.

VII. Abatement and Enjoinment of Violations by Unit Owners

The violation of any rules or regulations adopted by the Board or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board the right, in addition to any other rights set forth in these By-Laws:

A. to enter the unit or limited common area and facility in which or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass; or

B. to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

VIII. Manager

The Board of Directors may delegate any of its duties, power or functions, including but not limited to, the authority

to give the certificate provided for in Paragraph VI "B" hereof and the authority to give the subordination agreements provided for in Paragraph XI of the Declaration, to any person or firm, to act as Manager of the project. The members of the Board of Directors shall not be liable for any omission or improper exercise by Manager of any such duty, power or function so delegated by written instrument executed by a majority of the Board of Directors. In the absence of any appointment, the President of the Association of Unit Owners may act as Manager.

IX. Special Committees

The Board of Directors by resolution may designate one or more special committees, each committee to consist of two (2) or more owners, officers of corporate owners or partners of partnership unit owners, which, to the extent provided in said resolution, shall have and may exercise the powers set forth in said resolution. Such Special Committee or Committees shall have such name or names as may be determined from time to time by the Board of Directors. Such Special Committees shall keep regular minutes of their proceedings and report the same to the Board of Directors when required. The members of such Special Committee or Committees designated shall be appointed by the Board of Directors. The Board of Directors may appoint owners to fill vacancies on each of said Special Committees occasioned by death, resignation, removal or inability to act for any extended period of time.

X. Rules and Regulations

The Board of Directors shall have the right to adopt and amend rules, regulations, restrictions and requirements governing the details of the operation, use and maintenance of units, the common and limited common areas and facilities as authorized

by the Condominium Ownership Act and the Declaration. Copies of the Rules and Regulations shall be furnished to each owner prior to the time the same shall become effective.

XI. Audit

Any owner at any time at his own expense may cause an audit or inspection to be made of the books and records of the Manager or Board of Directors. The Board of Directors, as a common expense, may obtain an annual audit of all books and records pertaining to the property and furnish copies thereof to the owners.

XII. Amendment of By-Laws

These By-Laws may be amended by an affirmative vote, in writing, of the record owners holding at least seventy-five (75) percent of the total votes of the Association. The vote on any proposed amendment shall be certified by the Board of Directors and any approved amendment shall become effective upon certification of the vote by the Board of Directors. A copy of any approved amendment shall be recorded in the Stowe Land Records as an amendment to the Declaration.

XIII. Interpretation

The provisions of these By-Laws shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of a condominium property. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provisions or any other provision hereof.

XIV. Severability

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

XV. Captions

The captions herein are inserted only as a matter of convenience and for reference and in no way to define, limit, or describe the scope of these By-Laws nor the intent of any provision hereof.

XVI. Effective Date

These Amended and Restated By-Laws shall take effect upon certification by the Board of Directors of their approval by the requisite vote of the owners.

Stowe, Vt. Record Received
Oct 12, 1994 at 2:30 P.M.
Marie N. Betterley, Town Clerk