

DECLARATION OF CONDOMINIUM

MOUNTAINSIDE

This is a Declaration of Condominium made this 15th day of November, 1979 by Sugarbush Village Associates, a partnership organized and existing under the laws of the State of Vermont, hereinafter referred to as the "Declarant", for itself, its successors and assigns.

WHEREAS, Declarant is the owner in fee simple absolute of certain land and premises located in the Town of Warren, County of Washington, and State of Vermont, as more particularly described in "Exhibit A" and "Site Plan" attached to this Declaration and made a part hereof;

WHEREAS, Declarant is the owner of certain buildings and other improvements constructed upon the aforementioned land and premises;

WHEREAS, Declarant desires to subject the land and premises together with the buildings and the improvements thereon, to covenants, restrictions, uses, limitations, obligations, easements, equitable servitudes, charges and liens, pursuant to and in accordance with the provisions of Title 27, Chapter 15 of the Vermont Statutes Annotated, known as the "Condominium Ownership Act", hereinafter referred to as the "Act".

NOW THEREFORE, Declarant hereby declares that all the property described on Exhibit A-1, attached to this Declaration and made a part hereof, and therein described as Stage I, and as shown on the Site Plan as Stage I, together with the building and all improvements heretofore and hereafter constructed thereon and all appurtenances thereto (hereinafter referred to as "Condominium"), is hereby submitted to the Condominium Ownership Act and shall be held, conveyed, leased, occupied, subject to the Declaration, By-laws of the Association, Administrative Rules and the Act, and the same shall be deemed to run with and bind the land, and shall inure to the benefit of and be enforceable by the Declarant, its successors and assigns, and any person acquiring or owning any interest in said property and improvements, including, without limitation, any person, group of persons, corporation, trust or other legal entity, or any culmination thereof, which holds such interest solely as security for the performance of an obligation. There is therefore hereby created a condominium to be known as "Mountainside Condominium".

SECTION 1
DEFINITIONS

The terms used in this Declaration, in its exhibits and all amendments hereto shall have the meanings stated in the Act and as follows, unless the context requires otherwise.

1. "Association" as hereinafter used in these provisions shall mean the Association of apartment owners of the Mountainside Condominium.

2. "Apartment" shall sometimes hereinafter be referred to as "unit" and "apartment owner" shall sometimes hereinafter be referred to as "owner". Declarant shall, for all purposes, be deemed to be an apartment owner as to any apartment which it has not yet conveyed and shall be entitled to the aggregate percentage of undivided interest attributable to all such apartments.

3. "Common Expenses" shall mean the expenses for which the owners are liable to the Association. Common expenses shall include, but not be limited to all those expenses enumerated under the provisions of the Act, other expenses which may be allocated to the unit in accordance with the provisions of this Declaration and Bylaws; as well as all expenses necessary to maintain easements and rights-of-way for ingress and egress to the Condominium.

4. Condominium Unit or Unit means a part of the condominium property which is subject to private ownership, and includes both condominium residential units and condominium commercial units.

5. Condominium Residential Unit is a unit that shall be used as a single family residence.

6. Condominium Commercial Unit is a unit that shall be used for business or commercial purposes, unless converted into a condominium residential unit. Condominium commercial units shall be identified by placing the letter "C" in front of the number of the unit.

SECTION 2
DESCRIPTION OF LAND

The land and premises upon which said buildings and improvements are or shall be located is in the Town of Warren, County of Washington and State of Vermont, and the land and premises, together with improvements heretofore or hereafter constructed made subject to the Act by this Declaration at this time is more fully described on the Description annexed hereto and made an integral part of this Declaration as Exhibit A-1 and as shown on the Site Plan as "STAGE I."

SECTION 3
DESCRIPTION OF MOUNTAINSIDE CONDOMINIUM

The structure upon the previously described land and premises which is submitted to the Condominium Ownership Act consist of one building.

1. The building contains five (5) entryways and for purposes of this description, therefore divides the building into five (5) sections.
2. Three sections consist of three stories, and two sections consist of four stories. The three story sections are contiguous and the four story sections are contiguous.
3. The sections containing three stories have crawl spaces but no basements; the sections containing four stories have as its first story the "basement".
4. The principal materials of which this building are constructed is masonry-concrete block with the floors being of wood bar joist construction; the interior is sheet rock and wood materials.
5. There are thirty (30) apartments contained within the building, six apartments within each section.

SECTION 4
DESCRIPTION OF CONDOMINIUM UNIT

1. Each unit consists of the enclosed space of one or more rooms occupying all or part of one or more floors and a building of one or more floors or stories provided, always, that any such unit has direct exit to a thoroughfare or a common element leading to a thoroughfare. The lower boundary of any such unit is a horizontal plane (or planes), the elevation of which coincides with the elevation of the upper surface of the unfinished concrete subfloor thereof, extended to intersect the lateral or perimetrical boundaries thereof. The upper boundary of any such unit is a horizontal plane (or planes), the elevation of which coincides with the lower surface of the unfinished concrete ceiling thereof, to include the ceiling drywall, extended to intersect the

lateral or perimetrical boundaries thereof. The upper boundary of any unit situated on the highest floor of the building, or buildings, however, is a horizontal plane (or planes), the elevation of which coincides with the unexposed upper surface of the ceiling drywall thereof, to include such ceiling drywall within such unit, extended to intersect the lateral or perimetrical boundaries thereof. The lateral or perimetrical boundaries of any unit are vertical planes which coincide with the unexposed surfaces of the perimeter drywall thereof, to include the perimeter drywall, fireplaces, plenums, windows and doors thereof, extended to intersect the upper and lower boundaries thereof and to intersect the other lateral and perimetrical boundaries of the condominium unit.

Mechanical equipment and appurtenances located within any unit and designed to serve only that unit, such as appliances, non-bearing partition walls, outlets, electrical receptacles and outlets, fixtures, cabinets and the like, shall be considered a part of the condominium unit.

2. An owner shall not be deemed to own the undecorated or unfinished surfaces or both of the perimeter walls, floors and ceilings surrounding the respective unit. An owner, however, shall be deemed to own and maintain the doors and windows, the window sashes and frames, the door sashes and frames, and the inner decorated or finished surfaces or both of the perimeter walls, floors and ceilings and other elements consisting of paint, wallpaper and other finishing materials.

3. An owner shall not own nor deem to own the utilities, conduits, pipes, ducts, flues, chutes, cables, wires and wire outlets, utility lines and the like and any other elements located within or accessible only from any particular condominium unit which are utilized for or serve more than one unit.

4. Each unit shall be subject to an easement to the Association and an irrevocable right to enter units for repairs to the common facilities and for the unobstructed and uninterrupted use of any and all pipes, ducts, flues, chutes, conduits, cables, wires and wire outlets, utility lines and the like, and any other common elements located within or accessible only from any particular unit, and for support of that unit and other units.

5. Further details relative to the description of the unit and the dimensions are more particularly described in Exhibit B attached to this Declaration and made a part hereof.

6. Within the building there are four different types of units:

A. There are ten so-called loft units which consist of two rooms, bathroom, kitchen, loft sleeping area; the dimensions are approximately 850 square feet; they are located on the top floor of the building, being units 5, 6, 11, 12, 18, 19, 24, 25, 30, and 31.

B. There are four so-called two bedroom units consisting of three rooms, bathroom and kitchen; the dimensions are approximately 850 square feet; they are located at either end of the building on the first and second floor, being units 1, 3, 27, and 29.

C. There are sixteen so-called one bedroom units, consisting of two rooms, bathroom and kitchen, the dimensions are approximately 650 square feet; being units 2, 4, 7-10, 14-17, 20-23, 26 and 28.

D. There is one commercial unit which comprises the so-called "basement" under units 20, 21, 26 and 27 as well as the crawl space under units 14 and 15. It is approximately 2,000 square feet, consisting of four rooms.

7. The previously mentioned residential units have as their immediate access to the common area the entryways and access to the limited common area of the balconies.

8. The previously mentioned commercial area has as its access to the common areas both the entryway and the ground level being the parking area and the lawn immediately adjacent to the unit.

SECTION 5
DESCRIPTION OF COMMON AREAS

1. All areas other than those included in the boundaries of any unit as previously defined are common areas. These common areas are fully described in Exhibits A-1 and B hereto, to which reference is hereby made.

2. Common areas shall include, but not be limited to:

A. The foundations, bearing walls, perimeter walls, main walls, footings, roofs, halls, columns, girders beams, supports, corridors, parking areas not designated as limited common areas, stairways, entryways, and entrance or exit or communication ways;

B. Basements, yards, storage lockers not designated as limited common elements;

C. Compartments or installations or central services such as power, light, gas, hot and cold water, compressors and related equipment, pumps, and the like, including, but in no way limited to, all pipes, ducts, flues, conduits, cables, wires and other utility lines;

D. All other elements of the condominium project rationally of common use or necessary to its existence, upkeep and safety and, in general, all portions of limited common elements.

SECTION 6
LIMITED COMMON AREAS

The limited common areas include those reserved for the use of certain unit owners or a certain unit owner to the exclusion of other unit owners. All areas designated as balcony, deck, patio, fenced area, storage locker or the like, are reserved to the exclusive use of the owners of the unit or units to which they are adjacent or to which they are declared to be appurtenant by appropriate designation on the appropriate Exhibits. The owner who has the right to the exclusive use of the limited common areas shall be responsible, at that owner's cost and expense for the maintenance, care and preservation of said area. Except as provided herein, any expense for the maintenance, repair or replacement relating to the limited common areas shall be treated as and paid for as a part of the common expenses.

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SECTION 7
UNDIVIDED PERCENTAGE INTERESTS IN COMMON AREAS AND FACILITIES

1. The value of the Condominium made subject to the Act hereby, and the value of each of the units which is part thereto and the percentage of undivided interest in the common areas and facilities and the limited common areas and facilities appurtenant to each unit is set forth in the Statement of Value and Ownership Interests attached hereto and made a part of this Declaration as Exhibit C.

2. The respective percentages referred to above and in Exhibit C hereto shall be of a permanent character and except as specifically provided for in this Declaration may not be changed without the consent of all of the unit owners in an amendment to this Declaration duly recorded. The undivided percentage interests referred to above and in Exhibit C hereto shall be determinative of all matters which under the Act, this Declaration, and the Bylaws are properly determinable by reference to the respective percentages, including, but not limited to the following:

- i. The weight of each owner's vote in voting on Association business;
- ii. The allocation of common expenses;
- iii. Each owner's undivided share in the Condominium in the event of dissolution; and
- iv. Each owner's share in the proceeds of general common areas and facilities in the event of condemnation.

SECTION 8
USE OF RESIDENTIAL UNITS RESTRICTIONS ON USE

1. Except for such condominium units as may be designated in the Declaration, or on Exhibit A-1 for commercial or other non-residential purposes, if any, and except for such temporary non-residential uses as may be permitted by the Board of Directors from time to time or as employed by the Declarant until the time of conveyance by the Declarant, all units shall be used for single family residential purposes only, and no trade or business of any kind may be carried on therein, provided, however, that rental of all or a portion of such unit for residential purposes shall not be a violation of this restriction. Nothing in this section, or herein elsewhere, shall be construed to prohibit the Declarant from the use of any condominium unit which the Declarant owns for promotional or display purposes as "Model Apartments", a Sales Office or the like or for leasing any unit or units which the Declarant owns.

2. No structural alterations within or affecting any unit shall be made without written consent of the Board of Directors.

3. Each owner shall be subject to and shall comply with the terms and conditions of all State and Municipal laws and regulations affecting the use of the unit and the common areas and facilities and the limited common areas and facilities.

4. Until Declarant has completed and sold all of the units subject to and to be subject to this Declaration, neither the owners nor the Association, nor its Board of Directors, shall interfere with the completion of the contemplated improvements and the sale of those units.

5. The Association shall have an irrevocable right and an easement to enter condominium units for the purpose of making repairs to the common areas and facilities when the repairs reasonably appear necessary. Except in cases

involving manifest damage to public safety or property, the Association shall make a reasonable effort to give notice to the owner of any unit to be entered; no entry as permitted herein by the Association shall be considered trespass.

SECTION 9
USE OF COMMERCIAL UNITS: RESTRICTION ON USE

1. Each condominium commercial unit may be used as a business or commercial establishment.

2. The use of the condominium commercial unit common areas and facilities shall at all times comply with the various ordinances and zoning regulations promulgated by the State of Vermont and the Town of Warren and the various rules and regulations promulgated by the Board of Directors of the Association as they pertain to said unit and to the business or commercial enterprise being conducted within said unit.

3. Except as reserved to Declarant, no commercial unit shall be divided or subdivided into smaller units nor any portion sold, transferred, leased, assigned or otherwise transferred. This paragraph shall not prohibit a condominium commercial unit owner from leasing his unit.

4. Structural alterations within or affecting any commercial unit shall be permitted, provided engineering plans by a registered professional engineer have been submitted to the Board of Directors, said plans to be submitted by certified mail, return receipt requested, postage prepaid, and the consent of the Board of Directors is obtained, said consent to not be unreasonably withheld. In the event the Board of Directors does not deny approval, in writing within 30 days from receipt of the aforementioned plans, consent shall be deemed to have been granted for purposes of this provision.

5. Until Declarant has completed and sold all of the units subject to and to be subject to this Declaration, neither the owners nor the Association, nor its Board of Directors, shall interfere with the completion of the contemplated improvements and the sale of those units.

6. No commercial unit shall be used as or have established in it a restaurant within the common meaning of that word, nor shall a sport shop, or a laundromat or similar type establishment be allowed without the written approval of Sugarbush Valley, Inc. or its duly designated agent; nor shall there be any ski-related commercial enterprise, including, but not limited to ski equipment and rental, repair or sales, and sales of ski clothing, accessories or ski related items.

7. Parking for owners of commercial units shall be in the common areas designated for parking; patrons of the business of commercial establishment shall be encouraged to use the parking area provided by Sugarbush Valley, Inc. on the U.S. Forest Service Property. Commercial units shall have for parking for their patrons, clients and others using their units, the U.S. Forest Service parking area.

8. The Association shall have an irrevocable right and an easement to enter condominium units for the purpose of making repairs to the common areas and facilities when the repairs reasonably appear necessary. Except in cases involving manifest damage to public safety or property, the Association shall make a reasonable effort to give notice to the owner of any unit to be entered; no entry as permitted herein by the Association shall be considered trespass.

SECTION 10
DECISION TO RECONSTRUCT OR REPAIR AFTER DESTRUCTION OR DAMAGE

1. In the event of damage or destruction to the

Condominium by fire or other casualty, the same shall be promptly reconstructed or repaired in substantial conformity with plans of record and the original plans and specifications for Mountainside Condominium with the proceeds of insurance available for that purpose, if any.

2. In the event of damage or destruction to the Condominium by fire or other casualty to the extent of two-thirds (2/3) of the full replacement value of the Condominium, as estimated by the Board of Directors and the insurer for the period during which such loss was sustained, there shall be no reconstruction or repair of the damaged portions unless at a meeting of the members of the Association which shall be called and held within thirty (30) days after the occurrence of the damage or destruction, owners owning in the aggregate sixty-six (66%) percent or more of the aggregate ownership interest vote in favor of such reconstruction or repair. Absent such a determination by the Association, the Condominium shall be deemed to be owned in common by owners of all the condominium units in the same proportion as that established in this Declaration for ownership of appurtenant undivided interests in the common areas and facilities; the Condominium will be subject to the proceedings provided for in the pertinent part of the Act.

3. In the notice to the members for the meeting which is to be held, pursuant to the above paragraph, the following information shall be sent, which information shall be prepared or caused to be prepared by the Board of Directors:

- (i) An estimate of damage;
- (ii) An estimate of the cost of repairing the damage or reconstructing the damaged portions in substantial compliance with the original plans and specifications;
- (iii) An inventory of Association funds from all sources, including insurance, available for such reconstruction and repair work; and
- (iv) If such available funds are less than the estimated reconstruction and repair costs, the amount of the assessments against each unit which would be necessary to enable the Association to meet such costs in full.

SECTION 11
RECONSTRUCTION OR REPAIR AFTER CASUALTY: PERFORMANCE OF
WORK AND FINANCING

1. Any reconstruction or repair work required or decided upon in accordance with this Declaration, whether to be performed on common areas and facilities or individual units, shall be done only by the Association, which may, however, delegate such work to suitable contractors of its choice.

2. The proceeds of any insurance upon the Condominium which are collected or collectible by the Association shall be available to it for the purpose of defraying the cost of such reconstruction or repair work. If they are insufficient for that purpose, the Association may raise the remainder of the necessary funds by levying one or more special assessments in the same manner in which assessments to meet ordinary common expenses are levied.

SECTION 12
INSURANCE

1. In order to insure that sufficient reconstruction or repair funds or both will be available to the Association if and when needed, the Board of Directors of the Association shall insure the entire Condominium in such amounts as it shall, in its judgment, determine to provide adequately for replacement thereof in the event of damage or destruction from the casualty against which such insurance is obtained. Such insurance shall include fire insurance and extended coverage, vandalism, and malicious mischief insurance and such other types of insurance as may, in the Board of Directors' opinion, serve this purpose. The Board of Directors may comply with the above requirements by the purchase of blanket coverage and may elect such deductible provisions as are, in its opinion, consistent with good business practice and the purpose for which the insurance is bought.

Policies of casualty insurance hereunder shall name the Association as the insured and the person to which payment is to be made as trustee for each of the owners in the amount of his ownership interest. They shall also provide that they can not be cancelled, except upon at least thirty days written notice to the insured Association.

2. The Board of Directors of the Association shall also purchase broad form comprehensive liability coverage in such amounts and in such forms as prudent condominium management practice may suggest. Coverage may include liabilities for personal injuries or property damage suffered on or in common areas and facilities and liabilities arising from the operation of motor vehicles on behalf of the Association.

3. The Board of Directors of the Association shall obtain such insurance against additional risks of a similar or dissimilar nature as it shall deem necessary, appropriate, or in harmony with prudent condominium management practice.

4. Premiums and expenses for all insurance purchased by the Board of Directors of the Association hereunder shall be common expenses. Where insurance premiums are increased as a result of increased risk attributable to a particular unit they shall be allocable to the unit responsible for the increase, based upon the insurance carrier's appraisal of risk inherent to said unit. A levy made against a unit owner for an increase in premiums may be enforced by the Association by adding the same to the common expenses allocable to said unit.

5. No insurance purchased by the Board of Directors of the Association hereunder shall in any way prejudice the right of each owner to insure his own unit and the property therein for his own benefit, nor shall the insurance purchased by the owner diminish or in any way prejudice the Association's rights and protection under policies purchased and held by it pursuant to this Section.

6. In the event the cost of reconstruction or repair shall exceed an amount equal to two-thirds (2/3) of the full replacement value of the Condominium, all proceeds of insurance shall be paid over to a trust company or bank, selected by the Board of Directors as an insurance trustee, and shall be paid out from time to time as the reconstruction or repair progresses in accordance with the provisions of an Insurance Trust Agreement satisfactory in form and substance to the Board of Directors or in the event the members do not vote to reconstruct or repair, then paid out based upon the undivided percentage interest of each unit.

In the event the Condominium is reconstructed or repaired, and upon completion of the reconstruction or repair and payment in full of all amounts due on account thereof, any proceeds of insurance then in the hands of the Insurance Trustee shall be paid to the Association and shall be considered as one fund and shall be divided among the owners of all of the condominium units in the same proportion as that established in the Declaration for ownership of undivided percentage interests in the common elements, after first paying out of the share of the owner of any condominium unit, to the extent such payment is required by any lienor and to the extent the same is sufficient for the purpose, all liens upon said condominium unit in accordance with the priority of interest in each unit.

SECTION 13
CONDEMNATION

1. In the event of service of process in a condemnation action upon the Association, the Board of Directors of the Association shall immediately notify all owners.

2. Upon the entry of a decree of condemnation or order of taking resulting in the taking of a unit, but not before, the owner thereof shall automatically cease to be a member of the Association and cease to have any interest in common areas and facilities. Such termination of membership shall be prospective only and shall not affect liabilities or claims which arose prior thereto.

3. Any condemnation award resulting from a condemnation of any part of the Condominium shall, in the first instance, be paid to the Association, to be held and distributed to the persons entitled thereto as hereinafter provided.

4. A total taking, which shall mean a taking involving the condemnation of not less than eighty percent of the value of the Condominium as determined under Exhibit C, shall terminate this Declaration. Unless otherwise ordered by the Court, the total condemnation award shall be distributed to the owners in proportion to their respective ownership interests. The portions of the Condominium not taken shall be considered owned in common by the owners and shall be subject to partition pursuant to the Act.

5. A partial taking, which is a taking involving a condemnation of at least two but less than eighty percent of the value of the Condominium as determined under Exhibit C shall also terminate this Declaration unless at a meeting of all remaining owners, to be called and held not later than ninety days after the entry of the order of taking or decree of condemnation, the remaining owners adopt an amendment to this Declaration which is:

(i) To take account of the elimination of the condemned units and their owners from the Condominium and to determine the necessary reallocations of the burdens and benefits of unit ownership to be made, so far as practicable in accordance with the general principles embodied in this Declaration; and

(ii) making such changes as may be necessary for the continued satisfactory operation of the Condominium subject hereto in light of the nature and extent of the particular taking involved.

If this Declaration is not so amended within 90 days of the entry of the decree or order of taking, it shall terminate and unless otherwise ordered by the Court, the total condemnation award shall be distributed to the owners in proportion to their respective ownership interests. The portions of the Condominium not taken shall be considered owned in common by the owners and shall be subject to partition pursuant to the Act. If it is so amended the condemnation award or awards shall be paid over to the owners whose units were taken in proportion to the loss suffered by each, provided however, that any compensation for the taking of common areas and facilities shall be paid over to the owners in proportion to their respective ownership interests.

6. A taking of an individual unit in any building shall, so far as possible, be treated as a simple sale or conveyance thereof.

SECTION 14
EASEMENTS FOR ENCROACHMENTS

1. In the event of encroachments of condominium units upon each other, condominium units upon common areas and facilities, or common areas and facilities upon condominium units, valid easements for the encroachments and for the maintenance of the same thereof shall be deemed to exist. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of any building, by error in any pertinent surveys, maps, plans or specifications which may occur in the course of reconstruction or repair work after destruction or casualty, as a result of settlement or shifting of any building.

2. Encroachments authorized by this Section shall not be regarded as encumbrances upon either the affected condominium units or the common areas and facilities, and shall not be regarded as rendering title to any affected condominium unit or common area and facilities unmarketable.

SECTION 15
AMENDMENT OF DECLARATION

1. Except as otherwise provided in this Declaration or in the "Condominium Ownership Act", this Declaration may only be amended by written approval of owners owning in the aggregate of 51% or more of the aggregate ownership interest under Exhibit C. If the amendment involves change in the undivided percentage interest, such vote shall be by 100% of the unit owners.

2. Notwithstanding the foregoing, relative to the change of undivided percentage interest, the provisions in this Declaration granting an irrevocable Power of Attorney as well as the provisions reserving certain powers to the Declarant, shall control, regardless of this section or the Condominium Ownership Act.

SECTION 16
EXPANSION OF EXISTING CONDOMINIUM

1. The Declarant shall have and hereby reserves the absolute right, but not the obligation, to be exercised at any time or from time to time, prior to the 31st day of December, 1983, to annex to the land and improvements described on Exhibit A-1 and as shown on the Site Plan as Stage I attached hereto, any of the land described on Exhibit A, and as shown on the Site Plan as Stage II and Stage III, attached to this Declaration and by reference made a part hereof, in such increments and in such order as to the Declarant may from time to time seem appropriate, together with the improvements heretofore or hereafter constructed upon any of such land, and thereby make the same a part of Mountainside Condominium, submitting the same to this Declaration and the Act, in which case, the applicable provisions of this Declaration shall be amended by Declarant in accordance with this Declaration.

2. The undivided percentage interest as described in Exhibit C attached hereto shall remain permanent in character, however, the undivided percentage interest shall be re-allocated in accordance with Exhibit C which thereon shows the value of the unit or units to the overall project in accordance with the Act as each Stage is annexed to and made a part of Mountainside Condominium.

Any deed or other instrument for or otherwise relating to any Mountainside Condominium shall be delivered subject to the conditional limitation that the undivided percentage interest shall be automatically re-allocated, pro tanto, and that Mountainside Condominium may be expanded in accordance with the provisions herein, upon the filing in the Land Records of the Town of Warren, Vermont any amendment to the Declaration which has its purpose the adding of Stage II or Stage III and submitting the same to this Declaration and making the same a part of Mountainside Condominium.

Whenever in this Declaration or in any of the Exhibits hereto reference is made to Exhibit C, then such reference shall mean and refer to Exhibit C as the same may from time to time be modified, amended or enlarged in accordance with the provisions of this section and to the exercise of the rights herein reserved to the Declarant and to the irrevocable Power of Attorney granted.

3. There is hereby reserved unto John H. Osgood and Carl L. Creedon, acting together or individually, with full and absolute power of substitution, an irrevocable Power of Attorney, coupled with an interest and to survive disability, for the purpose of re-allocating the undivided percentage interest in the common areas and facilities and limited common areas and facilities, re-allocate the percentages under Exhibit C, and expand Mountainside Condominium to include and have annexed to it Stage II and Stage III, as previously mentioned and described herein, and by the exercise of the herein conveyed irrevocable Power of Attorney execute, acknowledge and deliver such instruments as may from time to time be required in order to accomplish the annexing of Stage II and Stage III to Mountainside Condominium, submission of same to this Declaration and the Act, and the re-allocation of undivided percentage interests as is required by the Act and applicable provisions of this Declaration.

This Power of Attorney for re-allocating the undivided percentage interest shall be limited by Exhibit C attached to this Declaration, which therein shows the value of the units as each Stage is annexed to and made a part of Mountainside Condominium.

Each owner and each mortgagee of a unit shall be deemed to have granted unto the said Attorney in Fact, an irrevocable Power of Attorney, coupled with an interest and each unit owner and mortgagee shall be deemed to have agreed and covenanted to execute such further instruments, if any, as may from time to time be required by the Declarant, its successors and assigns, to properly accomplish such amendments.

4. There is hereby reserved to the Declarant and to its agents, successors and assigns, without restriction or limitation, a non-exclusive easement over all the common areas of the condominium for purposes of ingress, egress, the storage of building supplies, materials and equipment, the installation, construction, reconstruction and maintenance of utility lines and storm drainage facilities and the right by easement, irrevocable license and right-of-way to make future connections, hookups, and tie-ins to existing or to be constructed water lines, sewer lines and storm drainage lines, and without restriction or limitation, for any and all other purposes related to the development of the premises described in Exhibit A and any of the parcels of additional land herein or on the Exhibits heretofore described and for any and all purposes related to the completion and sale of the improvements thereon, as well as the expansion and the completion of Stage II and Stage III.

5. Declarant reserves the right to change the interior design, said right to last as long as Declarant owns the units so altered. If Declarant shall make any change in units, these changes shall be reflected in an amendment to this Declaration in the manner provided for in this Declaration. Further, Declarant reserves the right to remove any party wall between any commercial condominium in order that the unit be used together as one integral unit. In each event, all assessments, voting rights and a share of the common areas shall be calculated as if such units were as originally designated on the Exhibits attached to this Declaration notwithstanding the fact that several units are used as one. An amendment to this Declaration reflecting such authorized alteration to the unit by Declarant need be signed and acknowledged only by Declarant and need not be approved by the Association, unit owners, lienholders or mortgagees of units. The Declarant may make any structural changes within or affecting any units, so long as Declarant owns said units, without the prior consent of the Board of Directors or the need to submit engineering plans. Declarant has the further right to subdivide any commercial unit owned by Declarant into more than one unit. If more than one unit is concerned, Declarant shall apportion between the units the shares and the common expenses appurtenant to the units concerned. An amendment to this Declaration reflecting such authorized alteration of the unit by Declarant need be signed and acknowledged only by Declarant and need not be approved by the Association, unit owners, lienholders or mortgagees of units.

6. When the rights as heretofore enumerated are made, executed by Declarant and the appropriate amendment or amendments are filed in the Land Records of the Town of Warren, County of Washington and State of Vermont, they

shall be effective and binding upon all past and future owners and all other persons. Neither this provision, the aforesaid provisions under this Section 16, nor the authority of the Declarant to record an amendment to this Declaration pursuant to said Declaration may be modified or deleted by amendment of the Declaration or Bylaws or otherwise. Each owner and each mortgagee of the unit shall be deemed to acquiesce in any such amendments to this Declaration, which Declarant as heretofore set forth, shall make and have duly recorded in the Land Records of the Town of Warren, Vermont, under the rights and reservations as heretofore enumerated.

SECTION 17
PROVISIONS GOVERNING RIGHT OF FIRST REFUSAL

The transfer of any commercial units by an owner other than the Declarant shall be subject to the following provisions so long as the Condominium exists and the building, in useful condition, exists upon the land, which provisions each owner of a commercial unit covenants to observe:

1. No owner of a commercial unit may dispose of a commercial unit by sale without at first making an offer to the Declarant or its assignee in accordance with the provisions hereinafter enumerated.

2. Sale shall be defined for purposes of this provision as sale or exchange under the laws of the State of Vermont pertaining to Land Gains Tax, as now or hereafter amended.

3. A unit owner intending to make a sale of his commercial unit shall give to the Declarant at the address listed by the Association, written notice of the bona fide offer from a third party, together with the name and address of the intended purchaser, the purchase price and terms.

4. The Declarant shall have 15 days in which to exercise its right of first refusal, such exercise shall be affected by transmittal to the seller by certified mail of said request; failure to so exercise within 15 days shall constitute a waiver of Declarant's right of first refusal.

5. The price to be paid and the terms and conditions as contained in the bona fide offer from a third party, which shall be stated in the notice, shall be the price and terms and conditions by which the Declarant shall be bound. However, closing of title by Declarant shall occur within 30 days from date of notice exercising the right of first refusal or the closing date listed in the offer, whichever is later.

6. The foregoing provisions of this section shall not apply to the Declarant herein. Declarant may assign this right of first refusal.

7. Any sale where the Seller has failed to give notice in accordance with this section shall be void unless subsequently approved by the Declarant.

8. Notwithstanding the foregoing, the provisions of this section of Right of First Refusal shall not affect a mortgagee's right of foreclosure and right of sale pursuant to 12 V.S.A. §4531a-4533 and as hereafter may be amended.

SECTION 18
COMPLIANCE AND DEFAULT

1. Each owner shall be governed by and shall comply with the terms of this Declaration, Bylaws, and Administrative Rules, as the same may be amended from time to time. Specifically, but without limitation, each owner shall be liable for and pay within 30 days of receipt of a statement, the following:

(i) All assessments made by the Association to meet present and projected common expenses;

(ii) The expense of any maintenance, repair, or replacement rendered necessary by an owner's non-compliance with this Declaration, Bylaws, Administrative Rules, or his act, neglect, or carelessness, or by that of any member of his family, guests, invitees, agents and patrons, to the extent not covered by insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of a unit or its appurtenances, or of the common areas and facilities.

2. Failure of an owner or other parties to comply with any of the terms contained in the Declaration, Bylaws or the Administrative Rules shall entitle the Association or owners to the following relief, in addition to relief granted under the Act and applicable law:

(i) Any owner and any other party shall be liable to injunctive relief, to prevent or abate the effects of such violation upon one or more owners or the Association.

(ii) The prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the court.

(iii) The failure of the Association, the Board of Directors, or any owner to enforce any covenant, restriction, or other provision of the Act, this Declaration, the Bylaws, or the Administrative Rules, shall not constitute a waiver of the right to do so thereafter.

SECTION 19
EFFECTIVENESS OF THIS DECLARATION

1. This Declaration shall become effective upon the execution in accordance with the Act by Declarant and the filing of the Declaration in the land records of the Town of Warren, Vermont.

2. This Declaration, the Bylaws, and any Administrative Rules adopted thereunder shall supplement and not replace or waive any and all rights and obligations provided for by the Act and by other applicable laws which inure to the benefit of and are binding upon any person affected thereby.

SECTION 20
RESTRICTIVE COVENANTS

All of the terms, provisions, and conditions of this Declaration and its Exhibits shall be a covenant running with the land for the benefit of the Condominium, Declarant, any owner, the Association, and its successors and assigns.

SECTION 21
SERVICE OF PROCESS

The name and address of a person on whom process may be served in any action described in the Act is as follows:

Peter S. Sidel, Esq.
P.O. Box 115
Waitsfield, Vermont 05673

This appointment shall be effective until the appointment of a successor or the death or resignation of the agent. Any successor shall be elected by the Board of Directors and

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such notice, attested by the President and Secretary of the Association, shall be filed in the land records of the Town of Warren. A resignation shall be by notice to the Board of Directors, with a copy filed in the land records of the Town of Warren. If there is no agent appointed as provided in this Section, service may be made upon any officer.

SECTION 22
CAPTIONS

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

SECTION 23
GENDER

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine and neuter gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

SECTION 24
WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations of breaches which may occur.

SECTION 25
INVALIDITY

The invalidity of any provisions of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration and, in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

SECTION 26
CONFLICTS

This Declaration is set forth to comply with the requirements of the Condominium Ownership Act. In the event of any conflict between this Declaration and the provisions of the Act, the provisions of such statute shall control.

IN WITNESS WHEREOF, Sugarbush Village Associates hereunto causes its name to be subscribed hereto by its duly authorized agent.

DATED: November 15, 1979

SUGARBUSH VILLAGE ASSOCIATES

BY: [Signature]
Its Duly Authorized Agent

WITNESSES:

Barbara Scott
[Signature]

STATE OF VERMONT
WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 15 day of November 1979
there appeared before me, in person, to me known to be the
duly authorized agent of Sugarbush Village Associates,
Carl L. Creedon, and the signer and sealer of
the foregoing instrument, and he acknowledged the same to be
his free act and deed as duly authorized agent of Sugarbush
Village Associates and his free act and deed.

Before me, R. S. Sidell
Notary Public

Warren Town Clerk's Office received for record 11-15-79 at 12:45 PM.

Recorded in Book 51 page 774-789 fo the Warren Land Records.

ATTEST, Reta K. Goss
Town Clerk
Reta K. Goss

EXHIBIT A
TO DECLARATION OF CONDOMINIUM
OF MOUNTAINSIDE CONDOMINIUM

The land to be subject to condominium ownership by this Declaration now and hereafter amended is all and the same land and premises conveyed to Sugarbush Village Associates by the warranty deed of Sugarbush Valley, Inc., dated March 26, 1979 and recorded in Book 50, pages 380-388 of the land records of the Town of Warren, Vermont; consisting of approximately 4.3 acres of land, with any improvements thereon, and is more particularly described as follows:

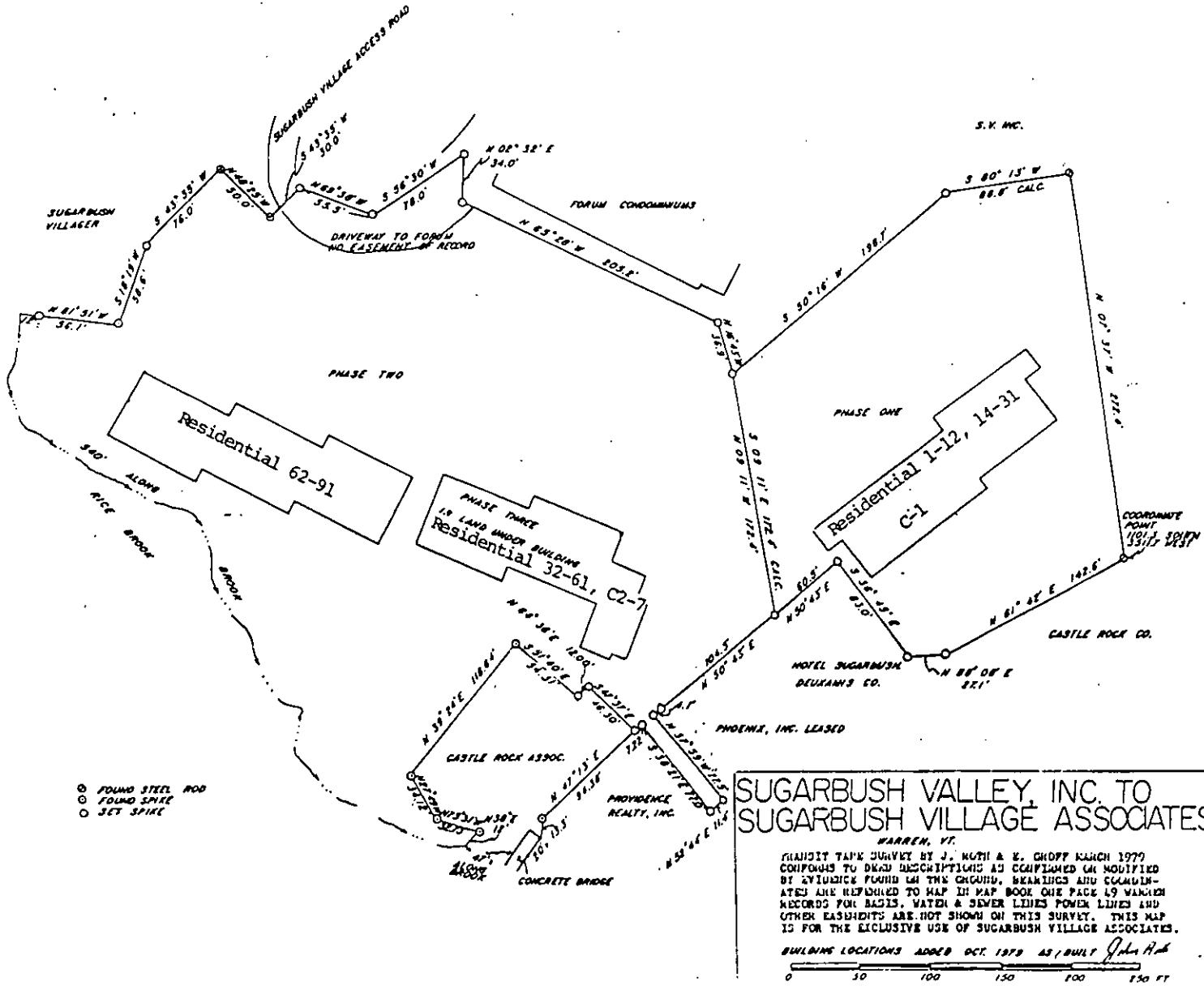
Beginning at a steel rod at coordinate point south 1101.3 feet, west 3511.7 feet, said steel rod located at the termination of the "North 61° 42' East 142.6 feet" line in a description of land deeded from Sugarbush Valley, Inc. to Castlerock Company as recorded in Volume 45 at page 742 of the Warren Town Land Records; thence proceeding North 07° 37' West 272.4 feet to a steel rod; thence turning to the left and proceeding South 80° 13' West 88.8 feet to a spike marking a corner of land of the Forum Condominium; thence veering to the left and proceeding South 50° 16' West 198.7 feet to a spike; thence turning to the right and proceeding North 16° 43' West 36.9 feet to a spike; thence turning to the left and proceeding North 65° 28' West 205.2 feet to a spike; thence turning to the right and proceeding North 02° 32' East 34.0 feet to a spike; thence turning to the left and proceeding South 56° 30' West 78.0 feet to a spike; thence turning to the right and proceeding North 69° 38' West 55.5 feet to a spike; thence turning to the left and proceeding South 43° 35' West 30.0 feet to a spike; thence turning to the right and proceeding North 46° 25' West 50.0 feet to a spike; thence turning to the left and proceeding South 43° 35' West 76.0 feet to a spike; thence veering to the left and proceeding South 18° 19' West 58.6 feet to a spike; thence turning to the right and proceeding North 81° 51' West 56.1 feet to a spike; thence continuing in an extension of said directional 12 feet, more or less, to the center line or thread of Rice Brook; thence turning to the left and proceeding southeasterly in and along the center line of said Rice Brook, which center line marks the boundary with the U.S. Forest Department property, a distance of 540 feet more or less, to a point; thence turning to the left and proceeding North 38° East 12 feet, more or less, to a spike marking a corner of property conveyed by Sugarbush Valley, Inc. to Castlerock Management Company; thence proceeding along and around the perimeter of said conveyed property consecutively North 73° 31' West 32.73 feet, North 27° 49' West 34.12 feet, North 39° 24' East 118.64 feet, South 51° 40' East 54.31 feet, North 64° 36' East 12.00 feet, and South 47° 57' East 46.30 feet to a point in the property line of Providence Realty, Inc.; thence turning to the left and proceeding North 47° 13' East 7.22 feet to a spike at the northerly most corner of land of Providence Realty, Inc.; thence turning to the right and proceeding South 38° 21' East 77.0 feet to a spike; thence turning to the left and proceeding North 52° 44' East 11.4 feet to a spike; thence turning to the left and proceeding North 37° 59' West 77.5 feet to a spike; thence turning to the right and proceeding North 50° 43' East 4.1 feet to a spike; thence continuing North 50° 43' East consecutively 104.5 feet to a spike and 60.5 feet to a spike thence turning to the right and proceeding South 36° 45' East 83.0 feet to a spike at a corner of property of Hotel Sugarbush, Inc.; thence turning to the left and proceeding North 88° 06' East 27.1 feet to a spike at the westerly most corner of property formerly of Castlerock Company as referred to hereinabove; thence turning to the left and proceeding North 61° 42' East 142.6 feet to the point or place of beginning.

The aforementioned land and premises is all the land to be made subject to condominium ownership, in Stages I, II and III. It is also shown on a survey map entitled "Sugarbush Valley, Inc. to Sugarbush Village Associates" dated March, 1979 by J. Roth and E. Groff; Stage I, subjected effectively the date of this Declaration is shown thereon and more particularly described in Exhibit A-1.

EXHIBIT A-1
TO DECLARATION OF CONDOMINIUM
OF MOUNTAINSIDE CONDOMINIUM

The land and premises made subject to condominium ownership by this Declaration is part of the same land and premises conveyed to Sugarbush Village Association by warranty deed of Sugarbush Valley, Inc., dated March 26, 1979, and recorded in Book 50, pages 380-388 of the land records of the Town of Warren, Vermont, being shown on the Site Plan attached hereto as Phase One, which Site Plan is the survey map as mentioned in Exhibit A, the land and premises in Stage I being more particularly described as follows:

Beginning at a steel rod at coordinate point South 1101.3 feet, West 3511.70 feet, said steel rod being at the termination of the "North 61° 42' East 142.6 feet" line in a description of land deeded from Sugarbush Valley Corporation and Spruce Company, Inc., herein to Castlerock Company deed recorded in book 45, pages 742-748, Warren Land Records; thence North 07° 37' West 272.4 feet to a steel rod; thence South 80° 13' West 88.8 feet to a spike at a corner of land of Forum Condominium Project; thence South 50° 16' West 198.7 feet to a spike; thence South 09° 11' East 172.4 feet to a spike; thence North 50° 43' East 60.5 feet to a spike; thence South 36° 45' East 83.0 feet to a spike at the easterly corner of land of Deuxamis Co.; thence North 88° 06' East 27.1 feet to a spike at the corner of land of Castlerock Company; thence North 61° 42' East 142.6 feet to the beginning. Bearings are referred to map in map book 1, page 49 for basis.



I, Charles Grenier, being a licensed professional engineer, verify that the above is an accurate copy of a portion of the plans of the project as filed with the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of the buildings (which buildings are without names) and that the above fully and accurately depicts the location and apartment numbers as built.

Charles Grenier
Charles Grenier

Barbara Scott
Barbara Scott

STATE OF VERMONT
 WASHINGTON COUNTY, ss.
 At Waterbury
 Charles Grenier and made oath to the truth of the statement contained above.
 Before me, *Barbara Scott*
 Notary Public

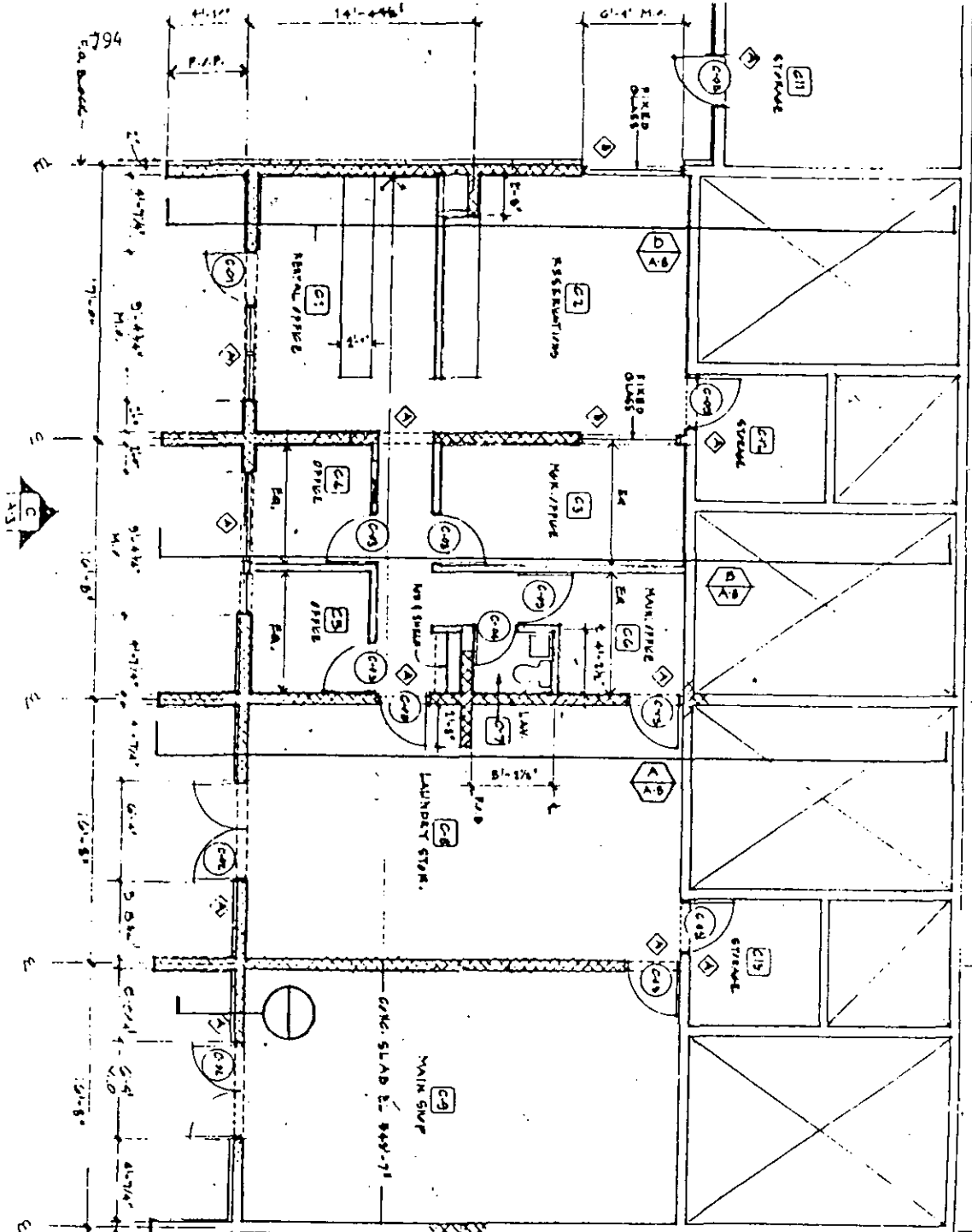
Warren Town Clerk's Office received for record 11-15-79 at 12:45 PM.
 Recorded in Book 51 page 790-792 of the Warren Land Records.

Barbara Scott
Notary Clerk

EXHIBIT B
DECLARATION OF CONDOMINIUM
MOUNTAINSIDE CONDOMINIUM

Mountainside Condominium Stage I shall consist of thirty residential units, plus one commercial unit.

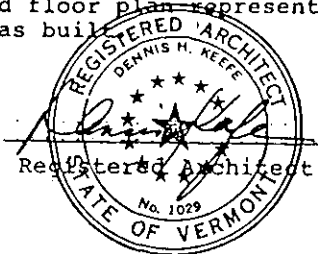
Floor plans for the residential units, being one bedroom, two bedrooms and a so-called loft unit, as well as the commercial unit G-1, are attached to this Exhibit and made a part hereof.



UNIT C-1

I, Dennis H. Keefe, being a registered Architect in the State of Vermont, hereby state in accordance with 27 V.S.A., Section 1313, that the herein floor plan is an accurate copy of a portion of the plans of the building as filed with and approved by the Municipal or other Governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings and said floor plan represents and depicts that portion of the building as built.

Dated 11/5/79
Robert S. Sidle
Barbara Scott

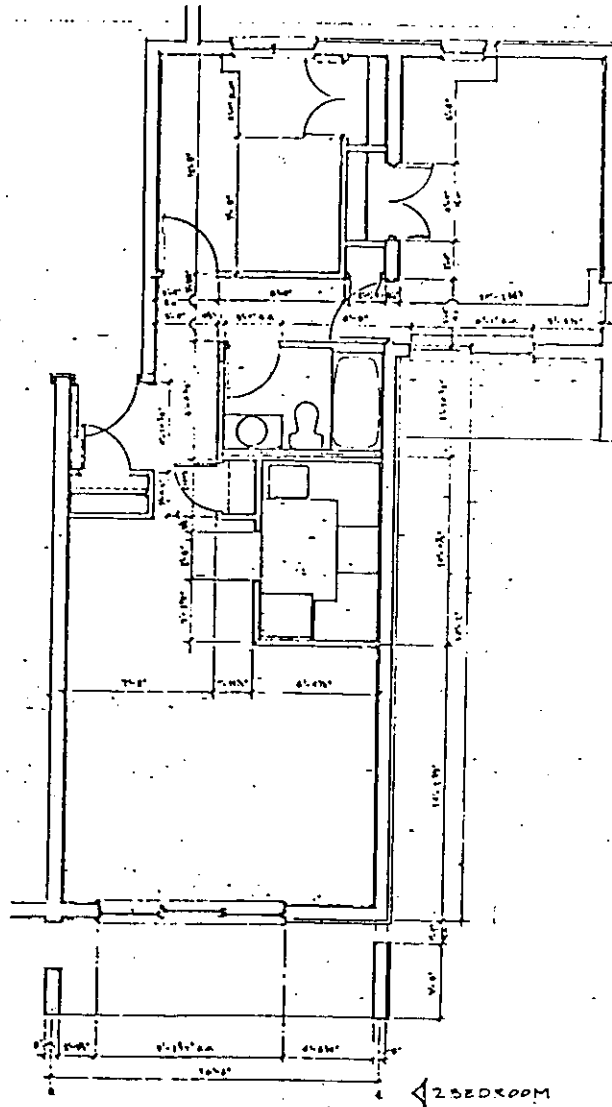


STATE OF VERMONT
 WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 5 day of 1979
 personally appeared Dennis Keefe and made
 oath to the truth of the statement contained above.

Before me, Robert S. Sidle

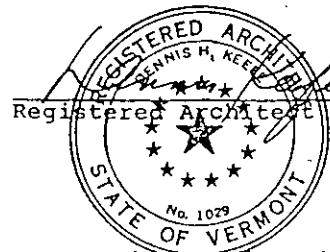
TWO BEDROOM UNIT



I, Dennis H. Keefe, being a registered Architect in the State of Vermont, hereby state in accordance with 27 V.S.A., Section 1313, that the herein floor plan is an accurate copy of a portion of the plans of the building as filed with and approved by the Municipal or other Governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings and said floor plan represents and depicts that portion of the building as built.

Dated: 11/5/79

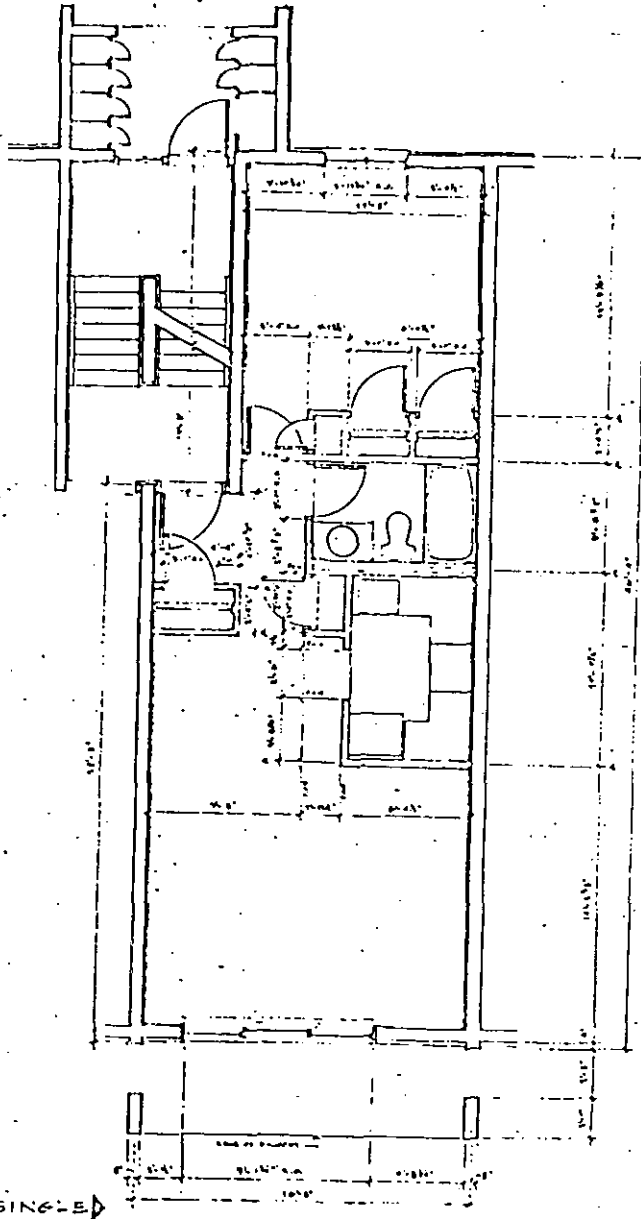
 Barbara Scott



STATE OF VERMONT
 WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 5 day of 1979
 personally appeared Dennis Keefe and made
 oath to the truth of the statement contained above.

Before me, [Signature]
 Notary Public

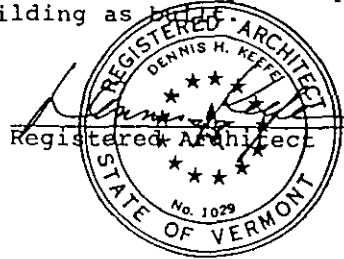


I, Dennis H. Keefe, being a registered Architect in the State of Vermont, hereby state in accordance with 27 V.S.A., Section 1313, that the herein floor plan is an accurate copy of a portion of the plans of the building as filed with and approved by the Municipal or other Governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings and said floor plan represents and depicts that portion of the building as

Dated: 11/5/79

 Peter S. Sidel

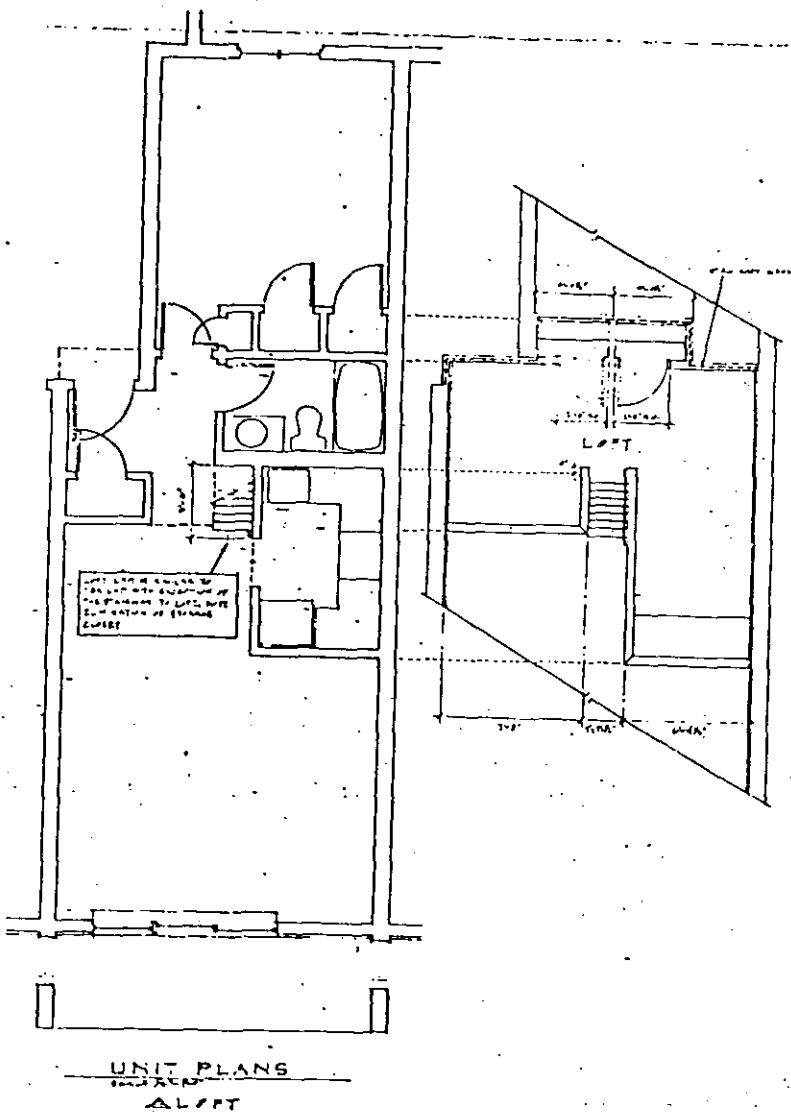
 Barbara Scott



STATE OF VERMONT
 WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 5 day of 1979
 personally appeared Dennis Keefe and made
 oath to the truth of the statement contained above.

Before me, Peter S. Sidel
 Notary Public



I, Dennis H. Keefe, being a registered Architect in the State of Vermont, hereby state in accordance with 27 V.S.A., Section 1313, that the herein floor plan is an accurate copy of a portion of the plans of the building as filed with and approved by the Municipal or other Governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings and said floor plan represents and depicts that portion of the building as built.

Dated: 11/5/77

Peter S. Sidle
Barbara Scott



STATE OF VERMONT
 WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 5th day of 1977
 personally appeared Dennis Keefe and made
 oath to the truth of the statement contained above.

Warren Town Clerk's Office received for
 Record 11-15-79 at 12:45 PM. Recorded in
 Book 51 page 793-797 of the Warren Land
 Records.

Before me, Peter S. Sidle
 Notary Public

ATTEST, Arta K. Woss Town Clerk

EXHIBIT C
DECLARATION OF CONDOMINIUM

Declarant contemplates three stages to Mountainside Condominium (the stages are shown on the Site Plan which is made a part of the Declaration); Stage I shall consist of thirty (30) residential units and one (1) commercial unit; Stage II shall consist of thirty-six (36) residential units; and Stage III shall consist of twenty-four (24) residential units and six (6) commercial units; a total of ninety-seven (97) units. The following lists the value of the property as each Stage is added, the value of each apartment and the percentage of undivided interest at each Stage: the percentages assigned to each unit as set forth in this Exhibit C shall be of a permanent character not altered except as provided in the Declaration, which percentages are altered as Stage II and Stage III and are made a part of Mountainside Condominium.

Unit	Value	Stage I Percentage	Stage II Percentage	Stage III Percentage
C-1	\$25,000	1.39630	.64790	.46236
1	64,500	3.60255	1.67185	1.19289
2	53,900	3.01050	1.39710	.99686
3	64,500	3.60255	1.67185	1.19289
4	53,900	3.01050	1.39710	.99686
5	64,500	3.60255	1.67185	1.19289
6	64,500	3.60255	1.67185	1.19289
7	53,900	3.01050	1.39710	.99686
8	53,900	3.01050	1.39710	.99686
9	53,900	3.01050	1.39710	.99686
10	53,900	3.01050	1.39710	.99686
11	64,500	3.60255	1.67185	1.19289
12	64,500	3.60255	1.67185	1.19289
14	53,900	3.01050	1.39710	.99686
15	53,900	3.01050	1.39710	.99686
16	53,900	3.01050	1.39710	.99686
17	53,900	3.01050	1.39710	.99686
18	64,500	3.60255	1.67185	1.19289
19	64,500	3.60255	1.67185	1.19289
20	53,900	3.01050	1.39710	.99686
21	53,900	3.01050	1.39710	.99686
22	53,900	3.01050	1.39710	.99686
23	53,900	3.01050	1.39710	.99686
24	64,500	3.60255	1.67185	1.19289
25	64,500	3.60255	1.67185	1.19289
26	53,900	3.01050	1.39710	.99686
27	64,500	3.60255	1.67185	1.19289
28	53,900	3.01050	1.39710	.99686
29	64,500	3.60255	1.67185	1.19289
30	64,500	3.60255	1.67185	1.19289
STAGE I TOTALS	31 64,500	3.60255	1.67185	1.19289
	\$1,790,400	100.00000		
	56	53,900	1.39710	.99686
	57	53,900	1.39710	.99686
	58	53,900	1.39710	.99686
	59	53,900	1.39710	.99686
	60	64,500	1.67185	1.19289
	61	64,500	1.67185	1.19289
	62	53,900	1.39710	.99686
	63	53,900	1.39710	.99686
	64	53,900	1.39710	.99686
	65	53,900	1.39710	.99686
	66	64,500	1.67185	1.19289
	67	64,500	1.67185	1.19289
	68	53,900	1.39710	.99686
	69	53,900	1.39710	.99686
	70	53,900	1.39710	.99686

Unit	Value	Stage I Percentage	Stage II Percentage	Stage III Percentage
71	\$53,900		1.39710	.99686
72	64,500		1.67185	1.19289
73	64,500		1.67185	1.19289
74	53,900		1.39710	.99686
75	53,900		1.39710	.99686
76	53,900		1.39710	.99686
77	53,900		1.39710	.99686
78	64,500		1.67185	1.19289
79	64,500		1.67185	1.19289
80	53,900		1.39710	.99686
81	53,900		1.39710	.99686
82	53,900		1.39710	.99686
83	53,900		1.39710	.99686
84	64,500		1.67185	1.19289
85	64,500		1.67185	1.19289
86	53,900		1.39710	.99686
87	53,900		1.39710	.99686
88	53,900		1.39710	.99686
89	53,900		1.39710	.99686
STAGE I, 90	64,500		1.67185	1.19289
STAGE II, 91	64,500		1.67185	1.19289
TOTAL	\$3,858,000		100.00000	
32	53,900			.99686
33	53,900			.99686
34	64,500			1.19289
35	53,900			.99686
36	64,500			1.19289
37	64,500			1.19289
38	53,900			.99686
39	53,900			.99686
40	53,900			.99686
41	53,900			.99686
42	64,500			1.19289
43	64,500			1.19289
44	53,900			.99686
45	53,900			.99686
46	53,900			.99686
47	53,900			.99686
48	64,500			1.19289
49	64,500			1.19289
50	53,900			.99686
51	53,900			.99686
52	53,900			.99686
53	53,900			.99686
54	64,500			1.19289
55	64,500			1.19289
C-2	35,000			.64739
C-3	25,000			.46236
C-4	25,000			.46236
STAGE I, C-5	25,000			.46236
STAGE II, C-6	25,000			.46236
STAGE III, C-7	25,000			.46236
TOTAL	\$5,407,000			100.00000

BY-LAWS OF MOUNTAINSIDE CONDOMINIUM ASSOCIATION

ARTICLE I
NAME AND LOCATION

The name of this Association is as follows: MOUNTAINSIDE CONDOMINIUM ASSOCIATION.

Its principal office is located at Sugarbush Village, Warren, Vermont 05673.

ARTICLE II
DEFINITIONS

Unless it is plainly evident from the context that a different meaning is intended all terms used herein shall have the same meaning as they are defined in the Declaration or in Title 27, Chapter 15, Vermont Statutes Annotated, the so-called Condominium Ownership Act.

ARTICLE III

1. Every person, group of persons, corporation, trust or other legal entity, or any culmination thereof, which owns a condominium unit within the condominium project shall be a member of the Association.

2. A member shall not be deemed to be in good standing nor shall he be entitled to vote in any annual meeting or special meeting if any assessments levied against the unit are delinquent or not current or both.

3. Except for those owners who initially purchased a unit from the Declarant, any person on becoming an owner of a unit, shall furnish to the Secretary of the Association or Board of Directors, a photocopy or certified copy of the recorded instrument vesting that person with an interest or ownership in the condominium project, which instrument shall remain in the files of the Association. A member shall not be deemed to be in good standing nor shall he be entitled to vote at any annual or at a special meeting of members unless this requirement is first met. There shall also be registered with the Secretary or the Board of Directors one mailing address to be used by the Association for mailing of monthly statements, notices, demands, and all other communications, and such registered address shall be the only mailing address of the owner and member that shall be used by the Association. This registered address shall be furnished by the owner to the Secretary within five (5) days after transfer of title or after a change of address, and such registration shall be in written form and signed by all of the owners of the unit or by such persons as are authorized by law to represent the interest of the owners thereof. In the event that no registered mailing address is given to the Secretary or the Board of Directors, that mailing address as is used by the Town of Warren for their property tax list will be considered the proper mailing address for purposes of demands, assessments, monthly statements, notices and other communications as may from time to time be necessary.

ARTICLE IV
MEETINGS OF OWNERS

1. Place of Meeting - Meetings of owners shall be held at the principal office of the Association or at such other suitable place within the State of Vermont reasonably convenient to the unit owners as may from time to time be designated by the Board of Directors.

2. Annual Meetings - The first annual meeting of the unit owners shall be held at such time as the Board of Directors shall determine, but in no event later than March 15, 1981 or at such time as the Declarant makes Stage II a part of Mountainside Condominium and conveys title to twenty-five (25) units in Stage II, whichever occurs sooner. Thereafter, the annual meetings of the unit owners shall be held on the second Saturday of November of each succeeding year. At such meeting there shall be elected by ballot of the unit owners a Board of Directors in accordance with the requirements of Article V of these By-laws. The unit owners may also transact other business as may properly come before them.

3. Special Meetings - It shall be the duty of the President to call a special meeting of the owners as directed by resolution of the Board of Directors, or upon a petition signed by an aggregate percentage of 20% of the total votes of unit owners having been presented to the Secretary; provided, however, that, except upon resolution of the Board of Directors, no special meeting of the unit owners shall be called prior to the first annual meeting of unit owners as hereinabove provided for. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at this special meeting except as specifically stated in the notice.

4. Notice of Meetings - It shall be the duty of the Secretary to mail or otherwise deliver a notice of each annual and special meeting of the Association, stating the purpose as well as the time and place where it is to be held, at least fifteen (15) days, but no more than thirty (30) days prior to that meeting. Notice by this method shall be considered as notice served and proof of such notice shall be made by the Affidavit of the person giving the notice. Attendance by the owner at any annual or special meeting shall be a waiver of notice by him of the time, place and purpose thereof. Notice of any annual or special meeting of the owner may also be waived by any owner either prior to or at such meeting.

5. Quorum - The presence, either in person or by proxy, of owners representing at least fifty-one (51%) percent of the total votes of the Association shall be requisite for and shall constitute a quorum for the transaction of business at all meetings of members.

6. Adjourned Meetings - If any meeting of unit owners can not be organized because a quorum has not attended, the owners who are present, either in person or by proxy, may, except as otherwise provided by law, adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

7. At every meeting of the unit owners each of the unit owners shall have the right to cast the number of votes appurtenant to his unit, as established in Exhibit C of the Declaration now or hereafter amended. The votes of the unit owners representing fifty-one (51%) percent of the unit owners present and voting, in person or by proxy, shall decide any question brought before such meeting, unless the

question is one upon which, by express provision of the Condominium Ownership Act, or the Declaration, or these By-laws, a different vote is required, in which case such express provisions shall govern and control. The vote for any condominium unit which is owned by more than one person may be exercised by any of them present at a meeting unless objection or protest by any other owner of the same condominium unit is noted in writing or in person at such meeting. In the event these co-owners, who are present at the meeting, are unable to agree on the manner in which the vote shall be cast, then such vote shall not be counted for the purposes of deciding the question. In the case of a unit owned by a corporation, the corporation shall, in order to vote, cast a certificate with the Secretary or the Board of Directors designating the person who is authorized to vote. This certificate shall remain valid until revoked or superseded in writing.

8. Proxies - A unit owner may appoint any other unit owner, his tenant, mortgagee, Declarant, Manager, or his attorney as his proxy. Any proxy must be in writing and must be filed with the Secretary in form approved by the Board of Directors at or before the appointed time of each meeting. Unless limited by its terms, any proxy shall continue until revoked by written notice of revocation filed with the Secretary or by the death of the unit owner.

9. Rules of Order and Procedure - The Rules of Order and all other matters of procedure and all annual and special meetings shall be determined by the Chairman of such meeting.

ARTICLE V
DIRECTORS

1. Number and Qualification - The affairs of the Association shall be governed by a Board of Directors composed of an uneven number of at least three (3) natural persons and not more than nine (9) natural persons, a majority of whom, after the first annual meeting of the unit owners, shall be unit owners. The initial Board of Directors as chosen by the Declarant shall determine, from time to time, by a vote of the initial Directors the number of Directors. Thereafter, the number of Directors shall be determined by a vote of the unit owners at the first annual meeting and subsequent meetings, however, that the limitations of this section shall continue to apply and no such change shall operate to curtail or extend the term of any incumbent Director.

2. The initial Directors shall be elected by the Declarant and need not be unit owners. The initial Directors are John H. Osgood, Carl L. Creedon, and Jeanne McVicker.

3. Powers and Duties - The powers and duties for the Board of Directors shall be those that are necessary for the administration of the affairs of the Association and they may do all the acts and things that are not by law or by these By-laws directed to be exercised and done by the owners themselves. They shall include, but not be limited to, the following:

A. To provide for the care, upkeep and surveillance of the condominium;

B. Establishment, collection, use and expenditure of assessments, the filing and enforcement of liens for delinquent payments thereof;

C. Maintenance, repair, replacement and operating of the condominium property and the hiring, designation and dismissal of the personnel necessary for the same;

D. Promulgation and enforcement of such rules and restrictions necessary for the use, occupancy and maintenance of the condominium as well as the common and limited common elements;

E. Authority to enter into agreements whereby the Association acquires leaseholds, memberships and other possessory or other use interest in real or personal property for the purpose of promoting the enjoyment, recreation or welfare of the unit owners and to declare expenses incurred in connection therewith to be common expenses of the Association;

F. To purchase insurance upon the condominium;

G. To repair, restore or reconstruct all or any part of the condominium after casualty loss;

H. To lease, grant licenses, easements, rights-of-way and other rights of use in all or any part of the common areas and facilities of the condominium;

I. To purchase condominium units in the condominium and to lease, mortgage or convey the same.

4. Election and Term of Office - The term of the Directors named herein, meaning those that were initially appointed by the Declarant, shall expire when their successors have been elected at the first annual meeting of unit owners and are duly qualified. There shall be no cumulative voting. At the first annual meeting of the unit owners, the term of office of the Director receiving the greatest number of votes shall be fixed for three (3) years. The term of office of the Director receiving the second greatest number of votes shall be fixed for two (2) years and the term of office of the other Director or Directors shall be fixed for one (1) year. At the expiration of the initial term of office of each respective Director, his successors shall be elected to serve a term of three (3) years. These terms may, by resolution duly made and adopted at the first annual meeting of the members or subsequent meetings of the members, resolve to fix the term for one (1) year. Directors thereafter shall hold office until their successors have been elected and hold their first regular meeting.

5. Vacancies - Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the membership shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected by the unit owners at the next annual meeting to serve out the unexpired portion of the term.

6. Removal of Directors - At an annual meeting of unit owners, or at any special meeting duly called for such purpose (but only at or after the first annual meeting of unit owners, as hereinabove provided for) any Director may be removed with or without cause by the affirmative vote of

the majority of the votes of the unit owners present and voting, in person or by proxy, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the unit owners shall be given an opportunity to be heard at the meeting. The term of any Director who becomes more than sixty (60) days delinquent in payment of any assessment may be terminated by resolution of the remaining Directors and the remaining Directors shall appoint his successor as provided herein.

7. Organization Meeting - The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the whole Board of Directors shall be present at such first meeting.

8. Regular Meetings - Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least six (6) days prior to the day named for such meeting.

9. Special Meetings - Special meetings of the Board of Directors may be called by the President on three (3) days notice of each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least one-third (1/3) of the Directors.

10. Waiver of Notice - Before, at or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall be a waiver of notice by him of the time, place and purpose thereof. If all the Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

11. Quorum - At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at any meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

12. Action Without Meeting - Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

ARTICLE VI
OFFICERS

1. Designation - The principal officers of the Council of Unit Owners shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors. Prior to the first annual meeting of unit owners, the officers need not be unit owners; thereafter, except for the President, the officers need not be unit owners. The Directors may appoint an assistant secretary and an assistant treasurer and such other officers as in their judgment may be necessary. The offices of Secretary and Treasurer may be filled by the same person.

2. Election of Officers - The officers shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board of Directors.

3. Removal of Officers - Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

4. President - The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the unit owners and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of president of a corporation, including, but not limited to, the power to appoint such committees from among the unit owners from time to time as he or she may, in his or her discretion, decide are appropriate to assist in the conduct of the affairs of the Association.

5. Vice President - The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also assist the President generally and shall perform such other duties as shall from time to time be delegated to him or her by the Board of Directors.

6. Secretary - The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the unit owners for the recording of the resolutions of the Association. The Secretary shall give notice of all annual and special meetings of the unit owners in conformity with the requirements of these By-laws. The Secretary shall have charge of the membership transfer books and of such other books and papers as the Board of Directors may direct and he or she shall, in general, perform all of the duties incident to the office of Secretary.

7. Treasurer - The Treasurer shall have responsibility for funds and securities of the Association and shall be responsible for keeping, or causing to be kept, full and accurate accounts of all receipts and disbursements in books. He or she shall be responsible for causing the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.

ARTICLE VII
LIABILITY AND INDEMNIFICATION OF OFFICERS AND DIRECTORS

1. Liability and Indemnification of Officers and Directors - The Association shall indemnify every officer and Director against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or Director in connection with any action, suit or other proceeding (including the settlement of any such suit or proceeding if approved by the then Board of Directors) to which he may be made a party by reason of being or having been an officer or Director, whether or not such person is an officer or Director at the time such expenses are incurred. The officers and Directors shall not be liable to the unit owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers and Directors of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association or the condominium (except to the extent that such officers or Directors may also be owners of condominium units) and the Association shall indemnify and forever hold such officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall be in addition to and not exclusive of any other rights to which any officer or Director, or former officer or Director may be entitled.

2. Common or Interested Directors - No contract or other transaction between the Association and one or more of its Directors, or between the Association and any corporation, firm or association (including the Declarant) in which one or more of the Directors are directors or officers or are pecuniarily or otherwise interested, is either void or voidable because such Director or Directors are present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his or their votes are counted for such purpose, if the conditions specified in the following subparagraphs exist:

A. the fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or noted in the minutes, and the Board of Directors authorizes, approves, or ratifies such contract or transaction by a vote sufficient for the purpose; and

B. the contract or transaction is commercially reasonable at the time it is authorized, ratified, approved or executed; or

C. the fact of the common directorate or interest is disclosed or known to the unit owners, or a majority thereof, and the unit owners approve or ratify the contract for transaction in good faith by a vote sufficient for the purpose.

Common or interested Directors may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote to authorize any contract or transaction with like force and effect as if he were not such director or officer of such other corporation or not so interested.

The Board of Directors has entered into a management contract with Castlerock Management Company, in which Company one or more of the Directors has an interest; said contract is deemed commercially reasonable.

ARTICLE VII I
ASSESSMENTS AND CARRYING CHARGES FOR COMMON EXPENSES

1. Annual Assessments and Carrying Charges - Each unit owner shall be responsible to pay to the Association, in advance, a monthly sum (hereinelsewhere sometimes referred to as "assessments") equal to one-twelfth (1/12) of the unit owner's proportionate share (determined in accordance with the percentage interests in common expenses and common profits of the condominium set forth on "EXHIBIT C" attached to the Declaration or as otherwise established in the Declaration) of the sum estimated by the Board of Directors to meet annual expenses of the Association, including, but in no way limited to, the following:

- A. the cost of all operating expenses of the condominium and services furnished; and maintenance of all easements;
- B. the cost of necessary management and administration, including fees paid to any Manager;
- C. the amount of all taxes and assessments levied against the Association or upon any property which it may own or which it is otherwise required to pay, if any;
- D. the cost of fire and extended liability insurance on the project and the cost of such other insurance as the Association may effect;
- E. the cost of furnishing water, electricity, heat, gas, garbage and trash collection and other utilities;
- F. the cost of funding contributions to a general operating reserve and a reserve for replacements, if established;
- G. the estimated cost of repairs, maintenance and replacements of the common elements of the condominium.

The Board of Directors shall determine the amount of the assessments at least annually, but may do so at more frequent intervals should circumstances so require. Installments of annual assessments may be levied and collected on a quarterly, semiannual or annual basis rather than on the monthly basis as hereinabove provided for, by vote of the Board of Directors.

The Board of Directors of the Association shall make reasonable efforts to fix the amount of the assessment against each condominium unit for each annual assessment period at least thirty (30) days in advance of the commencement of such period. Written notice of the assessments shall thereupon be sent to the unit owners. The omission of the Board of Directors, before the expiration of any annual assessment period, to fix assessments for that or the next such period shall not be deemed a waiver or modification in any respect of the provisions of this Article, or a release of any unit owner from the obligation to pay the assessment, or any installment thereof, for that or any subsequent assessment period; but the assessment fixed for the preceding period shall continue until a new assessment is fixed. No unit owner may exempt himself from liability for assessments or carrying charges by a waiver of the use or enjoyment of any of the common elements or by abandonment of any condominium unit belonging to him.

2. Special Assessments - In addition to the regular assessments authorized by this Article, the Association may levy in any assessment year a special assessment or assessments,

applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the condominium, including the necessary fixtures and personal property related thereto, or for such other purpose as the Board of Directors may consider appropriate; provided, however, that any such special assessment shall have the assent of the unit owners representing fifty-one (51%) percent of the total votes of the unit owners. A special meeting of the unit owners shall be duly called for this purpose.

3. Non-Payment of Assessments - Statement of Condominium Lien - Any Assessment levied pursuant to the Declaration or these By-laws, and any installment thereof, which is not paid on the date when due or within thirty (30) days from the date the statement is sent, shall be delinquent and shall entitle the Association to claim the amount of such assessment, together with interest thereon and the actual costs of collection thereof, as a lien on the condominium unit, which lien, in a form satisfactory to the Treasurer, may be filed in the Land Records of the Town of Warren, against which it is assessed.

The lien shall be signed and verified by any officer of the Association, or by any agent, attorney or other person duly authorized by the Board of Directors for such purposes.

Upon recordation, the lien shall encumber the condominium unit in the hands of the unit owner, his heirs, and assigns. The personal obligation of the unit owner to pay the assessment shall, however, remain his personal obligation and a suit to recover a money judgment for non-payment of any assessment levied pursuant to the Declaration or these By-laws, or any installment thereof, may be maintained without foreclosing or waiving the lien established to secure payment of such assessment. Upon full payment of the amount for which the lien is claimed the unit owner shall be entitled to a recordable satisfaction of the lien.

Any assessment levied pursuant to the Declaration or these By-laws, and any installment thereof, which is not paid when due may, upon resolution of the Board of Directors, may bring an action at law against the unit owner personally obligated to pay the same or may foreclose the lien against the condominium unit or units then belonging to said unit owner; in either of which events interest at the rate of twelve (12%) percent per annum, actual costs of collection and reasonable attorneys' fees of not less than twenty (20%) percent of the sum claimed shall be added to the amount of each assessment. Suit for any deficiency following foreclosure may be maintained in the same proceeding.

In the event proceeding to foreclose the lien is brought, the owner of such condominium unit or units, upon resolution of the Board of Directors, may be required to pay a reasonable rental for such unit or units and the Association shall be entitled to the appointment of a receiver to collect the same.

The lien established by the recordation shall be subordinate to the liens as enumerated in the Act, except for claims for a proportionate share of such unpaid assessments resulting from a reallocation of such unpaid assessments among all of the condominium units in the condominium. Such foreclosure, deed, assignment or other proceeding or arrangement in lieu of foreclosure shall not relieve the mortgagee in possession or the purchaser at any foreclosure sale from any liability for any assessments thereafter becoming due, or from the lien with respect to any assessments thereafter becoming due.

4. Assessment Certificates - The Association shall, upon demand at any time, furnish to any unit owner (or any other party legitimately interested in the same) a certificate in writing signed by an officer or agent of the Association setting forth the status of said assessment, i.e., whether the same is paid or unpaid. Such certificate shall be conclusive evidence of the payment of any installment of any assessment therein stated to have been paid.

ARTICLE IX
USE RESTRICTIONS

1. Residential Use - Except for such condominium units as may be designated in the Declaration for commercial or other non-residential purposes, if any, and except for such temporary non-residential uses as may be permitted by the Board of Directors from time to time, all condominium units shall be used for private residential purposes exclusively. Nothing in this Section, or hereinelsewhere, shall be construed to prohibit the Declarant from the use of any condominium units which the Declarant owns for promotional or display purposes, as "model apartments", a sales office or the like, or from leasing any unit or units which the Declarant owns, nor for the rental of the unit by any owner of any unit.

2. Prohibited Uses and Nuisances - Except for the activities of the Declarant and its agents in connection with the construction of the condominium, and except as may be reasonable and necessary in connection with the maintenance, improvement, repair or reconstruction of any portion of the condominium by the Declarant or the Association:

A. No noxious or offensive trade or activity shall be carried on within the condominium or within any condominium unit, nor shall anything be done therein or thereon which may be or become an annoyance to the neighborhood or the other unit owners. No nuisances shall be permitted within the condominium, nor shall any use or practice be permitted which is or becomes a source of annoyance to the unit owners or which interferes with the peaceful use and possession thereof by the unit owners.

B. There shall be no obstruction of any of the common areas. Nothing shall be stored upon any of the common areas, excepting those areas designated for storage of personal property by the owners of the condominium units.

C. Nothing shall be done or maintained in any condominium unit or upon any of the common areas which will increase the rate of insurance on any condominium unit or the common areas, or result in the cancellation thereof, without the prior written approval of the Board of Directors. Nothing shall be done or maintained in any condominium unit or upon the common areas which would be in violation of any law. No waste shall be committed upon any of the common areas.

D. No structural alteration, construction, addition or removal of any condominium unit or the common areas shall be commenced or conducted except in strict accordance with the provisions of these By-laws.

E. Pets shall not be permitted upon the general common areas of the condominium unless accompanied by an adult. Any unit owner who keeps or maintains any pet upon any portion of the condominium shall be deemed to have indemnified and agreed to hold the Association, each of the unit owners and the Declarant and Management Agent free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the condominium.

F. Except for such signs as may be posted by the Declarant for promotional or marketing purposes, traffic control or the like, no signs of any character shall be erected, posted or displayed upon, in, from or about any condominium unit or the common areas without the prior consent in writing of the Board of Directors.

G. No junk vehicle or other vehicle on which current registration plates are not displayed, trailer, truck, camper, camp truck, house trailer, boat or the like shall be kept upon any of the general common areas, nor shall the repair or extraordinary maintenance of automobiles or other vehicles be carried out on any of the common areas or within or upon any condominium unit.

H. No outside television or radio aerial or antenna, or other aerial or antenna, for reception or transmission, shall be maintained upon any condominium unit or upon any of the common areas without the prior written consent of the Board of Directors.

I. Nothing shall be stored upon any balcony or patio, nor shall the cooking or preparation of food be permitted upon any balcony or upon any portion of the general common areas of the project, except with the consent of the Board of Directors.

J. No unlawful use shall be made of any condominium unit or any portion of the common areas and all laws, zoning and other ordinances, regulations of governmental and other municipal bodies and the like shall be observed at all times.

K. There shall be no violation of any rules for the use of the common areas or Administrative Rule, which may from time to time be adopted by the Board of Directors and promulgated among the unit owners by them in writing, and the Board of Directors is hereby and elsewhere in these By-laws authorized to adopt and promulgate such rules.

ARTICLE X
FISCAL MANAGEMENT

1. Fiscal Year - The fiscal year of the Association shall begin on the first day of January every year, except for the first fiscal year which shall begin at the date of recordation of the Declaration.

2. Books and Accounts - Books and accounts of the Association shall be kept under the direction of the Treasurer with the Board of Directors being responsible to assure the same, in accordance with generally accepted accounting practices, consistently applied and in such manner as is dictated by the Condominium Ownership Act.

3. Auditing - At the close of each fiscal year, the books and records shall be audited by an independent Public Accountant whose report shall be prepared in accordance with generally accepted auditing standards, consistently applied.

4. Inspection of Books - The books and accounts of the Association, vouchers accrediting the entries made thereupon and all other records shall be available for examination by the unit owners and their duly authorized agents or attorneys, during normal business hours and for purposes reasonably related to their respective interests and after reasonable notice.

5. Execution of Corporation Documents and Payment Vouchers - With the prior authorization of the Board of Directors, all notes and contracts shall be executed on behalf of the Association by either the President or a Vice President, and all checks shall be executed on behalf of the Association by such officers, agents or other persons as are from time to time so authorized by the Board of Directors.

ARTICLE XI
PHYSICAL MANAGEMENT

1. Management and Common Expenses - The Association, acting by and through its Board of Directors, shall manage, operate and maintain the condominium and, for the benefit of the condominium units and the unit owners, shall enforce the provisions hereof and shall pay out of the common fund hereinelsewhere provided for the cost of managing, operating and maintaining the condominium.

2. Association as Attorney-in-Fact - The Association is hereby irrevocably appointed as attorney-in-fact for the owners of all of the condominium units in the condominium, and for each of them, to manage, control and deal with the interests of such unit owners in the common areas of the condominium. The foregoing shall be deemed to be a power of attorney coupled with an interest and the acceptance by any person or entity of any interest in any condominium unit shall constitute an irrevocable appointment of the Association as attorney-in-fact as aforesaid.

3. Management Agent - The Association may by contract in writing delegate any of its ministerial duties, powers or functions to the Management Agent.

4. Duty to Maintain - Except for maintenance requirements herein imposed upon the Association, the owner of any condominium unit shall, at his own expense, maintain the interior of his condominium unit and any and all equipment, appliances or fixtures therein situate, and its other appurtenances (including without limitation, any balcony, terrace, fenced area, patio or the like appurtenant to such condominium unit and designated herein or in the Declaration as a limited common area reserved for exclusive use by the owner of that particular condominium unit, and including all mechanical equipment and appurtenances located outside such unit which are designed, designated or installed to serve only that unit), in good

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order, condition and repair, free and clear of ice and snow, and in a clean and sanitary condition, and shall do all redecorating, painting and the like which may at any time be necessary to maintain the good appearance of his condominium unit. In addition, to the foregoing, the owner of any condominium unit shall, at his own expense, maintain, repair, replace any plumbing and electrical fixtures, water heaters, fireplaces, plenums, heating equipment, lighting fixtures, refrigerators, freezers, trash compactors, dishwashers, clothes washers, clothes dryers, disposals, ranges, range hoods, and other equipment that may be in or declared to be appurtenant to such condominium unit. The owner of any condominium unit shall also, at his own expense, keep any other limited common areas which may be appurtenant to such condominium unit and reserved for his exclusive use in a clean, orderly and sanitary condition.

5. Management Contract - The Association has entered into a management contract with Castlerock Management Company for the management of Association property; upon the expiration of its term, a similar contract may be entered into, as is deemed appropriate by the Board of Directors.

6. The Association through its Board of Directors is authorized and empowered to grant such licenses, easements and rights-of-way for sewer lines, waterlines, electrical cables, telephone cables, gas lines, storm drains, overhead or underground conduits and other such purposes related to the provision of public or quasi-public utilities, to the condominium as may be considered appropriate by the Directors.

ARTICLE XII
AMENDMENT

1. Amendments - These By-laws may be amended by the affirmative vote of unit owners representing fifty-one (51%) percent of the total votes of the Association, at any special or annual meeting of the unit owners duly called for such purpose, in accordance with the provisions and requirements of these By-laws. Any amendment to these By-laws shall be effective only upon the recordation of these amendments together with a certificate in writing of the President or Secretary stating that the amendment was properly approved as aforesaid.

2. Proposal of Amendments - Amendments to these By-laws may be proposed by the Board of Directors or by petition signed by unit owners representing at least twenty-five (25%) percent of the total votes, which petition shall be delivered to the Secretary. A description of any proposed amendment shall accompany the notice of any annual or special meeting of the unit owners at which such proposed amendment is to be considered and voted upon.

ARTICLE XIII
COMPLIANCE - INTERPRETATION - MISCELLANEOUS

1. Compliance - These By-laws are set forth in compliance with the requirements of Title 27, Section 1319, Vermont Statutes Annotated(1975).

2. Conflict - These By-laws are subordinate and subject to all provisions of the Declaration and to the provisions of Title 27, Chapter 15, Vermont Statutes Annotated(1975). All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as in the Declaration or the aforesaid statute. In the event of any conflict between these By-laws and the Declaration, the provisions of the Declaration shall control; and in the event of any conflict between the aforesaid Declaration and the statute, the provisions of the statute shall control.

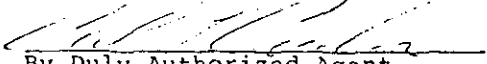
3. Severability - In the event any provision or provisions of these By-laws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provisions hereof which can be given effect.

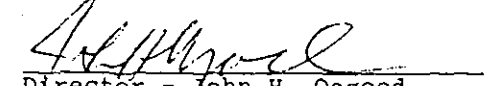
4. Waiver - No restriction, condition, obligation or provisions of these By-laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

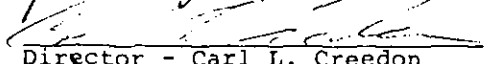
5. Captions - The captions contained in these By-laws are for convenience only and are not a part of these By-laws and are not intended in any way to limit or enlarge the terms and provisions of these By-laws.

6. Gender - Whenever in these By-laws the context so requires, the singular number shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

SUGARBUSH VILLAGE ASSOCIATES -


By Duly Authorized Agent


Director, - John H. Osgood


Director - Carl L. Creedon


Director - Jeanne McVicker

Warren Town Clerk's Office received for record 11-15-79 at 12:45 PM.

Recorded in Book 51 page 800-813 of the Warren Land Records.

ATTEST,  Town Clerk

ADMINISTRATIVE RULES OF MOUNTAINSIDE CONDOMINIUM

These Administrative Rules are promulgated under the authority of the Bylaws of Mountainside Condominium and Title 27, Chapter 15, Vermont Statutes Annotated(1975).

1. Modification of any kind, to the exterior of any building or the appearance thereof may not be made without the approval of the Board of Directors. Draperies shall be of a material, color and design as chosen by the Board of Directors.
2. Outside clothesline are not permitted. No clothes or other materials can be hung or shaken from windows, placed on windowsills or on an outside clothesline, draped from a balcony, railing, or fence, or otherwise left or placed in such a way as to be exposed to public view.
3. Tools, sporting goods, cooking equipment, bicycles or other personal articles and equipment must be kept within the unit or in any storage area established by the Board of Directors.
4. Residential owners may not post signs on their property on the common area for any purpose, including signs, advertising the sale or rent of property.
5. Common areas immediately adjacent to neighboring units shall not be used for camping, picnicing, organized sports, and activities or which will otherwise interfere with the use by others of the common areas. There shall be no use of common areas which will injure or scar the common areas of the vegetation thereon or increase the cost of maintenance thereof.
6. Firewood will not be stored outdoors except in accordance with the instructions of the Board of Directors.
7. The unit owner will keep clean and free from unsightly objects the walkways and stairs to his unit.
8. All vehicles shall be restricted to designated roads and parking areas and shall be driven in a safe and reasonable manner. No vehicle shall be left standing in such a manner as to prevent ready access to the units or so as to impede the access of firefighting equipment. Motorcycles or motor scooters, bicycles, and the like are restricted to roads.
9. All boats, trailers, campers and unregistered vehicles are forbidden to park within the confines of the condominium on any road or parking lot.
10. Household pets of owners will be allowed provided that the pet does not constitute a nuisance for other owners or their lessees. If pets create noise or create a disturbance or unpleasantness, the owner shall be required to remove them. The owners shall hold all persons harmless against loss or liability for any actions of his pets within the condominium area. Pets shall not be left unattended on balconies or patios, nor are their feeding devices, housing or litter boxes allowed.
11. Water closets and other water apparatus shall not be used for any purpose other than those for which they were constructed. Any damage to common facilities resulting from misuse of water closets or other apparatus shall be repaired at the expense of the person causing the damage.

12. No owner or lessee shall engage any employee of the Association on any private business without the consent of the Board of Directors.

13. No owner may do or cause to be done any construction, repair or alteration work whatsoever, except inside the boundaries of his unit as defined in the Declaration. No work of any kind is to be done upon exterior building walls or upon interior building walls without first obtaining the written approval of the Board of Directors.

14. The Board of Directors and its representatives are authorized to enter any unit at any reasonable time in order to accomplish repairs, inspection or similar activity. If the Board of Directors finds that an unreasonable restriction on the part of an occupant to allow entry results in additional cost to the Association, that additional cost may be assessed against the owner who owns the unit.

15. All of the Administrative Rules and Regulations adopted pursuant to the Declaration and the By-laws shall be deemed to compliment or implement the provisions of the Declaration and By-laws, which provisions of the Declaration itself shall in all cases be controlling in the event of any inconsistency.

Warren Town Clerk's Office received for record 11-15-79 at 12:45 PM.

Recorded in Book 51 page 814-815 of the Warren Land Records.

ATTEST, Rita K. Glass Town Clerk

197-20

FIRST AMENDMENT TO THE DECLARATION OF CONDOMINIUM

OF MOUNTAINSIDE CONDOMINIUM

EXPANSION TO PHASE II

I, John H. Osgood, Attorney-in-Fact as appointed pursuant to Section 16 of the Declaration of Condominium of Mountainside Condominium as recorded on November 15, 1979 in Book 51, Pages 774-815 in the Land Records of the Town of Warren, Vermont, and intending to submit to each and every of the provisions of said Declaration and the Condominium Ownership Act, Title 27, Chapter 15, Vermont Statutes Annotated (1975) so-called "Phase II" of Mountainside Condominium as shown on the Site Plan attached to said Declaration, being all of the remaining land described in Exhibit A, not heretofore submitted and described in Exhibit A-1, with the exception of the land shown on the Site Plan as Phase III, said Exhibit A, A-1 and Site Plan being attached to said Declaration, as well as the building and improvements on the aforementioned land, hereby amend the Declaration of Condominium of Mountainside Condominium as follows:

INTRODUCTION

The Introduction shall be amended to read:

"NOW THEREFORE, Declarant hereby declares that all of the property described on Exhibit A, attached to this Declaration and made a part hereof, and shown on the Site Plan as Phase I and Phase II, together with the land and all improvements heretofore and hereafter constructed thereon and all appurtenants thereto (hereinafter referred to as "Condominium") with the exception of the land as shown on the Site Plan as Phase III, is hereby submitted to the Condominium Ownership Act and shall be held, conveyed, leased, occupied, subject to the Declaration by-laws of the Association, Administrative Rules and the Act, and the same shall be deemed to run with and bind the land and shall inure to the benefit of and be enforceable by the Declarant, its successors and assigns, and any person acquiring or owning any interest in said property and improvements, including, without limitation, any person, group of persons, corporation, trust or other legal entity, or any culmination thereof, which holds such interest solely as security for the performance of an obligation. There is therefore hereby created a condominium to be known as "Mountainside Condominium."

SECTION 2
DESCRIPTION OF LAND

Section 2 shall be amended to read:

"The land and premises upon which said buildings and improvements are or shall be located is in the Town of Warren, County of Washington and State of Vermont, and the land and premises, together with improvements heretofore or hereafter constructed made subject to the Act by this Declaration at this time is more fully described on the description annexed hereto and made an integral part of this Declaration as Exhibit A and as shown on the Site Plan as PHASE I AND PHASE II, excepting herefrom the land and premises as well as the building and improvements thereon as shown on the aforementioned Site Plan as PHASE III."

SECTION 3
DESCRIPTION OF MOUNTAINSIDE CONDOMINIUM

Section 3 shall be amended to read:

"The structures upon the previously described land and premises which are submitted to the Act consist of two buildings. One building containing thirty (30) apartments is the so-called Phase I, the other building containing thirty-six apartments (36) is the so-called Phase II.

Phase I is described as follows:

1. The building contains five (5) entryways and for purposes of this description, therefore divides the building into five (5) sections.
2. Three sections consist of three stories, and two sections consist of four stories. The three story sections are contiguous and the four story sections are contiguous.
3. The sections containing three stories have crawl spaces but no basements; the sections containing four stories have as its first story the "basement".
4. The principal materials of which this building are constructed is masonry-concrete block with the floors being of wood bar joist construction; the interior is sheet rock and wood materials.
5. There are thirty (30) apartments contained within the building, six apartments within each section.

Phase II is described as follows:

1. The building contains six (6) entryways and for purposes of this description therefore divides the building into six (6) sections.
2. The six sections consist of three (3) stories.
3. The sections have a crawl space but no basements.
4. The principal materials of which this building are constructed are masonry-concrete block with the floors being of wood bar joist construction; the interior is sheet rock and wood materials.
5. There are thirty-six (36) apartments contained within the building, six apartments within each section.

SECTION 4
DESCRIPTION OF CONDOMINIUM UNIT

Section 4, Paragraph 6 of said section shall be amended to read:

6. The types of units in so-called Phase I Building and in so-called Phase II Building are described as follows:

- A. The building in the so-called Phase I has four different types of units:
 - i. There are ten so-called loft units which consist of two rooms, bathroom, kitchen, loft sleeping area; the dimensions are approximately 850 square feet; they are located on the top floor of the building, being units 5, 6, 11, 12, 18, 19, 24, 25, 30, and 31.

ii. There are four so-called two bedroom units which consist of three rooms, bathroom and kitchen; the dimensions are approximately 850 square feet; they are located at either end of the building on the first and second floor, being units 1, 3, 27 and 29.

iii. There are sixteen so-called one bedroom units which consist of two rooms, bathroom and kitchen; the dimensions are approximately 650 square feet; being units 2, 4, 7-10, 14-17, 20-23, 26 and 28.

iv. There is one commercial unit which comprises the so-called "Basement" under units 20, 21, 26, and 27 as well as the crawl space under units 14 and 15. It is approximately 2,000 square feet, consisting of four rooms.

B. The building in so-called Phase II contains two different types of units:

i. There are twelve (12) so-called loft units which consist of two (2) rooms, bathroom, kitchen, loft sleeping area; the dimensions are approximately 850 square feet; they are located on the top floor of the building, being units 60, 61, 66, 67, 72, 73, 78, 79, 84, 85, 90 and 91.

ii. There are twenty-four (24) so-called one bedroom units which consist of two rooms, bathroom and kitchen; the dimensions are approximately 650 square feet; being units 56-59, 62-65, 68-71, 74-77, 80-83, and 86-89.

Barbara Scott
Every my. Hly

SUGARBUSH VILLAGE ASSOCIATES
BY [Signature]
Duly Authorized Agent

STATE OF VERMONT
WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 27 day of December, 1979 personally appeared Carl L. Creedon and he acknowledged the foregoing, by him subscribed to be his free act and deed and the free act and deed of Sugarbush Village Associates.

Before me, Barbara Scott
Notary Public

Barbara Scott
Every my. Hly

[Signature]
John H. Osgood, Attorney-in-Fact

STATE OF VERMONT
WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 27th day of December, 1979 personally appeared John H. Osgood and he acknowledged the foregoing by him subscribed to be his free act and deed.

Before me, Barbara Scott
Notary Public

AMENDED

EXHIBIT B

DECLARATION OF CONDOMINIUM

MOUNTAINSIDE CONDOMINIUM

Mountainside Condominium Phase I shall consist of thirty residential units, plus one commercial unit and Phase II shall consist of thirty-six residential units.

Floor plans for Phase I for the residential units, being one bedroom, two bedrooms and a so-called loft unit, as well as the commercial unit C-1, are attached to this Exhibit and made a part hereof and the floor plans for Phase II for the residential units, being one bedroom and the so-called loft unit, are attached to this Exhibit and made a part hereof.

Therefore, in accordance with the Declaration of Condominium of Mountainside Condominium, the undersigned exercise their rights contained in said Declaration and thereby record this amendment to the Declaration in accordance with 27 V.S.A., Section 1315(a) 1975.

Barbara Scott
Esq. My. My

SUGARBUSH VILLAGE ASSOCIATES
BY: Carl L. Creedon
Duly Authorized Agent

STATE OF VERMONT
WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 27th day of December, 1979 personally appeared Carl L. Creedon and he acknowledged the foregoing, by him subscribed to be his free act and deed and the free act and deed of Sugarbush Village Associates.

Barbara Scott
Esq. My. My

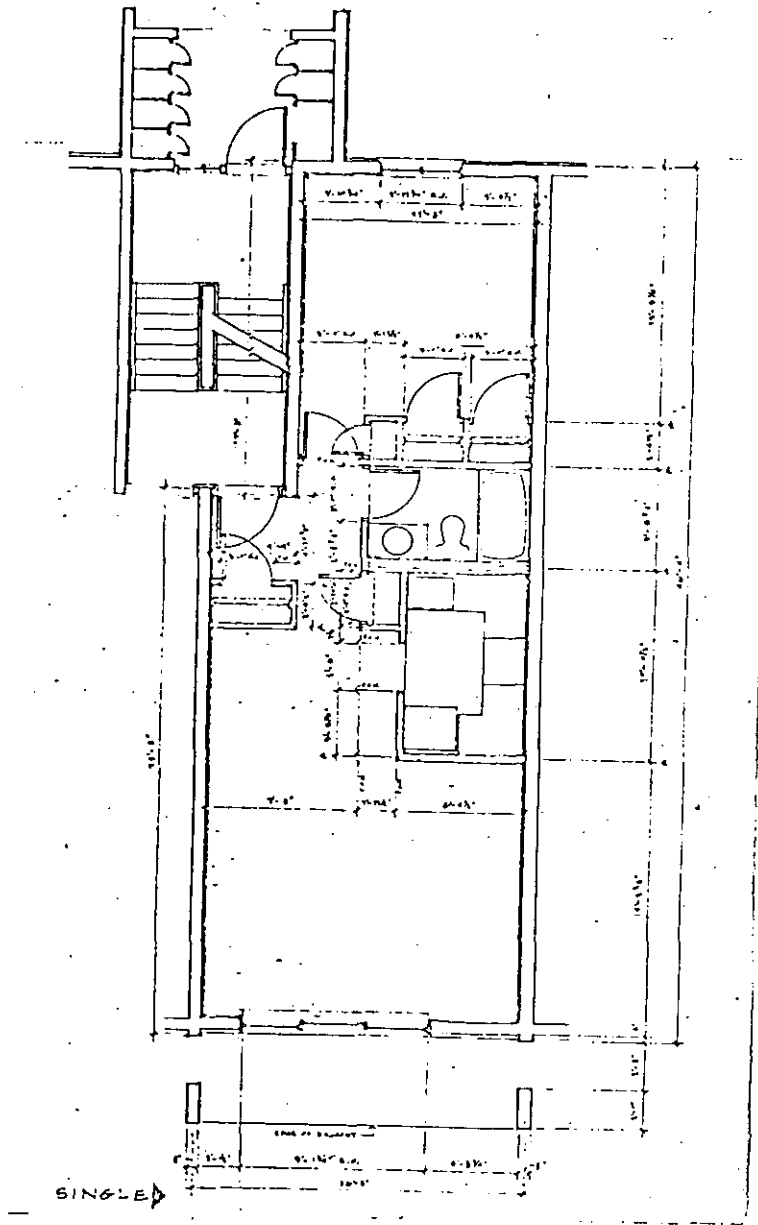
Before me, Barbara Scott
Notary Public
John H. Osgood
John H. Osgood, Attorney-in-Fact

STATE OF VERMONT
WASHINGTON COUNTY, ss.

At Waitsfield in said County on this day of December, 1979 personally appeared John H. Osgood and he acknowledged the foregoing by him subscribed to be his free act and deed.

Before me, Barbara Scott
Notary Public

SINGLE BEDROOM UNIT



SINGLE

I, Dennis H. Keefe, being a registered Architect in the State of Vermont, hereby state in accordance with 27 V.S.A., Section 1313, that the herein floor plan is an accurate copy of a portion of the plans of the building as filed with and approved by the Municipal or other Governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings and said floor plan represents and depicts that portion of the building as built.

Dated: 12-20-79
Barbara Scott
Notary Public

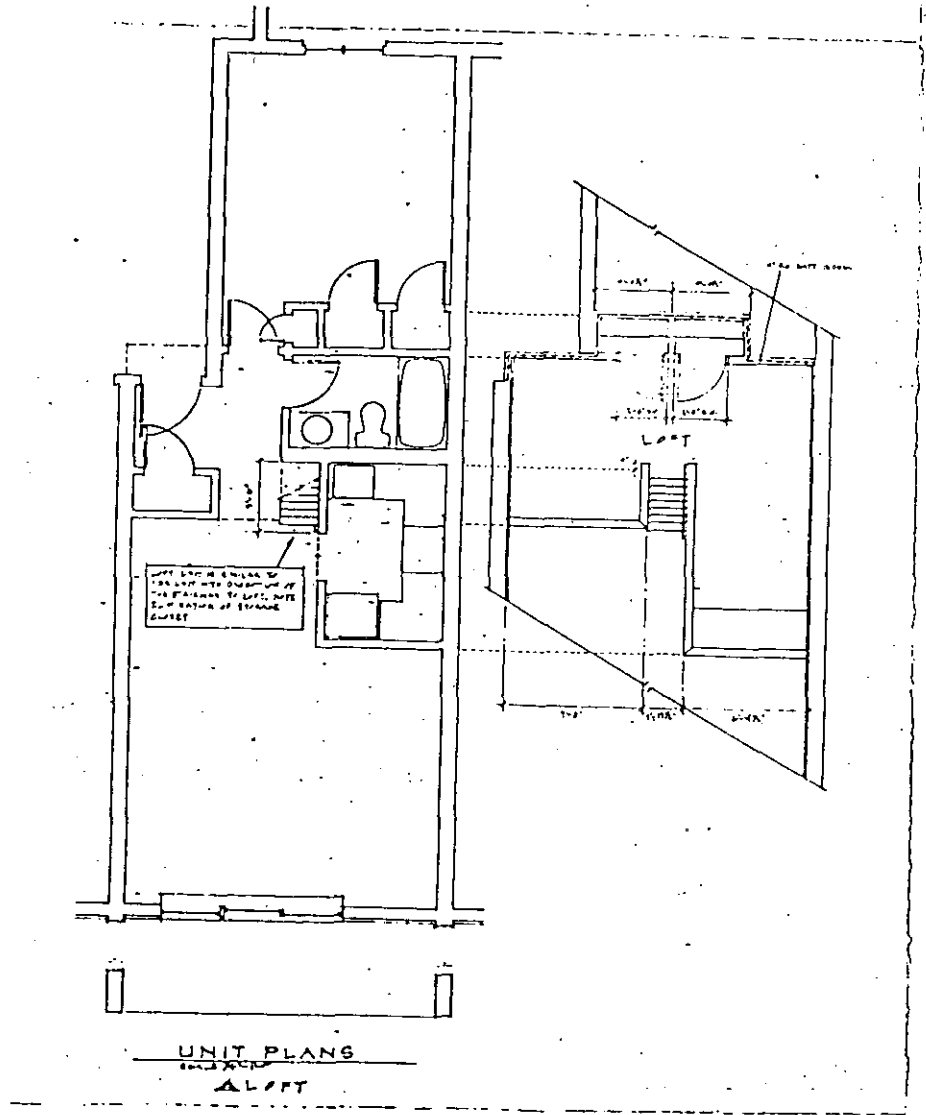


STATE OF VERMONT
 WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 20th day of December 1979 personally appeared Dennis Keefe and made oath to the truth of the statement contained above.

Before me, Barbara Scott
 Notary Public

LOFT UNIT



I, Dennis H. Keefe, being a registered Architect in the State of Vermont, hereby state in accordance with 27 V.S.A., Section 1313, that the herein floor plan is an accurate copy of a portion of the plans of the building as filed with and approved by the Municipal or other Governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings and said floor plan represents and depicts that portion of the building as built.

Dated: 12.20.79

Barbara Scott
Notary Public



STATE OF VERMONT
 WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 20th day of December, 1979, personally appeared Dennis Keefe and made oath to the truth of the statement contained above.

Before me, Barbara Scott
 Notary Public

D. H. Keefe

SECOND AMENDMENT TO THE DECLARATION OF CONDOMINIUM
OF MOUNTAINSIDE CONDOMINIUM
EXPANSION TO PHASE III

I, John H. Osgood, Attorney-in-Fact as appointed pursuant to Section 16 of the Declaration of Condominium of Mountainside Condominium as recorded November 15, 1979 in Book 51, Pages 774-815 in the Land Records of the Town of Warren, Vermont and as amended by the First Amendment to the Declaration of Condominium, recorded January 4, 1980 in Book 52, Pages 784-789 in the Land Records of the Town of Warren, Vermont, intending to submit to each and every of the provisions of said Declaration as amended, and the Condominium Ownership Act, Title 27, Chapter 15, Vermont Statutes Annotated (1975) the so-called "Phase III" of Mountainside Condominium as shown on the Site Plan attached to said Declaration, being all of the remaining land described in Exhibit A, not heretofore submitted, being all and the same land as shown on the Site Plan as Phase III, Exhibit A and Site Plan being attached to said Declaration, and submitting building and improvements constructed on the aforementioned land, do hereby amend the Declaration of Condominium of Mountainside Condominium as follows:

INTRODUCTION

The Introduction shall be amended to read:

"NOW THEREFORE, Declarant hereby declares that all of the property described on Exhibit A, attached to this Declaration and made a part hereof, and shown on the Site Plan as Phase I, Phase II and Phase III, together with all improvements heretofore and hereafter constructed thereon and all appurtenances thereto (hereinafter referred to as "Condominium") is hereby submitted to the Condominium Ownership Act and shall be held, conveyed, leased, occupied subject to the Declaration, By-laws of the Association, Administrative Rules and the Act, and the same shall be deemed to run with and bind the land and shall inure to the benefit of and be enforceable by the Declarant, its successors and assigns, and any person acquiring or owning any interest in said property and improvements, including, without limitation, any person, group of persons, corporation, trust or other legal entity, or any culmination thereof, which holds such interest solely as security for the performance of an obligation. There is therefore hereby created a condominium to be known as "Mountainside Condominium".

SECTION 2
DESCRIPTION OF LAND

Section 2 shall be amended to read:

"The land and premises upon which said buildings and improvements are or shall be located is in the Town of Warren, County of Washington and State of Vermont, and the land and premises, together with improvements heretofore and hereafter constructed made subject to the Act by this Declaration at this time is more fully described on the description annexed hereto and made an integral part of this Declaration as Exhibit A, and as shown on the Site Plan as "Phase I", "Phase II" and "Phase III".

SECTION 3
DESCRIPTION OF MOUNTAINSIDE CONDOMINIUM

Section 3 shall be amended to read:

"The structures upon the previously described land and premises which is submitted to the Act consist of four buildings. One building, containing thirty-one (31) apartments is the so-called Phase I, one building, containing thirty-six (36) apartments is the so-called Phase II, and the other two buildings, containing thirty (30) apartments, is the so-called Phase III.

Phase I is described as follows:

1. The building contains five (5) entryways and for purposes of this description, therefore divides the building into five (5) sections.
2. Three sections consist of three stories, and two sections consist of four stories. The three story sections are contiguous and the four story sections are contiguous.
3. The sections containing three stories have crawl spaces but no basements; the sections containing four stories have as its first story the "basement".
4. The principal materials of which this building are constructed is masonry-concrete block with the floors being of wood bar joist construction; the interior is sheet rock and wood materials.
5. There are thirty-one (31) apartments contained within the building, six apartments within each section, and the "basement" contains one apartment.

Phase II is described as follows:

1. The building contains six (6) entryways and for purposes of this description therefore divides the building into six (6) sections.
2. The six sections consist of three (3) stories.
3. The sections have a crawl space but no basements.
4. The principal materials of which this building are constructed are masonry-concrete block with the floors being of wood bar joist construction; the interior is sheet rock and wood materials.
5. There are thirty-six (36) apartments contained within the building, six apartments within each section.

Phase III is described as follows:

1. There are two buildings in the so-called Phase III.
2. One building contains four (4) entryways and for purposes of this description therefore divides the building into four (4) sections, all as pertain to the residential units.
 - A. The four (4) sections consist of three (3) stories.
 - B. There are six (6) residential apartments within each section.
 - C. Under three (3) of the aforementioned sections, are "basements".
 - D. Contained within the "basements" are five (5) commercial apartments.

E. The principal materials of which this building are constructed are masonry-concrete block with the floors being of wood bar joist construction; the interior is sheetrock and wood materials.

3. One building is one (1) apartment, being a commercial unit.

A. The principal materials of which this building are constructed are masonry-concrete block with the floors being of wood bar joist construction; the interior is sheetrock and wood materials.

SECTION 4
CONDOMINIUM UNIT

Section 4, Paragraph 6 of said section, shall be amended to read as follows:

6. The types of units in so-called Phase I building, so-called Phase II building and so-called Phase III building are described as follows:

A. The building in the so-called Phase I has four different types of units:

i. There are ten so-called loft units which consist of two rooms, bathroom, kitchen, loft sleeping area; the dimensions are approximately 850 square feet; they are located on the top floor of the building, being units 5, 6, 11, 12, 18, 19, 24, 25, 30, and 31.

ii. There are four so-called two bedroom units which consist of three rooms, bathroom and kitchen; the dimensions are approximately 850 square feet; they are located at either end of the building on the first and second floor, being units 1, 3, 27 and 29.

iii. There are sixteen so-called one bedroom units which consist of two rooms, bathroom and kitchen; the dimensions are approximately 650 square feet; being units 2, 4, 7-10, 14-17, 20-23, 26 and 28.

iv. There is one commercial unit which comprises the so-called "Basement" under units 20, 21, 26, and 27 as well as the crawl space under units 14 and 15. It is approximately 2,000 square feet, consisting of four rooms.

B. The building in so-called Phase II contains two different types of units:

1. There are twelve (12) so-called loft units which consist of two (2) rooms, bathroom, kitchen, loft sleeping area; the dimensions are approximately 850 square feet; they are located on the top floor of the building, being units 60, 61, 66, 67, 72, 73, 78, 79, 84, 85, 90 and 91.

ii. There are twenty-four (24) so-called one bedroom units which consist of two rooms, bathroom and kitchen; the dimensions are approximately 650 square feet; being units 56-59, 62-65, 68-71, 74-77, 80-83, and 86-89.

C. The buildings in so-called Phase III contain five (5) different types of units:

i. There are eight (8) so-called loft units which consist of two (2) rooms, bathroom, kitchen, loft sleeping area; the dimensions are approximately 850 square feet; they are located on the top floor of a building, being units 36, 37, 42, 43, 48, 49, 54 and 55.

ii. There are fifteen so-called one bedroom units which consist of two rooms, bathroom and kitchen; the dimensions are approximately 650 square feet; being units 32, 33, 35, 38-41, 44-47 and 50-53.

iii. There is one (1) so-called two bedroom unit which consists of three rooms, bathroom and kitchen; the dimensions are approximately 850 square feet; it is located at the end of the building on the first and second floor, being unit 34.

iv. There are six (6) commercial units, two (2) units are contained in one building and four (4) units are contained in the so-called "basement" under units 32-33 and 38-39. The commercial units in the so-called "basements" being units C-2, C-3, C-4 and C-5 have dimensions which are approximately 450 square feet, each consisting of one room; unit C6 is approximately 540 square feet and unit C-7 is approximately 540 square feet. Said units being in the single building.

SECTION 7
UNDIVIDED PERCENTAGE INTEREST IN COMMON AREAS AND FACILITIES

Section 7 shall be amended by adding a third paragraph as follows:

3. The respective percentages referred to above and in Exhibit C shall be of a permanent character and are those percentages as shown under Stage III percentage, said Stage III percentage showing all stages as being submitted to Mountainside Condominium.

James McWick
Barbara Scott

SUGARBUSH VILLAGE ASSOCIATES

BY: [Signature]
Duly Authorized Agent

STATE OF VERMONT
WASHINGTON COUNTY, ss.

At Waitsfield in said County on this ^{13th} day of March, 1980 personally appeared Carl L. Creedon and he acknowledged the foregoing, by him subscribed to be his free act and deed and the free act and deed of Sugarbush Village Associates.

Before me, James McWick
Notary Public

SECOND AMENDED

EXHIBIT B

DECLARATION OF CONDOMINIUM

MOUNTAINSIDE CONDOMINIUM

Mountainside Condominium Phase I shall consist of thirty residential units, plus one commercial unit, Phase II shall consist of thirty-six residential units and Phase III shall consist of twenty-four residential units and six commercial units.

Floor plans for Phase I for the residential units, being one bedroom, two bedrooms and a so-called loft unit, as well as the commercial unit C-1, are attached to this Exhibit and made a part hereof, the floor plans for Phase II for the residential units, being one bedroom and the so-called loft unit, are attached to this Exhibit and made a part hereof, and the floor plans for Phase III for the residential units, being one bedroom, two bedroom and the so-called loft unit, as well as the commercial unit C-2 - C-7 are attached to this exhibit and made a part hereof.

Therefore, in accordance with the Declaration of Condominium of Mountainside Condominium, the undersigned exercise their rights contained in said Declaration and thereby record this amendment to the Declaration in accordance with 27 V.S.A., Section 1315(a) 1975.

Jeanne McEich
Barbara Scott

SUGARBUSH VILLAGE ASSOCIATES
BY: [Signature]
Duly Authorized Agent

STATE OF VERMONT
WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 13th day of March, 1980 personally appeared Carl L. Creedon and he acknowledged the foregoing, by him subscribed to be his free act and deed and the free act and deed of Sugarbush Village Associates.

Before me, Jeanne McEich
Notary Public

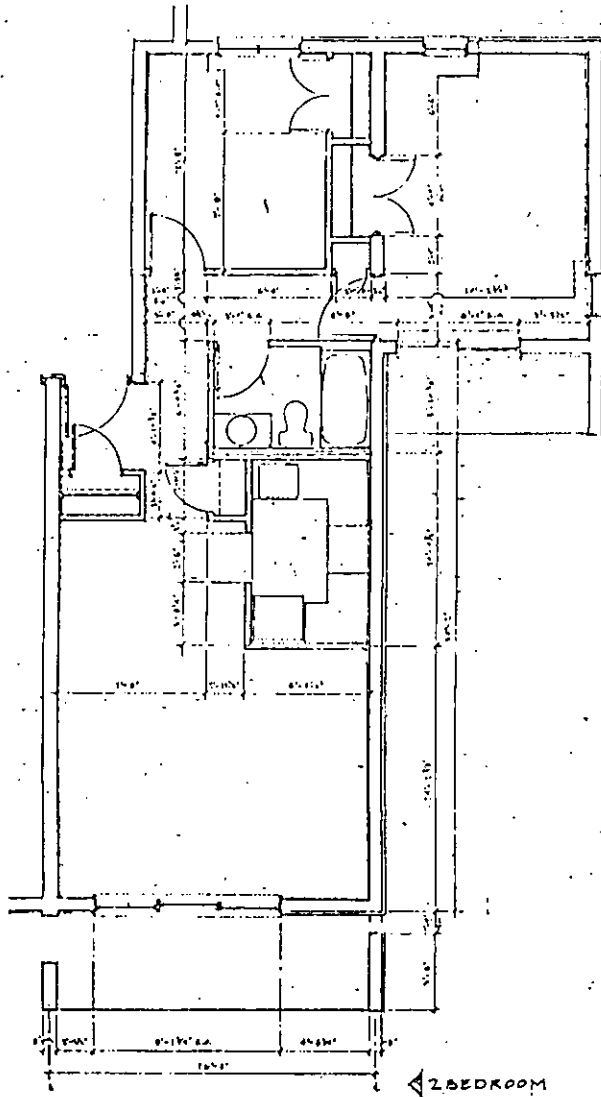
Jeanne McEich
Barbara Scott

John H. Osgood
John H. Osgood, Attorney-in-Fact

STATE OF VERMONT
WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 13th day of March, 1980 personally appeared John H. Osgood and he acknowledged the foregoing by him subscribed to be his free act and deed.

Before me, Jeanne McEich
Notary Public



I, Dennis H. Keefe, being a registered Architect in the State of Vermont hereby state in accordance with 27 V.S.A., Section 1313, that the herein floor plan is an accurate copy of a portion of the plans of the building as filed with and approved by the Municipal or other Governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings and said floor plan represents and depicts that portion of the building as built.

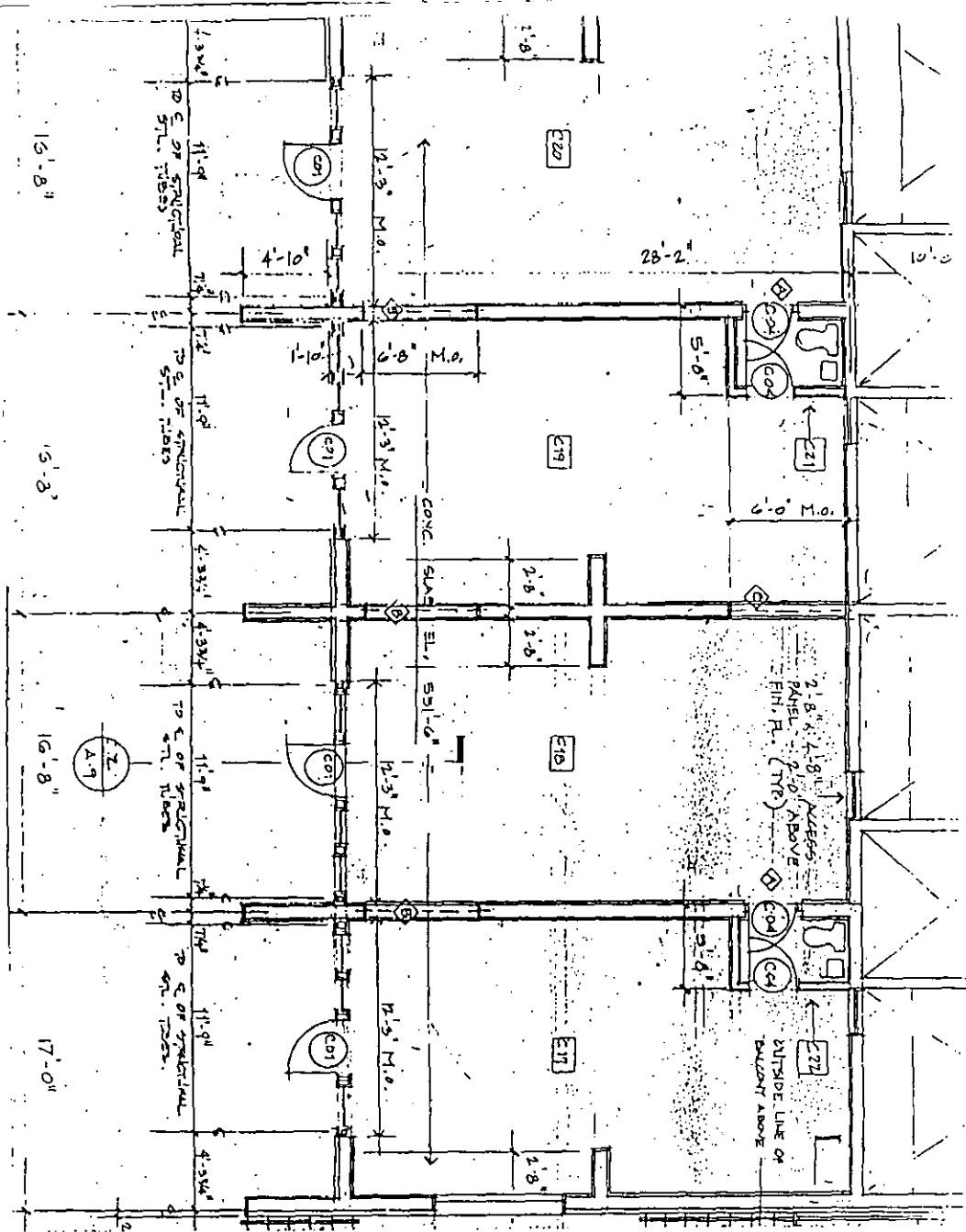
Dated: 2/19/80
[Signature]
 Barbara Scott



STATE OF VERMONT
 WASHINGTON COUNTY, ss.

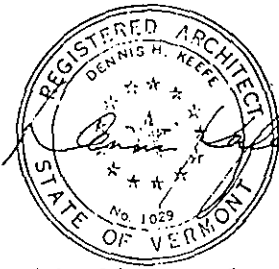
At Waitsfield in said County on this 19 day of February 1980 personally appeared Dennis Keefe and made oath to the truth of the statement contained above.

Before me, *[Signature]*
 Notary Public



I, Dennis H. Keefe, being a registered Architect in the State of Vermont hereby state in accordance with 27 V.S.A., Section 1313, that the herein floor plan is an accurate copy of a portion of the plans of the building as filed with and approved by the Municipal or other Governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings and said floor plan represents and depicts that portion of the building as built.

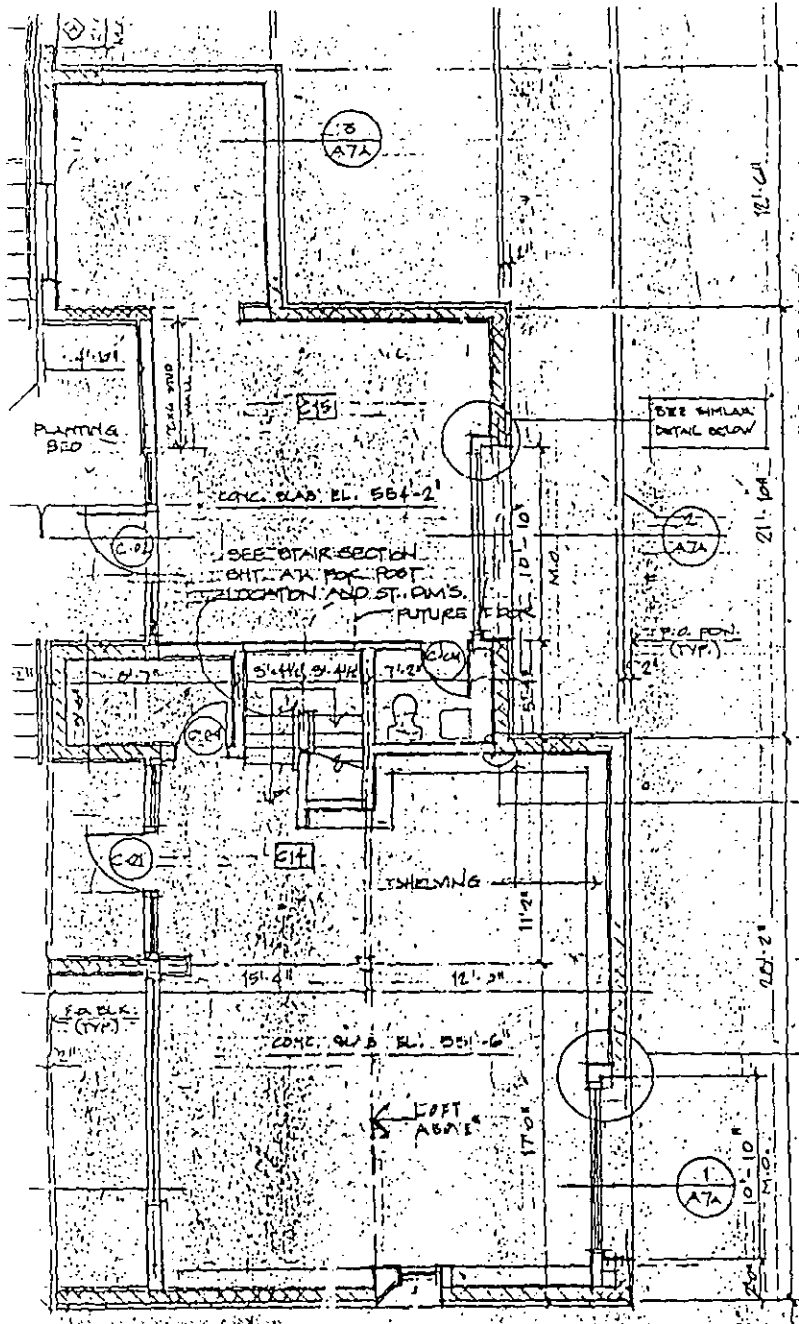
Dated: 2/19/80
 Peter S. Sidel
 Barbara Scott



STATE OF VERMONT
 WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 19 day of February 1980 personally appeared Dennis Keefe and made oath to the truth of the statement contained above.

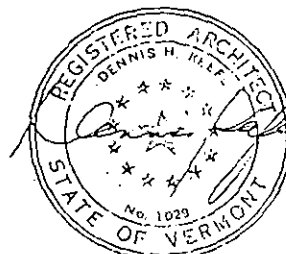
Before me, Peter S. Sidel
 Notary Public



Commercial space
(see attached sheet for
upper level)

I, Dennis H. Keefe, being a registered Architect in the State of Vermont, hereby state in accordance with 27 V.S.A., Section 1313, that the herein floor plan is an accurate copy of a portion of the plans of the building as filed with and approved by the Municipal or other Governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings and said floor plan represents and depicts that portion of the building as built.

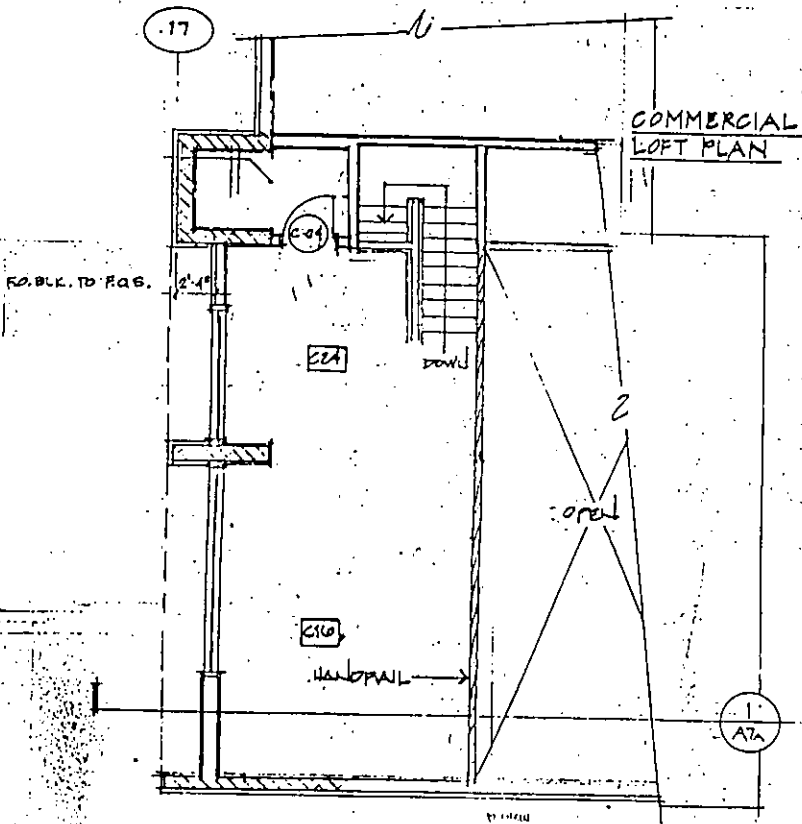
Dated: 2/19/80
 Peter S. Sidel
 Barbara Sidel

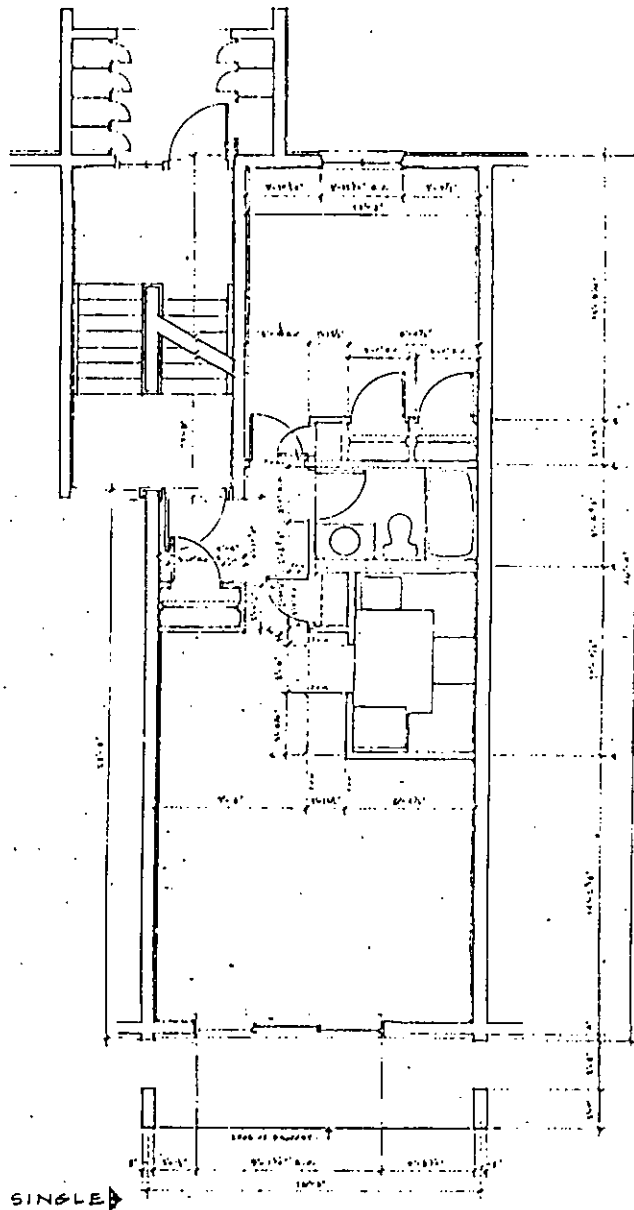


STATE OF VERMONT
WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 19 day of February 1980 personally appeared Dennis Keefe and made oath to the truth of the statement contained above.

Before me, Peter S. Sidel
Notary Public





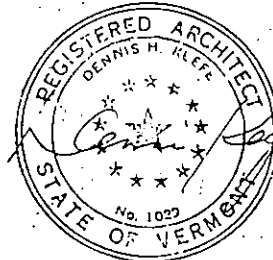
SINGLE

I, Dennis H. Keefe, being a registered Architect in the State of Vermont hereby state in accordance with 27 V.S.A., Section 1313, that the herein floor plan is an accurate copy of a portion of the plans of the building as filed with and approved by the Municipal or other Governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings and said floor plan represents and depicts that portion of the building as built.

Dated: 2/19/80

Peter S. Sidle

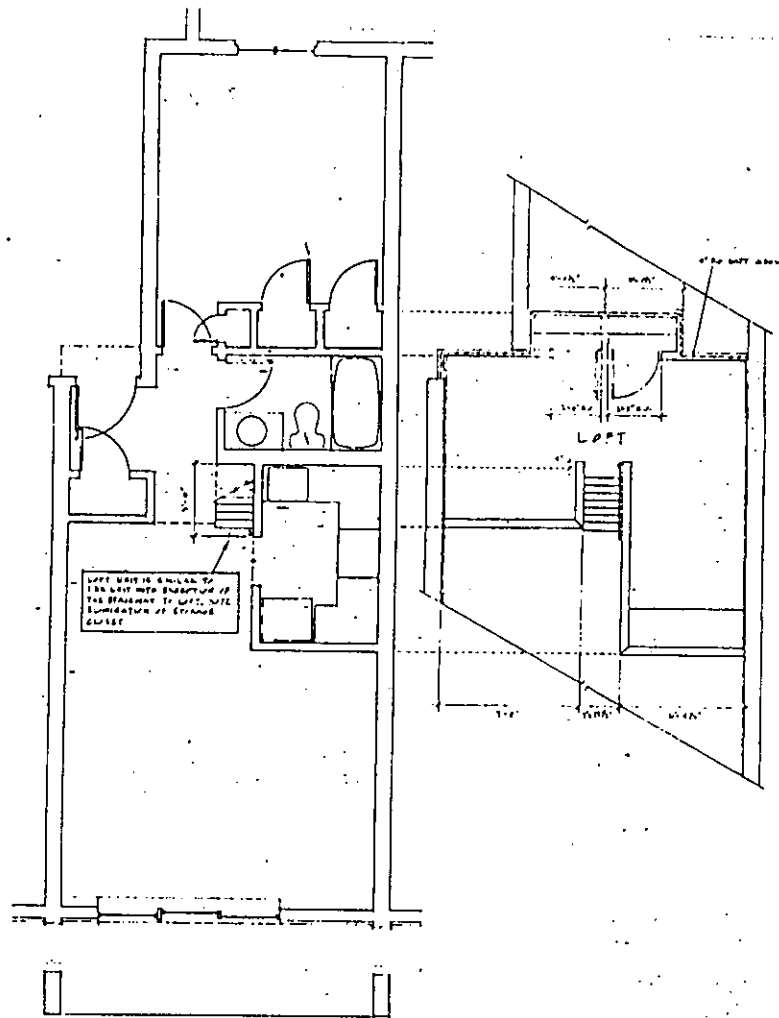
Barbara Scott



STATE OF VERMONT
 WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 19 day of February 1980 personally appeared Dennis Keefe and made oath to the truth of the statement contained above.

Before me, *Peter S. Sidle*
 Notary Public



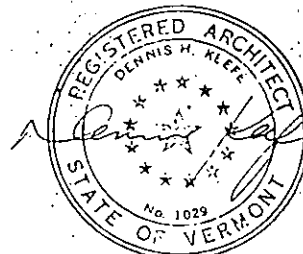
UNIT PLANS

LOFT

I, Dennis H. Keefe, being a registered Architect in the State of Vermont hereby state in accordance with 27 V.S.A., Section 1313, that the herein floor plan is an accurate copy of a portion of the plans of the building as filed with and approved by the Municipal or other Governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings and said floor plan represents and depicts that portion of the building as built.

Dated: 2/19/80

Peter S. Scott
Barbara Scott



STATE OF VERMONT
 WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 19 day of February 1980 personally appeared Dennis Keefe and made oath to the truth of the statement contained above.

Before me, Peter S. Scott
 Notary Public

Warren Town Clerk's Office received for record 3-14-80 at 9 AM.
 Recorded in Book 53 page 718-728 of the Warren Land Records.

ATTEST, Arleta K. Glass Town Clerk

James Wick
Barbara Scott

John H. Osgood
John H. Osgood, Attorney-in-F.

STATE OF VERMONT
WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 13th day of March, 1980 personally appeared John H. Osgood and he acknowledged the foregoing by him subscribed to be his free act and deed.

Before me, James Wick
Notary Public

FOURTH AMENDMENT TO THE DECLARATION
OF
MOUNTAINSIDE CONDOMINIUM

Filing of Elevations

I, John H. Osgood, attorney-in-fact, as appointed pursuant to Section 16 of the Declaration of Condominium of Mountainside Condominium as recorded November 15, 1979 in Book 51, Pages 774-815 in the Land Records of the Town of Warren, Vermont, and as thereafter amended, hereby amend the aforementioned Declaration to complete the phasing and submission of the buildings and improvements constructed on land and premises described in the Declaration and as amended to include all three phases, by filing with the Town Clerk of Warren herewith an elevation showing the exact location of each of the condominium units contained within the buildings and improvements heretofore mentioned.

The herein contained amendment is pursuant to the so-called Condominium Ownership Act, Title 27, Section 1313, Vermont Statutes Annotated (1975) and pursuant to the aforementioned Section 16.

Dated this 23rd day of July, 1982.

Gary A. Van Bort
Shelagh Morgan

SUGARBUSH VILLAGE ASSOCIATES

BY: [Signature]
Duly Authorized Agent

STATE OF VERMONT
WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 23rd day of July, 1982, personally appeared John H. Osgood and he acknowledged the foregoing, by him subscribed to be his free act and deed and the free act and deed of Sugarbush Village Associates.

Before me, [Signature]
Notary Public

Gregory V. Bil
Sheila Morgan

John H. Osgood

John H. Osgood,
Attorney-in-Fact

STATE OF VERMONT
WASHINGTON COUNTY, ss.

At Waitsfield in said County on this 23rd day of July, 1982,
personally appeared John H. Osgood and he acknowledged the
foregoing, by him subscribed to be his free act and deed and the
free act and deed of Sugarbush Village Associates.

Before me, Sheila Morgan
Notary Public

WARREN TOWN CLERK'S OFFICE
RECEIVED FOR RECORD 10/25/82 AT 9 AM
RECORDED IN BOOK 64 PAGE 622-623

ATTEST *Rita K. Boss* TOWN CLERK

97/162

AMENDMENT TO THE BY-LAWS OF
MOUNTAINSIDE CONDOMINIUM ASSOCIATION

The undersigned, being Secretary to Mountainside Condominium Association (the Association) hereby certifies that the following amendment to the By-Laws of the Association (the By-Laws) was duly adopted by the members of the Association at the annual meeting of the Association held in Warren, Vermont on October 6, 1990.

The By-Laws of the Association are hereby amended as follows:

The words "a majority shall be deleted from the first sentence of Article V, Section 1 and the word "all" shall be inserted in their place so that the sentence, as amended shall read as follows:

- 1. Number and qualification - the affairs of the Association shall be governed by a Board of Directors composed of an uneven number of at least three (3) natural persons and not more than nine (9) natural persons, all of whom, after the first annual meeting of the unit owners, shall be unit owners.

The balance of Article V, Section 1 and all other Articles and Sections of the By-Laws shall remain in full force and effect.

Pursuant to Article XII of the By-Laws, a description of the foregoing amendment accompanied notice of the above-referenced meeting and the amendment was approved by affirmative vote of unit owners representing fifty-one (51%) percent of the total votes of the Association.

Nat Florian

 Nat Florian
 Secretary

William Florian

/rw/2091
by-law.amend

TOWN OF WARREN, VT
 Received for Record 310 19 92
 at 9 O'clock AM and Received in
 Lead Records, Vol 97 Page 162
Robert K. Glass

 TOWN CLERK

Minutes of the Mountainside Condominium Association Special Meeting
November 15, 1994, 9:30 a.m.

Sugarbush Property Group Office - Warren, Vermont

A special meeting for the purpose of amending the association Declaration as noticed by a letter sent to the members dated 10/25/94 was held on November 15. The proposed change and explanation letter are attached as an addendum to these minutes. The meeting was opened at 9:30 a.m. by Miron Malboeuf, President of the Board of Directors. The tabulation of the proxies was made, and the proposed amendment passed.

Those voting in favor of the change totalled 53.61748% of the overall ownership interest. Those voting against the change totalled 6.14%.

Mr. Malboeuf instructed the management company to take the steps necessary to record and file the change. The meeting was closed at approximately 9:45 a.m.

Submitted,



Zeke Church, Acting Secretary

AMENDMENT TO DECLARATION OF CONDOMINIUM
OF MOUNTAINSIDE CONDOMINIUM

I. The Declaration of Condominium for Mountainside Condominium, Warren, Vermont, dated November 15, 1979 and recorded in Book 51, Pages 814-815 of the Warren Land Records, Washington county, Vermont is amended as follows:

A. Section 9 of the Bylaws of Mountainside Condominium Association, Inc., Paragraph 6., is amended to read as follows:

"Section 9 Use of Commercial Units: Restriction on Use - Paragraph 6.: No commercial unit shall be used or have established in it a restaurant within the common meaning of that word, or Laundromat or similar type establishment."

II. It is hereby certified that the foregoing Amendment was duly approved by affirmative vote of not less than 51% of the aggregate ownership interest present, in person or by proxy, at a special meeting for the purpose of amending the association Declaration held on November 15, 1994 at which a quorum was present in person or by proxy.

In witness whereof, this Amendment to the Declaration of Condominium has been executed by the Secretary of the Association duly authorized by said meeting of November 15, 1994.

MOUNTAINSIDE CONDOMINIUM ASSOCIATION, INC.

Patricia Aquino
Witness

Phyllis Baroni
Witness

Bud Clark
Bud Clark, Secretary and Duly
Authorized Agent

TOWN OF WARREN, VT

Received for Record Dec 20 1994
at 9 o'clock A M and Received in
Land Records, Vol 107 Page 308

Robert
TOWN CLERK