Authentisign ID: 41E17F79-95CF-F011-8195-000D3A1E5303

PUBLIC OFFERING STATEMENT OF

TRAILSIDE AT SHAWNEE PEAK CONDOMINIUM

NAME OF CONDOMINIUM:	Trailside At Shawnee Peak Condominium
PRINCIPAL ADDRESS OF CONDOMINIUM:	RR#1, Box 734, Bridgton, Maine 04009
NAME OF DECLARANT:	Mountain Road Development, LLC
PRINCIPAL ADDRESS OF DECLARANT:	RR#1, Box 734, Bridgton, Maine 04009
EFFECTIVE DATE OF PUBLIC OFFERING STATEMENT:	As of _____, 2001

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IMPORTANT NOTICE:

The following capitalized statements are made in compliance with Section 1604-103(a)(11) of the Maine Condominium Act, Chapter 31 of Title 33 of the Maine Revised Statutes of 1964, as amended.

I. UNLESS A PURCHASER HAS RECEIVED AND REVIEWED A COPY OF THIS PUBLIC OFFERING STATEMENT PRIOR TO THE EXECUTION OF A CONTRACT FOR SALE OF A UNIT, A PURCHASER, BEFORE CONVEYANCE OF A UNIT, MAY CANCEL ANY CONTRACT FOR PURCHASE OF A UNIT FROM THE DECLARANT; AND

II. IF A PURCHASER ACCEPTS THE CONVEYANCE OF A UNIT HE MAY NOT CANCEL THE CONTRACT.

Unless prior to the execution of a contract for sale of a unit, a Purchaser acknowledges in writing receipt and review of such public offering statement, the Purchaser, upon written notice to the Declarant, may cancel the contract at any time prior to conveyance of the unit, unless the purchaser shall, subsequently, expressly and in writing waive such right to cancel after having received and reviewed such public offering statement.

READING THE PUBLIC OFFERING STATEMENT:

ALL PORTIONS OF THIS PUBLIC OFFERING STATEMENT SHOULD BE READ AND REVIEWED CAREFULLY BY A PROSPECTIVE PURCHASER PRIOR TO SIGNING AN AGREEMENT OF SALE.

The Declarant's sales persons and other representatives are not permitted to orally change any of the terms or conditions of this Public Offering Statement or of the documents that are part of this Public Offering Statement, and may not attempt to interpret their legal effect.

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BUYER'S OVERVIEW

I. INTRODUCTION.

Thank you for your interest in Trailside at Shawnee Peak Condominium. This Public Offering Statement is prepared in compliance with the Maine Condominium Act, Chapter 31, Title 33, of the Maine Revised Statutes of 1964, as amended (the "Act"). It is also designed to serve as a reference source for as long as you own your unit at Trailside at Shawnee Peak Condominium.

For your convenience, this Public Offering Statement is divided into two parts. The first section, entitle Buyer's Overview, summarizes the significant features of Trailside at Shawnee Peak Condominium (the "Condominium") and discusses the legal documents creating and governing the Condominium. The second section contains the appropriate legal documents which are part of the Public Offering Statement (the "Governing Documents"). Capitalized terms used but not specifically defined in this Public Offering Statement are intended to have the same meaning given to them in the Act or Declaration of Condominium (as it may be amended), the Bylaws or the Agreement of Sale. In the event of any conflict between the Buyer's Overview and the Governing Documents, the Governing Documents will control.

II. CONDOMINIUM FORM OF OWNERSHIP.

The term "condominium" can be defined generally as the separate ownership of individual units in a multi-unit project. Under this form of ownership, the purchaser of a condominium unit acquires legal title to a physical portion of the condominium designated for separate ownership (the "Unit"), the boundaries of which are described in the declaration of the condominium.

In addition to unit ownership, a purchaser acquires, in common with other unit owners in the condominium, an undivided interest in all portions of the condominium that do not constitute units (the "Common Elements"). Certain portions of the Common Elements may be designated as "Limited Common Elements." Limited Common Elements are owned in common by all Unit Owners, but are assigned for the exclusive use of fewer than all Unit owners.

III. THE DECLARANT.

The Declarant is Mountain Road Development, LLC. The Declarant's principal address is RR#1, Box 734, Bridgton, Maine 04009.

Declarant's attorneys in connection with the Condominium are Hodsdon & Clifford, LLC (Attn: Stephen Y. Hodsdon, Esq.) whose address is 56 Portland Road, Kennebunk, Maine 04043.

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IV. DESCRIPTION OF THE CONDOMINIUM.

A. Site, Condominium, and Construction Schedule.

Mountain Road Development, LLC is developing a residential condominium project of 23 individual units. The condominium units to be conveyed are 38' x 38' building lots. Mountain Road Development, LLC retains the right to approve all plans as described in the Restrictive Covenants.

The site location is on the easterly side of Shawnee Peak Ski Area at Pleasant Mountain and overlooks Moose Pond. Construction by Unit Owners must commence within two years of purchase unless a waiver or extension of this period is obtained from Mountain Road Development, LLC. The minimum square footage requirement is 1100 square feet.

The condominium association will operate like a homeowners association with expenses as shown in the projected budget. All units will be sold without a financing commitment with fee simple title conveyed at closing. All unit owners will be responsible for their own septic system and maintenance however, the association will have the right to lien any unit that fails to maintain their septic system.

Association assessments will be twice per year. Shawnee Peak Ski Area reserves the right for recreational use of property above highest unit, as depicted on the Condominium Plat.

Road construction has been substantially completed with the exception of paving which will not occur until a one year settling period has expired – but no later than October 31, 2001. Access to Units from the roadway to be provided by Mountain Road Development, LLC for side roads servicing more than one Unit (but not paved). Unit Owners serviced by shared side roads to promptly reimburse Mountain Road Development, LLC for their pro rata share of cost of construction. Access to single Units from the roadway to be at Unit Owner's expense (Mountain Road Development, LLC may complete and bill Unit Owner(s) or direct Unit Owner(s) to complete directly.

Power and water to be brought by Mountain Road Development, LLC to the edge of the main roadway; Unit Owner(s) shall be responsible for the cost of bringing power and water to Unit. The cost of installation of subsurface wastewater disposal systems shall be borne by the Unit Owner(s). Mountain Road Development, LLC shall install those systems which service more than one Unit and each Unit served by such system shall be liable to promptly reimburse Mountain Road Development, LLC for that Unit's pro rata share of the cost. Those systems which shall only serve one Unit shall be installed by the Unit Owner(s) at the Owner's sole cost.

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B. Units.

There are 23 Units in the Condominium, each consisting of a 38' X 38' square parcel of land as depicted on Condominium Plat and Standard Boundary Survey, Trailside – A Condominium, Made for Mountain Road Development, LLC, compiled by Main-land Development Consultants, Inc., dated May 30, 2000 and recorded in the Cumberland County Registry of Deed in Plan Book 200, Page 297 and a Revised Plat recorded in the Cumberland County Registry of Deeds in Plan Book 200, Page 510. Each Unit Owner shall be responsible for the maintenance and repair of his or her Unit and for the construction, maintenance and repair of any structures or buildings thereon, said structures or buildings to be constructed and maintained in accordance with the terms of the Condominium Declaration Bylaws and Restrictive Covenants.

Operation and maintenance of the Condominium Common Elements is the responsibility of Trailside at Shawnee Peak Condominium Owners Association (the "Association"), a Maine non-profit corporation which is the association of the owners of Units in the Condominium. A purchaser automatically becomes a member of the Association when his deed to the Unit is recorded in the Cumberland County Registry of Deeds. Through membership in the Association, each unit owner has the right to use and participate in the control of the Common Elements, and the corresponding obligation to pay a portion of the Condominium's operation and maintenance expenses ("Common Expense Liability"). Each Unit has one vote as a member of the Association. The Common Expense Liability for each Unit is 4.347 percent.

C. Common Elements.

The Common Elements constitute all of the Condominium other than the Units. The following are the major Common Elements of the Condominium: all of the land (excluding the portions which are designated as Limited Common Elements), including the roadway depicted on the Condominium Plat as Trailside Way.

The Limited Common Elements include the driveway areas and septic system areas depicted on the Condominium Plat.

Each Unit has an undivided interest in the Common Elements which is referred to in the Declaration as the "Common Element Interest." The Common Element Interest allocated to each Unit is expressed as a percentage which is equal to the Unit's Common Expense Liability, described above. One (1) Vote in the Association is allocated to each Unit. The Common Element Interest, Common Expense Liability and Votes in the Association collectively comprise the "Allocated Interests." The Allocated Interests assigned to each Unit in the Condominium are listed on Schedule C to the Declaration.

The Declaration does not contain a specific description of any Common Elements which may be alienated pursuant to Section 1603-112 of the Act. However, portions of the Common Elements can be alienated pursuant to Section 1603-112 of the Act with the prior consent of the owners of Units having at least 80% of the voting interest in the

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Association and of the holders of the Mortgages on Units holding at least 67% of the voting interest in the Association.

D. Development Rights.

In the Declaration, the Declarant reserves the Development Right to, inter alia, construct new buildings or structures, change the size, layout and location of any building or other structure, as well as any Limited Elements, remove Units from the Condominium, add additional land and/or Units to the Condominium and to convert Common Area land to be and to remain additional Units or to remove Common Area from the Condominium, all during the Declarant Control Period. Any such changes may require the approval of the Bridgton Planning Board.

V. DESCRIPTION OF GOVERNING DOCUMENTS.

The Condominium has been established by the Declaration and its operation will be governed by the Declaration as it may be amended, the Bylaws, and the Restrictive Covenants. The conduct of persons on the Property will also be governed by any Rules and Regulations adopted by the Association. Copies of the Declaration, Amendments to the Declaration, Bylaws, and Restrictive Covenants are contained in the Governing Documents. The following is a summary of these documents.

A. Declaration of the Trailside at Shawnee Peak Condominium.

The Declaration and the Plats and Plans are the legal documents necessary to create the Condominium, a copy of which is attached as Exhibit 1. The Declaration has been recorded in the Cumberland County Registry of Deeds in Book 15607, Page 173 and Plats and Plans referenced in the Declaration in the Cumberland County Registry of Deed in Plan Book 200, Page 297 and a Revised Plat recorded in the Cumberland County Registry of Deeds in Plan Book 200, Page 510. Essentially, the Declaration is viewed as being a deed which establishes and defines the Condominium and which recites the manner in which the Declarant desires to create the Condominium. The Declaration describes the Property, establishes the boundaries of Units, the portions of the Condominium that comprise the Common Elements, the purposes of and restrictions on the use of the Property, provisions for easements, and provisions concerning assessments and liens against Units and the liability of the Unit Owners for payment of the Common Expenses. The Declaration also describes the manner in which the Executive Board will be elected, the manner in which Unit Owners may cast their votes as members of the Association, the rights held by the holders of Mortgages on Units, the insurance coverage to be maintained on the Condominium by the Association, the manner in which portions of the Condominium damaged by fire, eminent domain or casualty are to be rebuilt, the restrictions on alterations to Units and Common Elements, the supervision and management of and alterations to the Condominium Property, the manner in which the Condominium can be terminated and the responsibilities , and relief from personal liability of the members of the Executive Board. General amendments of the Declaration may be accomplished by a

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vote of 67% in voting interest of the Unit Owners, except that certain amendments will require the approval of the holders of first Mortgages on Units.

B. Bylaws.

The operation and administration of the Condominium and Association is governed by the Bylaws, a copy of which is attached as Exhibit 2. The Bylaws provide for the creation of the Executive Board, which directs the affairs of the Condominium, administers policies outlined in the Bylaws, and generally oversees the upkeep and administration of the Condominium. The Bylaws cover such matters and the composition of the Executive Board, requirements for meetings, voting, the manner in which the Condominium budget should be prepared and approved, the determination and handling of assessments, including special assessments, and the filing of assessment liens.

C. Rules and Regulations.

The Declaration and Bylaws provide that the Executive Board may promulgate rules and regulations governing the details of the use and operation of the Condominium. A copy of the Restrictive Covenants enacted as of the effective date of this Public Offering Statement is attached hereto as Exhibit 3.

D. Amendments to Declaration.

Condominium Declaration amended by First Amendment to Declaration of Trailside at Shawnee Peak Condominium dated December 11, 2000 and recorded in the Cumberland County Registry of Deeds in Book 15896, Page 324, a copy of which is attached hereto as Exhibit 4. Declarant intends to file a Second Amendment to Declaration of Trailside at Shawnee Peak Condominium substantially in the form attached hereto as Exhibit 5.

VI. LIENS, DEFECTS, ENCUMBRANCES AND RESTRICTIONS ON USE.

A Unit Owner's use and enjoyment is restricted by the Declaration, Bylaws, and Rules and Regulations. These restrictions, which will apply to all Units of the Condominium, relate to such matters as required use of the Units for single-family residential purposes, prohibition of subdivision of Units, restrictions upon leasing, conditions and restrictions for constructions, maintenance and repair of buildings and related structures.

The following are liens, defects, encumbrances and matters of title which affect the right, title or interest of the Declarant in the Condominium, as of the date of this Public Offering Statement:

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The Condominium will be subject to the normal utility easements for electric, cable television, and telephone lines. In addition, the Condominium will be subject to certain easements created by the Declaration and/or by the Act. These easements include:

(1) Easement for encroachments. By virtue of this easement, Unit Owners and the Association are protected in the event that a Unit or Common Element encroaches upon another Unit or Common Element.

(2) Easement for construction. The Declarant has an easement across the Common Elements to construct improvements on the Property, to grant utility easements and to correct drainage.

(3) Easement to facilitate sales. The Declarant may use any unsold Units in the Condominium as models or as sales offices and may place advertising signs and sales offices anywhere within the Condominium.

(4) Easement for ingress and egress. Each Unit Owner has a right to access for the Common Elements, subject to rules, regulations and restrictions established by the Association.

(5) Easement for access to Units. Authorized representatives of the Association, including the Declarant and the managing agent, may enter any Unit to the extent necessary to correct conditions threatening other Units or the Common Elements, to make repairs to Common Elements which are accessible only from the Unit, or to correct conditions which constitute violations of the Declaration, Bylaws or Rules and Regulations. Notice must be given to the Unit Owner prior to entry except in emergencies when a Unit may be entered without notice. In the event of violation of the Declaration, Bylaws, or Rules and Regulations, the violation may be corrected without the consent of the Unit Owner, and the Unit Owner may be charged with the resulting expense.

(6) Mortgage. The Condominium Property may be subject to a mortgage for construction financing. However, at the time of the conveyance of a Unit to a purchaser or shortly thereafter the Declarant will have that Unit released of record from every Mortgage except the lien of the Unit purchaser's Mortgage, if any, and the encumbrance of the Condominium Documents of record, general real estate taxes for the current year then due, and easements and restrictions and covenants of record. The Declarant will have such Unit promptly released of record from any mechanics' or materialmen's liens affecting the Unit that are perfected of record.

There are no restrictions imposed by the Declaration or the Bylaws upon the resale of a Unit by its owner and no Association right of first refusal exists with respect to such a resale. No prior consent is required from the Association before a Unit may be sold but all Unit Owners must comply with any resale requirements established in the Act.

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Section 1604-108 of the Act sets forth certain disclosure requirements which must be met by the Owner selling his Unit and by the Association

The Declaration, Bylaws, Restrictive Covenants, and Amendments to Declaration attached to this Public Offering Statement as Exhibits 1, 2 , 3, 4, and 5 should be carefully reviewed by each prospective Purchaser of a Unit.

VII. OPERATION OF CONDOMINIUM.

A. Association.

The Act provides for the self-governing of the Condominium by the Association of Unit Owners. All of the Unit Owners collectively constitute the Association. Membership in the Association is an incident of ownership of a Unit. Therefore, every Unit Owner is automatically a member of the Association and remains a member until his ownership of a Unit ceases. The Association is organized as a non-profit corporation under Maine law. A Unit Owner is entitled to cast the vote allocated to his Unit.

The Bylaws provide that the powers and responsibilities of the Association are delegated to the Condominium's Executive Board, some of which in turn may be delegated to a managing agent. Basically, the Executive Board has the powers and responsibilities in administering the Condominium to, among other things: (a) prepare the annual budget; (b) make and collect assessments against the Unit Owner for Common Expenses; (c) provide for the upkeep, maintenance and care of Common Elements; (d) designate, hire and dismiss the personnel necessary for the maintenance of the Condominium; (e) make rules and regulations concerning the use of the Condominium; (f) establish a bank account on behalf of the Association; (g) make alterations to the Condominium; (h) enforce by legal means the provisions of the Condominium Documents; (i) obtain necessary insurance; and (j) pay the cost of services rendered to the Condominium; (k) keep the books of account of the Condominium.

The Declaration authorizes the Declarant to appoint and remove all three (3) members of the Executive Board and all officers of the Association until the date of the conveyance of the last Unit by the Declarant, at which time the Unit Owners shall elect the Executive Board. The Declarant at its option can relinquish this authority at any time, but still retain the right to veto specified actions by the Association. The Association has the right to elect Boards with a membership of between three and seven members.

B. Management of the Condominium.

The Bylaws provide that the Executive Board may employ a professional managing agent for the Condominium at a level of compensation fixed by the Executive Board. The Executive Board cannot delegate to the managing agent the adoption of the annual budget or the assessment of any common expenses, the adoption, repeal or amendment of rules and regulations of the Association, the designation of signatories on Association bank accounts, borrowing money on behalf of the Association, the

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acquisition and mortgaging of Units, or the designation of Common Elements as Limited Common elements. As of the date of this Public Offering Statement, the Declarant has not entered into a managing agreement.

Unit Owners will be personally liable for all lawful assessments levied against their Units. In addition, Common Expenses assessed against the Unit Owner will give rise to a lien on the Unit, which lien, if unsatisfied, may be enforced by foreclosure or other legal remedies. The Common Expense Liability allocated to each Unit is set forth in the Declaration; the amount of the estimated monthly assessment (condominium fee) for Condominium expenses for each Unit is set forth in the Budget attached as Exhibit 4. The condominium fee is based on the Common Expense Liability of the Unit multiplied by the Budget for Common Expenses.

Although normal Common Expenses are apportioned among all Unit Owners, certain Common Expenses will be payable in their entirety by individual Unit Owners or by fewer than all of the Unit Owners who will share that Common Expense between themselves. The costs of maintenance, repair or replacement of Limited Common Elements or expenses benefiting fewer than all of the Units may be assessed as Limited Common Expenses against the Unit Owners benefited. A Limited Common Expense assessed against the Unit Owner will also give rise to a lien which may be enforced by foreclosure or other legal remedies.

VIII. PROJECTED ASSOCIATION BUDGET AND BUDGET RELATED MATTERS.

The Association was established and organized by the Declarant before the recording of the first deed to a Purchaser of a Unit. A projected budget for the Association (the "Budget") for 2001 has been prepared by the Declarant, a copy of which is included as Exhibit 6.

The amount of the semi-annual assessment per Unit is set forth in the Interim Budget. The Interim Budget amounts are based on the figures shown in the Pro Forma Budget. The Pro Forma Budget is similar to the budget which may be adopted by the Association after the period of Declarant Control.

Since the first assessment may not occur immediately, the Budget is subject to change. Because the Condominium is new there is a relatively short history of operating expenses and therefore it is impossible to project with assurance such future costs. However, the Budget has been prepared based on what the Declarant believes to be the best current estimates of future costs based on information currently available related to projected operation and maintenance of the Property.

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IX. PURCHASE OF A UNIT.

All deposits made in connection with the purchase of a Unit will be placed in escrow by the Declarant with the Escrow Agent and held in the State of Maine by the Escrow Agent in an account designated solely for that purpose with an institution whose accounts are insured by a governmental agency or instrumentality in accordance with Section 1604-109 of the Act until (1) delivered to the Declarant at Closing under the Agreement of Sale; (2) delivered to the Declarant because of the purchaser's default under the Agreement of Sale; or (3) returned to the purchaser if the purchaser cancels the contract pursuant to Section 1604-107 of the Act. The name and address of the Escrow Agent shall be named in the Agreement of Sale and shall either be a licensed real estate broker or the Declarant. If the latter, Declarant shall hold the deposit in the State of Maine in an account with an institution where deposits are insured by a government agency. The Agreement of Sale sets forth the terms and conditions by which the prospective purchaser can acquire the Unit from the Declarant. The purchaser is advised to read carefully the Agreement of Sale. At the Closing, the Declarant will convey the Unit to the purchaser.

Prices for each Unit are established by the Declarant and may be subject to change at any time at the Declarant's discretion prior to the execution of an Agreement of Sale for the Unit. Different purchasers may pay different prices for similar Units at the sole discretion of the Declarant.

X. INITIAL OR SPECIAL FEES; CHARGES FOR USE OF COMMON ELEMENTS.

There will be no initial or special fee due to the Declarant from the purchaser of a Unit at Closing except for the payment of closing adjustments and the proration of real estate taxes attributable to the Units. There are no current fees or charges and the Declarant does not expect any fee or charges to be paid by Unit Owners for the use of the Common Elements and other facilities related to the Condominium, other than the payment of the Common Expenses and Limited Common Expenses as described in the Declaration. The Executive Board shall have the right, subject to the limitations provided in the Condominium Documents, to assess against Unit Owners fees or charges for the use of Common elements and other facilities related to the Condominium.

XI. FINANCING FOR UNIT PURCHASERS.

The Declarant does not offer any financing plans to prospective purchasers of Units at Trailside at Shawnee Peak Condominium, nor has the Declarant arranged for any financing to be offered to purchasers. A prospective purchaser of a Unit will be required to arrange for his own financing. Declarant may attempt to arrange for financing through a local bank.

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XII. LITIGATION INVOLVING THE CONDOMINIUM OR THE CONDOMINIUM ASSOCIATION.

As of the effective date of this Public Offering Statement, there are no judgments against the Association nor is the Association a party to any pending litigation. The Declarant has no actual knowledge of any currently pending litigation material to the Condominium.

XIII. CONDOMINIUM INSURANCE.

Under the Declaration, the Executive Board is required to maintain comprehensive general public liability and property damage insurance covering liability for all occurrences commonly insured against for death, bodily injury or property damage arising out of, or incident to, the operation, maintenance, ownership or use of the Common Elements, public ways and other areas under the Association's supervision and/or relating to any legal liability resulting from suits or actions relating to employment contracts to which the Association is a party. This insurance shall be in such limits as the Association may from time to time determine. The premiums for all insurance coverage obtained and maintained by the Association will generally be a Common Expense of the Condominium paid for by the Unit Owners as part of their assessments.

In general, the insurance coverage provided by the Association does not insure the buildings or other structures within the boundaries of each Unit, nor the appliances or personal property of a Unit Owner and does not insure Unit Owners against liability arising from an accident or injury occurring within a Unit or from the Unit Owner's own negligence.

The Declarant recommends that each purchaser seek the advice of a competent insurance agent or broker of the purchaser's own choice and secure, in the purchaser's own name, a homeowner's insurance policy covering the purchaser's Unit and its contents in an amount sufficient to cover replacement in the event of loss and providing personal liability coverage.

XIV. ZONING AND LAND USE REQUIREMENTS.

The Property originally submitted to the Maine Condominium Act under the Declaration has received subdivision approval from the Town of Bridgton Planning Board and has obtained all federal, state and local permits necessary to construct the Condominium and to offer Units for sale in the project as approved by the Planning Board.

XV. AMENDMENTS.

This Public Offering Statement is subject to change without notice in order to reflect changes in the information and materials set forth or otherwise required by the Act.

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XVI. INFORMATION OR DATA NOT SET FORTH IN THIS PUBLIC OFFERING STATEMENT MUST NOT BE RELIED UPON.

INFORMATION OR DATA NOT SET FORTH IN THIS PUBLIC OFFERING STATEMENT MUST NOT BE RELIED UPON. NO PERSON HAS BEEN AUTHORIZED IN WRITING BY THE DECLARANT TO MAKE ANY STATEMENT, REPRESENTATION OR WARRANTY NOT SPECIFICALLY CONTAINED HEREIN. THIS PUBLIC OFFERING STATEMENT MAY NOT BE CHANGED OR MODIFIED ORALLY OR BY ANY ONE OTHER THAN THE DECLARANT OR PERSONS SPECIFICALLY AUTHORIZED IN WRITING BY THE DECLARANT. THIS PUBLIC OFFERING STATEMENT MAY NOT BE USED TO CONSTRUE, ALTER, AMEND OR MODIFY THE CONDOMINIUM DOCUMENTS.

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DECLARATION OF CONDOMINIUM

THIS DECLARATION is made this 20th day of July, 2000 by MOUNTAIN ROAD DEVELOPMENT, LLC., a Maine limited liability company with a principal place of business at Bridgton, Cumberland County, Maine (the "Declarant"), as the owner in fee simple of the Real Estate hereinafter described.

ARTICLE 1
SUBMISSION

Section 1. 1. Property. Declarant, the owner in fee simple of certain land and improvements located off Mountain Road, in the Town of Bridgton, County of Cumberland and State of Maine; being more particularly described in Exhibit A attached hereto and made a part hereof (the "Property") hereby submits the Property to the provisions of Chapter 31 of Title 33 of the Maine Revised Statutes Annotated, as the same may be amended from time to time, known as the Maine Condominium Act (the "Act"). The Condominium shall consist of twenty-three (23) Units, each being a lot of land as shown on the Condominium Plat and Standard Boundary Survey, Trailside – A Condominium, Made for Mountain Road Development, LLC, compiled by Main-land Development Consultants, Inc., dated May 30, 2000 (the "Plat") the Common Elements are also shown on the Condominium Plat, a reduced photocopy of which is attached hereto as Exhibit B, and which Plat has been recorded in the Cumberland County Registry of Deeds in Plan Book 200, Page 297.

Section 1.2. Condominium Encumbrances. The Property is subject to:

(a) All of the rights, conditions, easements, covenants, restrictions and reservations contained in and created by this Declaration and the ByLaws of the Association, including without limitation the Development Rights and Special Declarant's Rights hereinafter set forth in Article 15;

(b) All matters set forth on Exhibit A attached hereto or depicted or described on said Plat.

(c) The Maine Condominium Act.

Section 1.3 Name and Address of Condominium. The name and address of the Condominium is:

Trailside at Shawnee Peak Condominium
Mountain Road
Bridgton, Maine

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ARTICLE 2
DEFINITIONS

Section 2. 1. Terms Defined in the Act. Capitalized terms defined in the Act and not otherwise defined herein or on the Plat and Plan shall have the meanings specified or used in the Act.

Section 2.2. Terms Specifically Defined in this Declaration. In addition to the terms hereinabove defined, the following terms shall have the following meanings in this Declaration, the Bylaws, and the Plat:

(a) "Association" means the Unit Owners Association of the Condominium, which is known as the "Trailside at Shawnee Peak Condominium Owners Association."

(b) "Building" means any permanent structure used or occupied now or hereafter constructed on the Property.

(c) "Bylaws" means the document having that name and providing for the governance of the Association, pursuant to Section 1603-106 of the Act, as such document may be amended from time to time.

(d) "Common Elements" (or, in the singular, a "Common Element") means those parts of the Property either described in the Act as being Common Elements or described herein or on the Plat as being Common Elements. Unless otherwise expressly stated herein, references to Common Elements shall include, but not be limited to, Limited Common Elements.

(e) "Condominium" means the Condominium described in Section 1.1. above.

(f) "Condominium Documents" includes the Declaration, Plat, Bylaws, Restrictive Covenants, and Rules and Regulations.

(g) "Declarant" means Mountain Road Development, LLC, a Maine limited liability company, its successors and any person, firm or entity to which it shall have assigned its rights hereunder, in whole or in part, by an express written assignment.

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(h) "Declarant Control Period" means the entire time period which extends from the date of recording of the Declaration until the earlier of:

(i) 60 days after the date of the conveyance of the last Unit; or
(ii) The Declarant voluntarily releases all rights of control by written instrument.

(i) "Declaration" means this document, as the same may be amended from time to time.

(j) "Development Rights" means those rights which the Declarant has reserved to itself as set forth in this Declaration.

(k) "Eligible Mortgage Holder" means the holder of a recorded first mortgage on a Unit which has delivered written notice to the Association by prepaid United States mail, return receipt requested, or by delivery in hand securing a receipt therefor, which notice shall state the mortgagee's name and address, the Unit owner's name and address, and the identifying number of the Unit, and shall state that the mortgage is a recorded first mortgage.

(l) "Executive Board" means the Executive Board of the Association.

(m) "Limited Common Elements" (or, in the singular, a "Limited Common Element") means those parts of the Property either described in the Act as being Limited Common Elements or described herein or on the Plat as being Limited Common Elements.

(n) "Limited Common Expense" means Common Expenses associated with the maintenance, repair or replacement of the Limited Common Elements.

(o) "Monthly Assessment" means the Unit owner's share of the anticipated Common Expenses, allocated by Unit, for each month of the Association's fiscal year as reflected in the budget adopted by the Executive Board for such year.

(p) "Mortgagee" means the holder of any recorded first mortgage encumbering one or more of the Units.

(q) "Percentage Interest" means the undivided interest in the Common Elements appurtenant to a Unit, as set forth on Exhibit C attached hereto, as the same may be amended from time to time.

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(r) "Plat " means the Plat recorded herewith, as the same may be amended from time to time. A reduced photocopy of the Plat is attached hereto as Exhibit B.

(s) "Record" means to record in the Cumberland County Registry of Deeds.

(t) "Rules and Regulations" means such rules and regulations as are promulgated by the Executive Board from time to time with respect to the use of all or any portion of the Property.

(u) "Special Assessment" means a Unit owner's share of any assessment made by the Executive Board in addition to the Monthly Assessment.

(v) "Special Declarant Rights" means those rights which the Declarant has reserved to itself as set forth in Article 16 and elsewhere in this Declaration.

(w) "Unit" means a physical portion of the Condominium designated for separate ownership or occupancy, and shall consist of the entire lot designated for separate ownership or occupancy as shown on the Plat.

(x) "Unit Owner" means the Declarant or other person who owns Unit.

Section 2.3. Provisions of the Act. The provisions of the Act shall apply to and govern the operation and governance of the Condominium, except to the extent that contrary provisions, not prohibited by the Act, are contained in one or more of the Condominium Documents.

ARTICLE 3
DESCRIPTION OF CONDOMINIUM

The Plat shows the layout, location, Unit numbers and dimensions of the lots comprising the Units of the Condominium. Acceptance of a deed to a Unit shall constitute a waiver of minor discrepancies in the Plat, if any.

ARTICLE 4
ALLOCATION OF COMMON ELEMENTS INTERESTS AND BOUNDARIES, VOTE AND UNIT BOUNDARIES

Section 4.1. Percentage Interest. Each Unit in the Condominium is allocated a percentage of the undivided interests in the Common Elements and in the Common Expenses of the Associations. Attached as Exhibit C hereto is a list of all Units by their identifying number and Percentage Interest appurtenant to each Unit determined on the

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basis of size by calculating the proportion which the square footage of each individual Unit bears to the total square footage of all the Units and rounding the resulting percentage to the nearest one-hundredth of one percent.

Section 4.2. Vote. During the Declarant Control Period, the Declarant shall be entitled to cast all votes of the Condominium Units. Thereafter, votes shall be allocated in accordance with the respective percentage common elements interests. The votes in the Association allocated to a Unit can only be cast as a unit and cannot be split. If ownership of a Unit is in more than one person, the person who shall be entitled to cast the votes allocated to that Unit shall be as set forth in the Bylaws.

Section 4.3. Unit Boundaries. The vertical boundaries for each Unit shall be as depicted on the Plat attached hereto and consist of the boundaries shown thereon. The Units have no defined upper or lower horizontal boundaries.

Section 4.4. Maintenance. Each Unit Owner shall be responsible for the maintenance and repair of all portions of his Unit and structures or buildings thereon and all expenses associated therewith shall be paid by the individual Unit Owner and shall not be a Common Expense.

Section 4. 5. Description of Common Elements. Common Elements shall mean those portions of the Property which are not a Unit and those portions of the Property identified and designated as Common Elements in this Declaration or on the Plat.

Section 4.6. Description of Limited Common Elements. Limited Common Elements shall mean those portions of the Common Elements of the Property defined as such pursuant to the Act or identified and designated as Limited Common Elements in this Declaration or on the Plat. Those portions of the Limited Common Elements serving only the Unit adjacent to such Limited Common Elements, are Limited Common Elements allocated only to the Unit which they serve.

Section 4.7. Locations of Common and Limited Common Elements. The locations of the Limited Common Elements are shown on the Plat. Any area of the Property not shown on the Plat as a Unit or a Limited Common Element is a Common Element.

Section 4.8. Alteration of Common Elements by the Declarant. The Declarant reserves the right to modify, alter, or improve portions of the Common Elements, including, without limitation, any equipment, fixtures and appurtenances, when in the Declarant's judgment it is necessary or desirable to do so, until no later than sixty (60) days after the conveyance of the last Unit to Unit purchasers other than the Declarant.

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ARTICLE 5
EASEMENTS, RIGHTS AND RESERVATIONS

Section 5.1. Utilities, Pipes and Conduits. Each Unit Owner shall have the right in common with the other Unit Owners to use all pipes, wires, ducts, cables, conduits, public utility lines, septic system, water service and other Common Elements serving his Unit and located in another Unit or in the Common Elements or Limited Common Elements. Each Unit shall be subject to the rights in favor of another Unit Owner to use the pipes, wires, ducts, cables, conduits, public utility lines, septic system, water service and other Common Elements located in such Unit serving the other Unit. The Declarant during the Declarant Control Period, and the Association thereafter, shall have the right to grant to third parties such utility easements as shall be deemed reasonable by the Association in connection with the supply of utility services to the Units and/or the Common Elements.

Section 5.2. Ingress and Egress. Each Unit Owner shall have an easement, subject to any rules and regulations established by the Executive Board, in common with the other Unit Owners to use the entrances, exits and other Common Elements as a means of ingress to and egress from the Property, the Common Elements and the adjoining public street. The Executive Board shall not establish any rule or regulation depriving any Unit Owner of reasonable ingress to and egress from his Unit, the Property, Common Elements and Limited Common Elements, and the adjoining public street. This easement shall include the right of pedestrian passage for Unit Owners to Shawnee Peak Ski area as depicted on the Plat.

Section 5.3. Condominium Association and Executive Board Access. Declarant reserves in favor of itself, the Association, Executive Board and its officers, agents, employees, and the managing agent (if any) and every other person authorized by the Executive Board the irrevocable right and easement to have access to each Unit as may be necessary for the inspection, maintenance, repair or replacement of any of the Common Elements and Limited Common Elements therein or accessible therefrom or the marking of any addition or improvements thereto; or the making of repairs to any building, the Common Elements or the Limited Common Elements if such repairs are reasonably necessary for public safety or to prevent damage to the building, the Common Elements or the limited Common Elements; or the abating of any violation of law, orders, rules or regulations of the Association or of any governmental authority having jurisdiction thereof; or in the case of the Declarant, for the exercise of any and all Reserved Declarant Rights set forth herein. In case of any emergency, such right of entry shall be immediate whether or not the Unit Owner is present at the time. The Declarant, during the period of Declarant Control and the Association thereafter shall have the right to grant permits, licenses and easements over and through the Common Elements for utilities, and other purposes reasonably necessary or useful for the proper maintenance and operation of the Condominium.

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Section 5.4. Encroachments. In the event that a building is partially destroyed as a result of fire or other casualty, there shall exist, if and when that building is rebuilt, over portions of the Common Elements, Limited Common Elements, or upon any other Unit, such easements as are reasonably necessary in order to rebuild said damaged building.

Section 5.5. Common Element Easement in Favor of Unit Owners. All Common Elements and Limited Common Elements shall be and are hereby made subject to the following easements in favor of the Units benefited; provided that the installation, repair, maintenance, use, removal or replacement of any such item does not unreasonably interfere with the use of any part of the Common Elements:

(a) For the installation, repair, maintenance, use, removal and/or replacement of pipes, ducts, heating systems, electrical, telephone and other communication wiring and cables and all other utility lines and conduits which are a part of or serve any Unit and which pass across or through a portion of the Common Elements.

(b) For the installation, repair, maintenance, use, removal and/or replacement of lighting fixtures, electrical receptacles, panel boards and other electrical installations which are a part of or serve any Unit but which encroach into a part of any Common Elements adjacent to such Unit.

Section 5.6. Declarant's Easement for Marketing. The Declarant reserve the right with respect to its marketing of Units and exercise of Reserved Declarant Rights to use the Common Elements and Limited Common Elements for the ingress and egress of itself, its officers, employees, agents, contractors and subcontractors and for prospective purchasers of Units. The Declarant reserves the right to maintain advertising signs on the Property, which signs may be placed in any location other than on Units which have been conveyed by the Declarant.

Section 5.7. Declarant's Easement for Construction. The Declarant reserves the easement, right and privilege, without obligation, to go upon any and all of the Property for purposes of construction, reconstruction, maintenance, repair, renovation, replacement or correction of the Units (or buildings on the Units) Common Elements or Limited Common Elements. Furthermore, the Declarant reserves an easement in the Units, Common Elements and Limited Common Elements for the purpose of discharging Declarant's obligations and exercising any Special Declarant Rights reserved pursuant to this Declaration. The Declarant reserves an easement to connect with and make use of utility lines, wires, pipes, conduits located on the Property for construction purposes on the Property, provided that Declarant shall be responsible for the cost of service so used, and to use the Common Elements and Limited Common Elements for ingress and egress and construction activities and for the storage of construction materials and equipment

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used in the completion of the Units (or buildings on the Units) and Common Elements. These easements shall continue until the Declarant has conveyed to purchasers all Units in the Condominium, and has exercised or released all Special or Reserved Declarant Rights. Declarant may allow purchasers of Units to utilize these easements in connection with such a purchaser's construction of approved buildings or other improvements on a Unit.

ARTICLE 6
USE AND OCCUPANCY OF UNITS AND COMMON ELEMENTS – RESTRICTIONS THEREOF.

The occupancy and use of the Condominium shall be subject to the conditions and restrictions set forth in the Restrictive Covenants attached hereto as Exhibit D, which Restrictive Covenants may be amended or modified by the Declarant during the Declarant Control Period or thereafter by vote of Unit Owners to which one hundred percent (100%) of the votes in the Association are allocated.

Unit Owners may rent their Units subject to the terms of this Declaration, the Bylaws and the Restrictive Covenants. However, Declarant reserves the right to cause the Association to enter into an exclusive Rental Agency Agreement with the Declarant whereby the Declarant, or its designee, will be the exclusive rental agent to be used by Unit Owners wishing to rent their Units. Any such Rental Agency Agreement will exclude from its scope, however, any "Owner-Direct" rentals, *i.e.* rental by a Unit Owner of his or her Unit without utilization of a rental agent. In the event of "Owner-Direct" rentals, the renting Unit Owner shall be responsible to inform the Unit Owner's tenants that neither the Declarant, the Declarant's Rental Agent, nor Shawnee Peak Mountain shall be contacted by such tenant for assistance during the rental period.

ARTICLE 7
BUDGET, COMMON EXPENSES, ASSESSMENTS AND ENFORCEMENT

Section 7.1. Budget Ratification Vote. During the Declarant Control Period, the Declarant shall propose and implement the budget for the Condominium. Thereafter, the executive Board of the Condominium Association shall propose a budget for the Condominium, which budget shall be submitted to the Association members for ratification. At the budget ratification meeting, unless Unit Owners holding fifty-one percent (51%) of the votes in the Association reject the budget, it shall be adopted.

Section 7.2 Regular Assessments. All Common Expenses assessments made in order to meet the requirements of the Association's annual budget shall be deemed to be adopted and assessed on a semi-annual basis (rather than on an annual basis payable in semi-annual installments) and shall be due and payable semiannually in advance on the first day of October and the First day of April, the first such assessment to be made no

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later than one hundred twenty (120) days after the sale of the first Unit. The Declarant or subsequently by majority vote of the Association, may alter the due date and period of regular assessments.

Section 7.3. Other Assessments. In addition to the annual budget, or as part thereof, the Declarant during the Declarant Control Period, has full authority to propose a reserve fund of working capital, and to make special assessments. After the Declarant Control Period, any special assessment or establishment of a reserve fund shall be submitted to the members of the Association for approval. At said approval meeting the proposed assessment or fund shall be deemed approved unless the Unit Owners holding fifty-one percent (51%) of the votes in the Association reject the proposal. These funds and assessments shall be due and payable as and when the Executive Board of the Association determines.

Section 7.4 Lien. All unpaid assessments shall constitute a lien on the Unit against which such assessment is made. Payments for assessments which are more than ten (10) days late shall, at the option of the Association, accrue interest at the rate of fifteen percent (15%) per annum.

Section 7.5 Subordination of Certain Charges. Any fees, charges, late charges, fines and interest which may be levied by the Executive Board pursuant to Article 3 of the Act, shall be subordinate to the lien of a first mortgage recorded before or after the date on which the assessment sought to be enforced become delinquent.

Section 7.6. Surplus. Any surplus funds of the Association remaining after payment of, or provision for Common Expenses, including provisions for a working capital fund and/or reserve fund, shall be held by the Association and shall be credited to the Unit Owners on a pro rata basis to reduce their future Common Expense assessments.

Section 7.7 Limited Common Expenses. Limited Common Expenses are those Common expenses associated with the maintenance, repair or replacement of a Limited Common Element. Limited Common Expenses shall be assessed against the Unit or Units to which that Limited Common Element has been assigned or allocated. Any Common Expense benefiting fewer than all of the Units shall be assessed exclusively against the Units benefited as a Limited Common Expense.

Section 7.8 Separate Taxation. It is understood that real estate taxes are to be separately taxed to each Unit Owner for his unit and his corresponding percentage of ownership in the common elements, as provided in the Act. In the event that for any year such taxes are not separately taxed to each Unit Owner, but are taxes on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with this respective percentage of ownership interest in the common elements.

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Section 7.9. Separate Utilities. Each Unit Owner shall pay for his own telephone, electricity and other utilities which are separately metered or billed to each user by the respective utility company. Utilities which are not separately metered or billed shall be treated as part of the common expenses.

ARTICLE 8
RIGHTS OF MORTGAGEES, INSURERS AND GUARANTORS

Section 8. 1. Subject to Declaration. Whether or not it expressly so states, any mortgage which encumbers a Unit and any obligation secured thereby shall provide generally that the mortgage and the rights and obligations of the parties thereto shall be subject to the terms and conditions of the Act, the Declaration, the Plat and any Rules and Regulations.

Section 8.2. Rights of Eligible Mortgage Holders.

(a) The Association shall send reasonable prior written notice by prepaid United States mail to Eligible Mortgage Holders of the consideration by the Association of the following proposed actions:

(1) The termination of the Condominium pursuant to Section 1602-118 of the Act;

(2) A change in the allocated interest or the boundaries of a Unit or a subdivision of a Unit;

(3) The merger or consolidation of the Condominium with another condominium;

(4) The conveyance or subjection to a security interest of any portion of the Common Elements;

(5) The proposed use of any proceeds of hazard insurance required to be maintained by the Association under Section 1603-113(a) of the Act for purposes other than the repair or restoration of the damaged property;

(6) The adoption of any proposed budget by the Executive Board and of the date of the scheduled Unit owners meeting to consider ratification thereof (a summary of the proposed budget shall accompany notice of this proposed action); and

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(7) Any default in the performance or payment by a Unit owner of any obligation under the Declaration, including, without limitation, default in the payment of common expense liabilities.

(b) Any such notice required to be given by Section 8.2(a) above shall be deemed to have been given reasonably prior to the proposed actions set forth in Section 8.2(a) above or in Section 1602-119, subparagraph (b) of the Act, if such notice is mailed to the Eligible Mortgage Holders at the time notice of such proposed action is given to the Unit owners. An Eligible Mortgage Holder shall be deemed to have approved and consented to such proposed action if such Eligible Mortgage Holder does not respond to the Association's notice within thirty (30) days after the mailing of such notice or before such proposed action is taken, whichever is earlier.

(c) In the event of any proposed actions described in subsection (a), paragraphs (1), (2), (3), (4), or (5) hereinabove, an Eligible Mortgage Holder shall have the right but not the obligation in place of the Unit owner to cast the votes allocated to that Unit or give or withhold any consent required of the Unit owner for such action by delivering written notice to the Association with a copy to the Unit owner prior to or at the time of the taking of the proposed action, which notice shall be sent by prepaid United States mail, return receipt requested, or by delivery in hand. Failure of the Eligible Mortgage Holder to so exercise such rights shall constitute a waiver thereof and shall not preclude the Unit owner from exercising such right. In the event of any default described in subsection (a), paragraph (7), the Eligible Mortgage Holder shall have the right but not the obligation to cure such default.

(d) In addition, an Eligible Mortgage Holder or its representative shall have the right to attend Association and Executive Board meetings for the purposes of discussing the matters described in subsection (a), paragraphs (1) through (6) above.

Section 8.3. Rights of Mortgage Holders, Insurers or Guarantors.

(a) The Association shall send timely prior written notice by prepaid United States mail to holders, insurers and guarantors of the Mortgage on any Unit of the following matters:

(1) Any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing the Mortgage.

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(2) Any sixty (60)-day delinquency in the payment of Monthly Assessments or other charges owed by the owner of any Unit on which it holds the Mortgage.

(3) A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

(4) Any proposed action that requires the consent of at least fifty-one percent (5 1 %) of the Eligible Mortgage Holders.

(b) To receive such notice, the mortgage holder, insurer or guarantor shall send a written request therefor to the Association, stating its name and address and the Unit number or address of the Unit on which it holds, insures or guarantees the Mortgage.

Section 8.4. Liability for Use and Charges. Any Mortgagee who obtains title to a Unit pursuant to the remedies provided in a mortgage, foreclosure of such mortgage or a deed in lieu of foreclosure, shall not be liable for such Unit owner's unpaid assessments or charges which accrue prior to the acquisition of title to such Unit by the Mortgagee, except to the extent otherwise provided for in the Act and except to the extent that such Mortgagee is liable as a Unit owner for the payment of such unpaid assessment or charge that is assessed against the Mortgagee as a result of all Unit owners being reassessed for the aggregate amount of such deficiency.

Section 8.5. Condemnation Rights. No provision of this Declaration shall give a Unit owner, or any other party, priority over any rights of the Mortgagee of a Unit pursuant to its mortgage in the case of a distribution to such Unit owner of insurance proceeds or condemnation awards for loss to or a taking of one or more Units and/or Common Elements.

Section 8.6. Books and Records. Any Mortgagee shall have the right, exercisable by written notice to the Executive Board, to examine the books and records of the Association and to require that it be provided with a copy of each annual report of the Association and other financial data of the Association reasonably requested by such Mortgagee.

ARTICLE 9
INSURANCE

Section 9. 1. Liability Insurance. The Association shall maintain as a Common Expense and to the extent reasonably available comprehensive general public liability insurance and property damage insurance in such limits as the Association may from time to time determine, insuring each Executive Board Member, and managing agent, each

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Unit Owner and Declarant against any liability to the public or to the Unit Owners (and their invitees, agents and employees) covering all occurrences commonly insured against for death, bodily injury or property damage arising out of, or incident to, the operation, maintenance, ownership or use of the Common Elements (including, but not limited to, the Retention Pond depicted on the Plat), public ways and other areas under the Association's supervision and/or relating to any legal liability resulting from suits or actions related to employment contracts to which the Association is a party. Such insurance shall be issued on a comprehensive liability basis and shall contain (i) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to his action against another named insured; (ii) hired and non-owned vehicle coverage; and (iii) a "severability of interest" endorsement which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts of the Association or of another Unit Owner. The Executive Board shall review such limits once each year.

Section 9.2. Other Insurance. The Association may obtain and maintain as a Common Expense:

(a) To the extent available, "directors' and officers'" liability insurance to satisfy indemnification obligations of the Association;

(b) Endorsements for coverage required by any eligible mortgage holder, including without limitation the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation;

(c) Flood insurance in accordance with the then applicable regulations of such agency;

(d) Workmen's compensation insurance if and to the extent necessary to meet the requirements of law; and

(e) such other insurance as the Association may determine or as may be requested from time to time by the Unit Owners.

Section 9.3. Memoranda, Cancellation, Additional Required Provisions. All insurers that shall issue an insurance policy or policies under this Article shall issue certificates or memoranda of insurance to the Association, and, upon request, to any Unit Owner or Mortgagee. All such insurers issuing the policy may not cancel (including cancellation for non-payment of premium), substantially modify or refuse to renew such policy or policies until twenty (20) days after notice of the proposed cancellation or non-renewal has been mailed to the Executive Board, the managing agent, and each Mortgagee to whom a certificate or memorandum of insurance has been issued at their respective last addition contain the following provisions:

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(a) The insurer waives any right to claim by way of subrogation against the Declarant, the Association, the Executive Board, the managing agent or the Unit Owners, and their respective agents, employees, guests and, in the case of the Unit Owners, the members of their households

(b) The Declarant, so long as the Declarant shall own any Unit, shall be protected by all such policies as a Unit Owner.

Section 9.4. Separate Insurance. Each Unit Owner shall be required, at his own expense, to obtain casualty insurance for his own Unit , including any buildings or other improvements thereon, (and the Limited Common Elements appertaining thereto) and for his own benefit for the full replacement value thereof and to obtain insurance coverage upon his personal property and for his individual liability as well as upon any improvements made by him to his Unit under coverage normally called "improvements and betterments coverage". All such policies shall contain waivers of subrogation, and the terms and amounts of coverage shall be subject to appraisal by the Executive Board. Each Unit Owner shall be required to provide evidence of such insurance (by way of a Certificate of Insurance) to the Association.

ARTICLE 10
LIMITATION OF LIABILITY

Section 10.1. Limited Liability of the Executive Board. The Executive Board, and its members in their capacity as members, officers and employees:

(a) Shall not be liable for the failure of any service to be obtained by the Executive Board and paid for by the Association, or for injury or damage to persons or property caused by the elements or by another Unit owner or person on the Property, or resulting from electricity, gas, water, rain, dust or sand which may leak or flow from the outside or from any part of the Property, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or the Executive Board;

(b) Shall not be liable to the Unit owners as a result of the performance of the Executive Board members' duties for any mistakes of judgment, negligence or otherwise, except for the Executive Board members' own willful misconduct or gross negligence;

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(c) Shall have no personal liability in contract to a Unit owner or any other person or entity under any agreement, check, contract, deed, lease, mortgage, instrument or transaction entered into by them on behalf of the Executive Board or the Association in the performance of the Executive Board members' duties;

(d) Shall not be liable to a Unit owner, or such Unit owner's tenants, agents, or invitees, for loss or damage caused by theft of or damage to personal property left by such Unit owner or his tenants, employees, agents, customers, clients, patients or invitees in a Unit, or in or on the Common Elements or Limited Common Elements, except for the Executive Board members' own willful misconduct or gross negligence;

(e) Shall have no personal liability in tort to a Unit owner or any other person or entity, direct or imputed, by virtue of acts performed by or for them, except for the Executive Board members' own willful misconduct or gross negligence in the performance of their duties; and

(f) Shall have no personal liability arising out of the use or misuse of the Property, or which might in any other way be assessed against or imputed to the Executive Board members as a result of or by virtue of their performance of their duties, except for the Executive Board members' own willful misconduct or gross negligence.

Section 10.2. Indemnification. Each member of the Executive Board in his capacity as an Executive Board member, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being or having been a member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not he is an Executive Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Executive Board member and/or officer is adjudged guilty of willful misconduct or gross negligence in the performance of his duties or any other standard imposed by the Act; provided that in the event of a settlement, this indemnification shall apply only if and when the Executive Board (with the affected member abstaining if he is then an Executive Board member) approves such settlement and reimbursement as being in the best interests of the Association. The indemnification by the Unit owners set forth in this Section 10 shall be paid by the Association on behalf of the Unit owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Executive Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit owners or otherwise.

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Section 10.3. Joint and Several Liability of Unit Owners and Associations. Each Unit owner shall be jointly and severally liable with any tenants of the Unit owned by such Unit owner for all liabilities arising out of the ownership, occupancy, use, misuses or condition of such Unit or any portion of the Common Elements or Limited Common Elements.

Section 10.4. Defense of Claims. Complaints brought against the Association, the Executive Board or the officers, employees or agents thereof in their respective capacities as such, or the Condominium as a whole, shall be directed to the Executive Board of the Association, which shall promptly give written notice thereof to the Unit owners and any Eligible Mortgage Holders and such complaints shall be defended by the Association. The Unit owners and the Eligible Mortgage Holders shall have no right to participate other than through the Association in such defense. Complaints of a nature specified in Section 10.3. hereof against one or more but less than all Unit owners shall be defended by such Unit owners who are defendants themselves and such Unit owners shall promptly give written notice of the institution of any such suit to the Association and to the holders of any mortgages encumbering such Units.

Section 10.5. Storage; Disclaimer of Bailee Liability. Neither the Executive Board, nor the Association, nor any Unit owner, nor the Declarant shall be considered a bailee of any personal property stored on the Common Elements (including the Limited Common Elements), whether or not exclusive possession of the particular area is given to a Unit owner for storage purposes, and shall not be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence, except to the extent covered by insurance in excess of any applicable deductible.

ARTICLE 11
UNITS SUBJECT TO CONDOMINIUM DOCUMENTS; EMINENT DOMAIN

Section 11.1. Applicability of Condominium Documents. Each present and future owner, tenant, occupant and Mortgagee of a Unit shall be subject to and shall comply with the provisions of the Act, and with the covenants, conditions and restrictions as set forth in the Condominium Documents and the deed to such Unit; provided, however, that nothing contained herein shall impose upon any tenant or Mortgagee of a Unit any obligation which the Act or one or more of such documents, or both, make applicable only to Unit owners (including, without limitation, the obligation to pay assessments for Common Expenses). The acceptance of a deed or mortgage to any Unit, or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of the Act and the covenants, conditions and restrictions set forth in the Condominium Documents and the deed to such Unit are accepted and ratified by such grantee, Mortgagee or tenant. All of such provisions shall be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as

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though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof. The Association and any aggrieved Unit owner shall have a right of action against Unit owners who fail to comply with the provisions of the Condominium Documents or with decisions made by the Association or the Executive Board, and any aggrieved Unit owner shall have a right of action against the Association for any failure by the Association so to comply.

Section 11.2. Eminent Domain. Whenever all or part of the Common Elements shall be taken, injured or destroyed by eminent domain, each Unit owner shall be entitled to notice thereof and to participate in the proceedings incident thereto; provided, however, that the Association shall officially represent the Unit owners in such proceedings. In any proceedings for the determination of damages, such damages shall be determined for such taking, injury or destruction as a whole and not for each Unit owner's interest therein and any award for such damage shall be payable to the Association for the benefit of the Unit owners and of the Mortgagees of the Units.

ARTICLE 12
SPECIAL OR RESERVED DECLARANT RIGHTS

Section 12.1. Declarant reserves the easement and rights for marketing as set forth above.

Section 12.2. Declarant reserves the easement and rights for construction as set forth above.

Section 12.3. Declarant reserves the right to change the size, layout, and location of any Unit, as well as any Limited Elements during the Declarant Control Period.

Section 12.4. Declarant reserves the right to grant further easements to effectuate its construction and marketing activities, together with the right to make use and connect to any utility lines, wires, pipes, and conduits located on the Condominium.

Section 12.5. Declarant reserves the right to appoint and remove Officers of the Association members of the Executive Board during the Declarant Control Period.

Section 12.6. Declarant reserves the right to remove Units from the Condominium during the Declarant Control Period.

Section 12.7. Declarant reserves the right to add additional land and/or Units to the Condominium and to convert Common Area land to be and to remain additional Units or to remove Common Area from the Condominium at its sole discretion during the Declarant Control Period. These future possible additions or conversions need not be built or developed at the sole discretion of the Declarant.

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Section 12.8. Declarant reserves the right to assign its rights hereunder.

Section 12.9. Any conveyance of any portion of the Common Area either by direct transfer or after conversion to a Unit, must be in compliance with the subdivision regulations and other ordinances of the Town of Bridgton.

Any purchaser of a Unit may request and rely upon a statement from the Declarant waiving any or all these Declarant rights which statement shall be conclusively binding on all parties, and their successors in interest, but the Declarant is under no obligation to issue such a statement.

ARTICLE 13
DISPUTES AND VIOLATIONS

Section 13. 1. Disputes. The Association and any aggrieved Unit owner shall have an appropriate right of action, together with any and all appropriate remedies under the Act, in law or equity, against any of the Unit owners or the Association for failure to comply with any provision of any Condominium Document or with any decision of the Association made pursuant thereto. The Executive Board shall have the authority to seek a declaratory judgment or other appropriate judicial relief in order to assist it in carrying out its responsibilities under this Section 13.1.

Section 13.2. Abating and Enjoining Violations by Unit Owners. The violation of any Rules and Regulations adopted by the Executive Board, the breach of any provision contained in the Bylaws or the breach of any provision of this Declaration (including but not limited to the Restrictive Covenants set forth in Exhibit D) or the Act by any Mortgagee, Unit owner, or any tenant of such Unit owner, shall give the Executive Board the right, in addition to any other rights to which it may be entitled, to enjoin, abate or remedy by appropriate legal proceedings, either by law or in equity, the continuance of any such breach.

ARTICLE 14
MANAGEMENT

The Association shall have the right to employ a professional experienced managing agent who shall oversee the daily operation of the Condominium in accordance with the provisions of the Act and the Condominium Documents.

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ARTICLE 15
AMENDMENT OF DECLARATION

This Declaration may be amended or terminated only in accordance with the procedures specified in the Maine Condominium Act (§1602-117 and §1602-118) and this Declaration. The Condominium may not be terminated except by agreement of Unit Owners representing one hundred percent (100%) of the votes in the Association. This Declaration may not be amended except by vote or agreement of Unit Owners or Units to which sixty-seven percent (67%) of the votes in the Association are allocated. No such amendment shall be of legal effect until a copy of the amendment, executed and certified by an Officer of the Association designated for that purpose, has been recorded in the Cumberland County Registry of Deeds.

ARTICLE 16
ASSIGNABILITY OF DECLARANT'S RIGHTS

The Declarant may assign any or all of its rights or privileges reserved or established by this Declaration or the Act in accordance with the provisions of the Act.

ARTICLE 17
GENERAL PROVISIONS

Section 17. 1. Headings. The headings used in this Declaration are inserted solely as a matter of convenience for the readers of this Declaration and shall not be relied upon or used in construing the effect or meaning of any of the provisions of this Declaration.

Section 17.2. Severability. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof unless such deletions shall destroy the uniform plan of development and operation of the condominium project which this Declaration is intended to create.

Section 17.3. Applicable Law. This Declaration shall be governed and construed according to the law of the State of Maine.

Section 17.4. Interpretation. The provisions of this Declaration shall be liberally construed to effect Declarant's desire to create a uniform plan for development and operation of the Condominium.

Section 17.5. Effective Date. This Declaration shall become effective when it and the Plat has been recorded.

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Section 17.6. Notices. All notices and other communications required or permitted to be given under or in connection with this Declaration shall be in writing and shall be deemed given when delivered in person or on the second business day after the day on which mailed by certified mail, return receipt requested, addressed to the address maintained in the register of current addresses established by the Association.

Section 17.7. Exhibits. All exhibits attached to this Declaration are hereby made a part of this Declaration.

IN WITNESS WHEREOF, MOUNTAIN ROAD DEVELOPMENT, LLC, a Maine limited liability company, has caused this Declaration to be duly executed by Chester E. Homer, III, its Manager, thereunto duly authorized as of the day and year first above written.

MOUNTAIN ROAD
DEVELOPMENT, LLC

Witness

BY: Chester E. Homer, III
ITS: Manager

STATE OF MAINE
YORK, ss.

July 20, 2000

Personally appeared the above-named Chester E. Homer, III in his said capacity and acknowledged the foregoing instrument to be his free act and deed and the free act and deed of Mountain Road Development, LLC. Before me,

Notary Public / ~~Attorney-at-Law~~

ls/c:\my documents\corp\homer, chet\mtroad declaration.doc

Lisa D. Shillington
Notary Public Maine
My Commission Expires July 25, 2002

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EXHIBIT A

A certain lot or parcel of land situated in the Town of Bridgton, County of Cumberland, State of Maine being more particularly bounded and described as follows:

Beginning at a 5/8 inch rebar to be set on the apparent westerly right-of-way limit of Mountain Road, so-called; said rebar marking the most southerly corner of the herein described parcel of land; said rebar being located South 67 degrees-17 minutes East, a distance of one hundred ninety-seven and one tenth (197.1) feet, more or less from the most southerly corner of the base lodge at the foot of Mohawk Trail, so-called, at Shawnee Peak Ski Area;

Thence, from the point of beginning North 07 degrees-23 minutes-53 seconds East, along the apparent westerly right-of-way limit of said Mountain Road, a distance of two hundred seventy-two and fifty hundredths (272.50) feet to a 5/8 inch rebar to be set at or near the center of a stonewall;

Thence, North 00 degrees-37 minutes-48 seconds East, along said Mountain Road right-of-way, a distance of one hundred sixty-one and sixty-eight hundredths (161.68) feet to a 5/8 inch rebar to be set at or near the center of a stonewall;

Thence, North 02 degrees-57 minutes-54 seconds West, along said Mountain Road right-of-way, a distance of one hundred thirty-two and sixty-eight hundredths (132.68) feet to a 5/8 inch rebar capped, "PLS 1229" found;

Thence, North 84 degrees-32 minutes-01 second West, along land now or formerly of J.B. Investors, Inc., a distance of two hundred and one hundredth (200.01) feet to a 5/8 inch rebar found;

Thence, North 02 degrees-44 minutes-46 seconds West, along land now or formerly of J.B. Investors, Inc., a distance of one hundred ninety-nine and eighty-three hundredths (199.83) feet to a 5/8 inch rebar found;

Thence, North 84 degrees-34 minutes-06 seconds West, along land now or formerly of Paul G. and Patricia Boisvert, a distance of four hundred forty-six and fifty-nine hundredths (446.59) feet to a ¾ inch iron pipe found;

Thence, North 19 degrees-11 minutes-32 seconds West, along land now or formerly of Paul G. and Patricia Boisvert, a distance of one hundred twenty-seven and eighty-two hundredths (127.82) feet to a 7/8 inch iron pipe found set in stones;

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Thence, North 19 degrees-00 minutes-57 seconds West, along land now or formerly of Michael and Virginia Sannella, a distance of one hundred twenty-seven and ninety-seven hundredths (127.97) feet to a 7/8 inch iron pipe found;

Thence, North 19 degrees-07 minutes-00 seconds West, along land now or formerly of the Dromeshauser Real Estate Trust, a distance of one hundred twenty-seven and sixty hundredths (127.60) feet to a 7/8 inch pin found;

Thence, North 19 degrees-14 minutes-09 seconds West, along land now or formerly of Robert J. Santoro Jr., a distance of one hundred twenty-eight and five hundredths (128.05) feet to a 7/8 inch iron pin found;

Thence, North 18 degrees-58 minutes-46 seconds West, along land now or formerly of R. Lloyd and Karen Bartlett, a distance of one hundred twenty-seven and eighty-seven hundredths (127.87) feet to a 7/8 inch iron pin found;

Thence, North 19 degrees-12 minutes-57 seconds West, along land now or formerly of Robert F. Flaherty and Maureen E. O'Neil, a distance of one hundred twenty-seven and fifty hundredths (127.50) feet to a 7/8 inch iron pin found;

Thence, North 19 degrees-15 minutes-08 seconds West, along land now or formerly of James C. and June D. Hegarty, a distance of one hundred thirty-nine and seventy-nine hundredths (139.79) feet to a 7/8 inch iron pin found;

Thence, South 73 degrees-42 minutes-42 seconds West, along land of Shawnee Peak Holdings, Inc., a distance of one hundred fifty and fifty-one hundredths (150.51) feet to a 5/8 inch rebar to be set;

Thence, South 08 degrees-18 minutes-22 seconds East, along land now or formerly of Shawnee Peak Holdings, Inc., a distance of one thousand, one hundred forty-eight and sixty-nine hundredths (1148.69) feet to a 5/8 inch rebar to be set;

Thence, South 50 degrees-55 minutes-14 seconds East, along land now or formerly of Shawnee Peak Holdings, Inc., a distance of two hundred thirty-five and no hundredths (235.00) feet to a 5/8 inch rebar to be set;

Thence, South 63 degrees-01 minute-10 seconds East, along land now or formerly of Shawnee Peak Holdings, Inc., a distance of three hundred eleven and fifty-eight hundredths (311.58) feet to a 5/8 inch rebar to be set;

Thence, South 76 degrees-31 minutes-16 seconds East, along land now or formerly of Shawnee Peak Holdings, Inc., a distance of one hundred forty and eight hundredths

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(140.08) feet to a 5/8 inch rebar to be set;

Thence, South 82 degrees-15 minutes-14 seconds East, along land now or formerly of Shawnee Peak Holdings, Inc., a distance of one hundred thirty-four and seventy-eight hundredths (134.78) feet to a 5/8 inch rebar to be set;

Thence, South 46 degrees-08 minutes-38 seconds East, along land now or formerly of Shawnee Peak Holdings, Inc., a distance of two hundred thirty-four and seventy-one hundredths (234.71) feet to a 5/8 inch rebar to be set, and the point of beginning.

The herein described parcel of land contains 15.84 acres, more or less.

All bearings are referenced to Magnetic North 1998.

All 5/8 inch rebars to be set are capped, "PLS 1284".

Meaning and intending to describe a parcel of land labeled as, "Condominium Area", on a plan entitled, "Condominium Plat and Standard Boundary Survey Trailside-A Condominium", dated May 30, 2000, compiled by Main-Land Development Consultants, Inc. of Livermore Falls, Maine and recorded in the Cumberland County Registry of Deeds in Plan Book 200, Page 297.

Being a portion of Parcel 12 in Deed from Mt. Pleasant Realty Company to Shawnee Peak Holdings, Inc. dated September 12, 1994 and recorded in the Cumberland County Registry of Deeds in Book 11625, Page 308.

EXCEPTING AND RESERVING to Shawnee Peak Holdings, Inc., its successors and assigns, the non-exclusive right, in common with Mountain Road Development, LLC, its successors and assigns, to use the retention Pond shown on the aforementioned Plat for purposes of ice skating.

The hereinabove described and conveyed premises are hereby conveyed subject to all of the terms and conditions contained in the State of Maine Department of Environmental Site Location of Development Order, Project Number L-000483-87-A-A dated February 24, 2000 and duly recorded in the Cumberland County Registry of Deeds.

The hereinabove described and conveyed premises are hereby conveyed together with the non-exclusive right, in common with Shawnee Peak Holdings, Inc., its successor and assigns, to draw water from, and otherwise use, the Well on land of Shawnee Peak Holdings, Inc., depicted as "existing drilled well" on the aforementioned Plat, said right includes the right to lay down, use, repair, and replace, pipes for conveying water from said Well to the hereinabove described and conveyed premises, and also the right to use,

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maintain, repair, and replace any components of the Well, including but not limited to, pumps associated therewith. All costs of maintenance, repair, and replacement of said Well, and any components associated therewith, and any pipes installed by Mountain Road Development, LLC, its successors and assigns, shall be exclusively borne by Mountain Road Development, LLC, it successors and assigns.

The hereinabove described are conveyed with the benefit of certain deed covenants placed by Shawnee Peak Holdings, Inc. on a portion of other property of Shawnee Peak Holdings, Inc. (hereinafter referred to as " Restricted Area") described as follows:

> A certain lot or parcel of land situated westerly of Mountain Road, so-called, in the Town of Bridgton, County of Cumberland, State of Maine, being more particularly bounded and described as follows, to wit:
>
> Beginning at a 7/8 inch iron pipe found marking the northwest corner of a parcel of land conveyed to James C. and June D. Hegarty by a deed recorded in the Cumberland County Registry of Deeds in Book 4482, Page 309. Said point also being the most northerly point of an area labeled, "Condominium Area", as depicted on a plan entitled, "Condominium Plat and Standard Boundary Survey Trailside – A Condominium", dated May 30, 2000 and compiled by Main-Land Development Consultants, Inc. of Livermore Falls, Maine.
>
> Thence, from the point of beginning South 73 degrees-42 minutes-42 seconds West, along said, "Condominium Area", a distance of one hundred fifty and fifty-one hundredths (150.51) feet to a 5/8 inch rebar to be set;
>
> Thence, South 08 degrees-18 minutes-22 seconds East, along said, "Condominium Area", a distance of one thousand, one hundred forty-eight and sixty-nine hundredths (1148.69) feet to a 5/8 inch rebar to be set;
>
> Thence, South 50 degrees-55 minutes-14 seconds East, along said, "Condominium Area", a distance of two hundred thirty-five and no hundredths (235.00) feet to a 5/8 inch rebar to be set;
>
> Thence, North 78 degrees-04 minutes-13 seconds West, along land now or formerly of Shawnee Peak Holdings, Inc., a distance of two hundred sixty-two and ninety-eight hundredths (262.98) feet to a point;
>
> Thence, North 47 degrees-19 minutes-35 seconds West, along land now or formerly of Shawnee Peak Holdings, Inc., a distance of one thousand, nine hundred fourteen and twenty-seven hundredths (1914.27) feet to a point;

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Thence, North 72 degrees-14 minutes-26 seconds East, along land now or formerly of Shawnee Peak Holdings, Inc., a distance of four hundred sixty-two and eighty-three hundredths (462.83) feet to a 5/8 inch rebar capped, "PLS 1229", found marking a corner of land now or formerly of John L. and Evelyn C. Newmeyer;

Thence, North 72 degrees-14 minutes-26 seconds East, along land now or formerly of John and Evelyn Neumeyer, a distance of nine hundred ten and eleven hundredths (910.11) feet to a 5/8 inch rebar capped, "PLS 1229", found;

Thence, South 18 degrees-58 minutes-57 seconds East, along land now or formerly of John and Evelyn Neumeyer, a distance of two hundred thirteen and four hundredths (213.04) feet to a 7/8 inch iron pipe found;

Thence, South 19 degrees-07 minutes-40 seconds East, along parcel 14, so-called, of land of Shawnee Peak Holdings, Inc., a distance of two hundred fifty-six and thirty- eight hundredths (256.38) feet to a 5/8 inch rebar to be set.

The herein described parcel of land contains 28.16 acres, more or less.

All bearings are referenced to Magnetic North 1998.

All 5/8 inch rebars to be set are capped, "PLS 1284".

Shawnee Peak Holdings, Inc. has declared that the Restricted Area is and shall forever be held, transferred, sold, conveyed, occupied, and maintained subject to the covenants, conditions, and restrictions set forth herein (sometimes referred to as the "Covenants and Restrictions"). The Covenants and Restrictions shall run with the Restricted Area, or any portion thereof, and shall be binding upon and shall inure to the benefit of, the within Shawnee Peak Holding, Inc. and Mountain Road Development, LLC, their respective successors and assigns. Any present or future owner or occupant of the Restricted Area or any portion thereof by the acceptance of a deed of conveyance of all or part of the Restricted Area or an instrument conveying any interest therein, whether or not the deed or instrument shall so express, shall be deemed to have accepted the Restricted Area subject to the Covenants and Restrictions and shall agree to be bound by, to comply with, and to be subject to each and every one of the Covenants and Restrictions hereinafter set forth.

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1. Restrictions on Restricted Area. Unless the Owner of the Restricted Area, or its successors or assigns, obtains the prior written approval of Mountain Road Development, LLC, its successors or assigns, the Restricted Area will be restricted to "no active development". This means, inter alia, that there shall be no buildings or structures placed or installed upon the Restricted Area, but the Shawnee Peak Holding, Inc., its successors and assigns, shall retain full use of the Restricted Area for purposes of conducting the business of a downhill and/or cross-country ski area, including but not limited to the right to create and maintain ski trails on the Restricted Area and to install apparatus appurtenant thereto such as chair lifts, snowmaking equipment, and the like. There will be no other construction or development activity and no creation of lawn or impervious areas (other than for the footprint of any apparatus accessory to the ski area). Additionally, the grass and/or other vegetation on the Restricted Area shall be mowed not more frequently than twice per year.

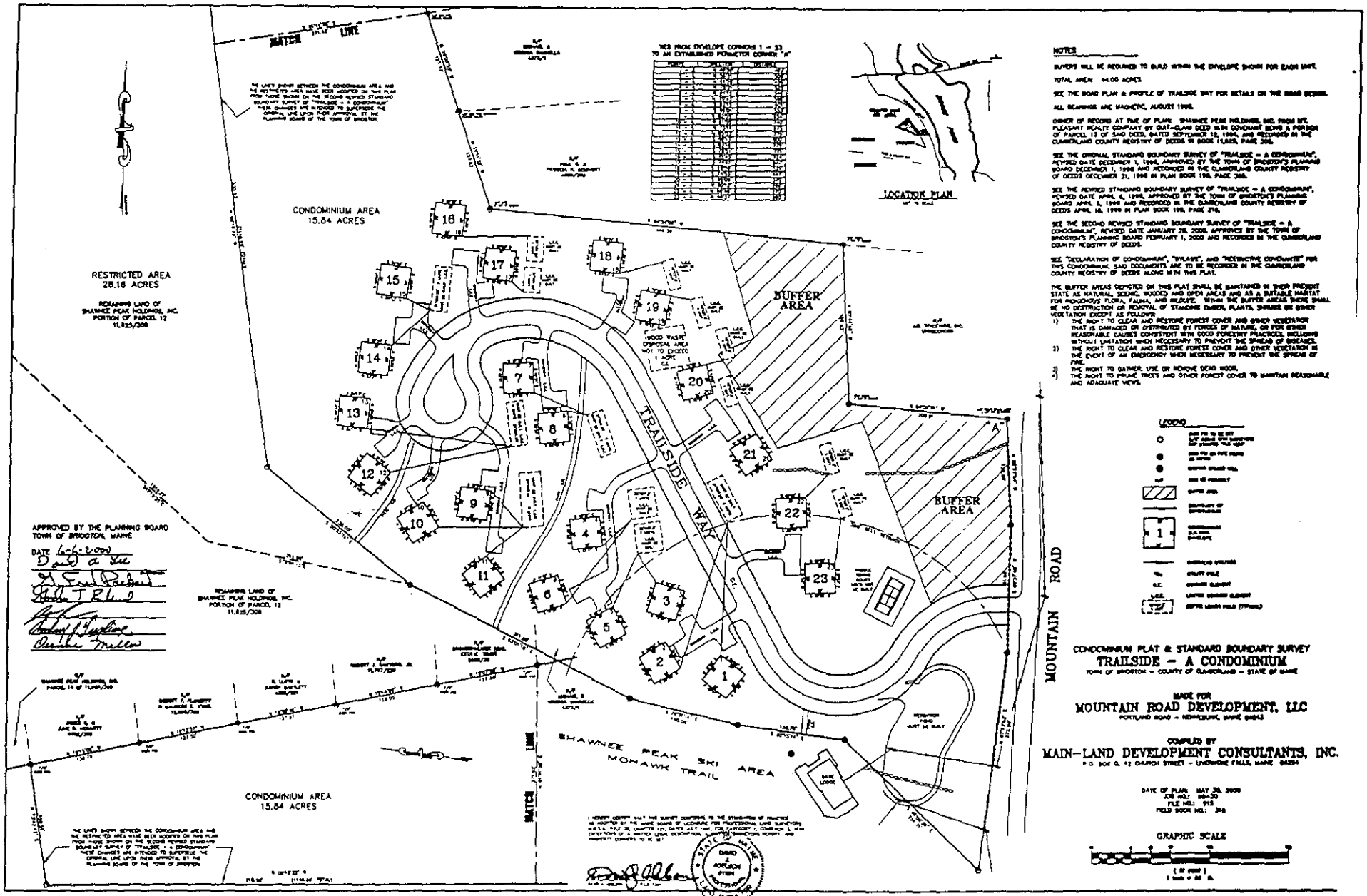
2. Enforcement. Mountain Road Development, LLC, it successors and assigns, may enforce any of the Covenants and Restrictions set forth in Section 1 above.

3. Binding Effect. The restrictions set forth herein shall be binding on any present or future owner of the Restricted Area. If the Restricted Area is at any time owned by more than one owner, each owner shall be bound by the foregoing restrictions, but only to the extent that any of the Restricted Area is included within such owner's property.

4. Amendment. Any provision of these Covenants and Restrictions may be amended or revoked only by the recording of a written instrument or instruments specifying the amendment or the revocation signed by the owner or owners of the Restricted Area and by Mountain Road Development, LLC, its successors and assigns.

5. Effect of Provisions. Each provision of the Covenants and Restrictions, and any agreement, promise, covenant, and undertaking of Shawnee Peak Holding, Inc. to comply with each such provision shall be deemed a covenant running with the land as a burden upon the title to the Restricted Area.

EXHIBIT B



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EXHIBIT C

ALLOCATED INTERESTS

IDENTIFYING NUMBER	COMMON ELEMENT INTEREST AND COMMON EXPENSE LIABILITY	VOTES IN THE ASSOCIATION
1	4.347%	1
2	4.347%	1
3	4.347%	1
4	4.347%	1
5	4.347%	1
6	4.347%	1
7	4.347%	1
8	4.347%	1
9	4.347%	1
10	4.347%	1
11	4.347%	1
12	4.347%	1
13	4.347%	1
14	4.347%	1
15	4.347%	1
16	4.347%	1
17	4.347%	1
18	4.347%	1
19	4.347%	1
20	4.347%	1
21	4.347%	1
22	4.347%	1
23	4.347%	1

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BYLAWS
TRAILSIDE AT SHAWNEE PEAK CONDOMINIUM
BRIDGTON, MAINE

These Bylaws have been adopted this 20th day of July, 2000, by the persons constituting all of the members of the first Executive Board of Trailside at Shawnee Peak Condominium Owners Association (the "Association").

ARTICLE 1
INTRODUCTORY PROVISIONS

Section 1.1. Applicability. These Bylaws (the "Bylaws") shall relate solely to the property called Trailside at Shawnee Peak Condominium, located at Bridgton, Maine, (the "Property"), more fully described in the Declaration of Trailside at Shawnee Peak Condominium dated July ____, 2000 and the Plat attached thereto (collectively the "Declaration") recorded in the Cumberland County Registry of Deeds in Portland, Maine, as the same may be amended from time to time.

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

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

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

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

ARTICLE 2
THE ASSOCIATION

Section 2. 1. Membership. The Association is a Maine corporation, all the members of which are the Unit Owners of the Property. The Declarant, being the initial owner of all Units, initially shall constitute all of the members of the Association. A person shall automatically become a member of the Association at the time he acquires

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

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

(a) Annual Meetings.

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

(2) The purpose of the Annual Meetings of the Association shall be to elect the members of the Executive Board unless such action is being taken pursuant to the provisions of Section 2.2.(g) hereof or Section 3.5. hereof, and to conduct such other business as may be required or permitted by law, the Declaration or these Bylaws to be done by a vote of Unit Owners. The Treasurer of the Executive Board shall present at each Annual Meeting a financial report of the receipts and Common Expenses for the Association's immediately preceding fiscal year, itemized receipts and expenditures, the allocation thereof to each Unit Owner, and any changes expected for the present fiscal year. A copy of such financial report shall be sent to each Unit Owner not less than five days prior to the Annual Meeting.

(b) Special Meetings. The President shall call a special meeting of the Association if so directed by resolution of the Executive Board or upon petition signed and presented to the Secretary by Unit Owners entitled to cast at least three votes. The notice of any special meeting shall state the time, the place and purpose thereof. Such meetings shall be held within

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forty-five days after receipt by the President of said resolution or petition; provided, however, if the purpose includes the consideration of the rejection of a capital expenditure pursuant to Section 5.8. hereof, such meeting shall be held within fifteen days after receipt by the President of said resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.

(c) Notice. Notices to Unit Owners of meetings of the Association or meetings of the Executive Board which Unit Owners who are not Executive Board members are entitled or invited to attend pursuant to Section 3.3.(d) hereof shall be delivered either by hand or by prepaid mail to the mailing address of each Unit or to another mailing address designated in writing by the Unit Owner to the Executive Board. If a notice sent to Unit Owners pursuant to the foregoing sentence includes an item on the proposed agenda, which would require the approval of Eligible Mortgage Holders pursuant to Section 8.2. of the Declaration, a copy of such notice will also be sent to all Eligible Mortgage Holders. All such notices shall be delivered to all Unit Owners (and Eligible Mortgage Holders, if applicable) not less than ten nor more than sixty days in advance of the date of the meeting to which the notice relates and shall state the date, time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws. The Secretary of the Executive Board shall cause all such notices to be delivered as aforesaid. Notice sent by mail shall be deemed to have been delivered on the second day after the date of mailing, in the case of mailed notices or the date of deposit in the Unit Owner's (or if applicable, in the Eligible Mortgage Holder's) mailbox in the case of hand delivery. No subject may be dealt with at any Annual Meeting or special meeting of the Association, unless the notice for such meeting stated that such subject would be discussed at such meeting.

(d) Quorum. Except as set forth below, the presence in person or by proxy of fifty percent (50%) or more of Unit Owners at the commencement of a meeting shall constitute a quorum at all meetings of the Association. If a quorum is not present, Unit owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting from time to time, without notice (except as otherwise provided by the Maine Nonprofit Corporation Act or the Maine Condominium Act, as either may be amended from time to time) other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which could have been transacted at the meeting as originally notified.

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(e) Voting. During the Declarant Control Period, the Declarant shall be entitled to cast all votes of the membership and appoint the Executive Board. Thereafter, each Unit shall be entitled to vote as set forth in the Declaration. If a Unit is owned of record by one person, that Unit owner's right to vote shall be established by the record title to the Unit. If ownership of a Unit is in more than one person, the person who shall be entitled to cast the votes allocated to that Unit shall be the person owning such Unit who is present. If more than one such person is present the person entitled to cast such vote shall be the person named in a certificate executed by all of the owners of such Unit and filed with the Secretary of the Association. If ownership of a Unit is in a corporation, partnership, limited liability company or trust, or if the owner of the Unit is deceased, the officer or employee of that corporation or limited liability company, partner of that partnership, trustee of that trust, or representative of the deceased Unit owner's estate, entitled to cast the votes allocated to such owner shall be designated in a certificate for that purpose executed, as the case may be, by the president or a vice president of that corporation, and attested to by the secretary or clerk of that corporation, by the managing partner or partners, if any, of the partnership or, if there is no managing partner, then by all the partners of that partnership, by all of the trustees of that trust, or (in the case of a deceased Unit owner) by the personal representative of the deceased unit owner's estate, and shall be filed with the Secretary of the Association. Such certificates shall be valid until revoked by a subsequent certificate similarly executed and filed with the Secretary of the Association. Wherever the vote, approval or disapproval of a Unit owner is required by this Declaration or the Act, such vote, approval or disapproval shall be made only by the person who would be entitled pursuant to such certificate to cast at any meeting of the Association the vote allocated to such Unit. If a multiple owner of a Unit has failed to file said certificate with the Secretary of the Association and only one of the multiple owners is present at a meeting of the Association, he shall be entitled to cast at the meeting all the votes allocated to that Unit without establishing the concurrence of the absent owners just as though that person were the sole owner of the Unit. If a multiple owner of a Unit has failed to file said certificate with the Secretary and if more than one owner of that Unit is present at the meeting, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority of the multiple owners present at the meeting. Such majority agreement shall be conclusively presumed if any one of those multiple owners shall cast the vote allocated to the Unit without protest being promptly made at the meeting to the person presiding over the meeting by any other owners of that Unit.

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Except where a greater number is required by the Act, the Declaration or these Bylaws, a vote of more than fifty percent of the aggregate votes in the Condominium as set forth in Exhibit C of the Declaration (voting in person or by proxy at one time at a duly convened meeting at which a quorum is present) is required to adopt decisions at any meeting of the Association. In all elections for Executive Board members, the members shall be elected by the Unit Owners as set forth in Article 3 hereof.

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

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

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

Section 2.3. Copies of Condominium Documents. The Association shall have current copies of the Declaration, these Bylaws, the Restrictive Covenants and any other rules concerning the Condominium as well as its own books, records and financial statements (the "Condominium Documents") available for inspection by Unit Owners or by holders, insurers and guarantors of first mortgages secured by Units. The Condominium Documents shall be available during normal business hours.

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ARTICLE 3
EXECUTIVE BOARD

Section 3. 1. Composition. The affairs of the Association shall be governed by the Executive Board. The initial Executive Board shall consist of three persons. Members of the Executive Board shall be Unit Owners or spouses of Unit Owners, or, in the case of Unit Owners that are corporations, partnerships, limited liability companies, trusts, estates, or other entities designated agents thereof. If a Unit is owned of record by more than one person, the person who shall be a member of the Executive Board to represent such Unit shall be the person elected by a majority of the Unit owners of said Unit.

Section 3.2. Election and Term of Office.

(a) During the Declarant Control Period, the Declarant shall appoint the Executive Board. Thereafter, the Executive Board shall be elected by majority vote of the Unit owners. Members of the Executive Board shall hold office until the earlier to occur of the appointment of their respective successors, their death, adjudication of incompetency, removal, or resignation. An Executive Board Member may serve an unlimited number of terms and may succeed himself.

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

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

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

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

(3) There shall be a meeting of the Executive Board during the second full calendar week of the last month of each fiscal year for the

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purpose of adopting the budget of the Association for the next following fiscal year of the Association.

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

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

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

(c) Quorum of the Executive Board. At all meetings of the Executive Board a majority of the members that have been duly elected as of the date of such meeting, but in no event less than two members, shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute a decision of the Executive Board. If at any meeting of the Executive Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time, and the meeting may be held as adjourned without further notice if the time and place to which it is adjourned is fixed and announced at such meeting. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Executive Board may participate in and be counted for quorum purposes at any meetings by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

(d) Organization. Executive Board meetings may be held under such reasonable rules consistent with these Bylaws as the Executive Board may determine. The Executive Board is hereby entitled to promulgate such rules. Except for the meeting to approve the budget of the Association

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referred to in this Section 3.3.(d), Unit Owners who are not Executive Board members shall have no right to attend Executive Board meetings but the Executive Board may, in its sole discretion, elect to allow such Unit Owners to attend a particular meeting or meetings. If the Executive Board does elect to allow Unit Owners who are not Executive Board members to attend a particular meeting or meetings, the Secretary of the Executive Board shall give prior notice, in the manner provided in Section 2.2.(c) hereof, to all Unit Owners of each meeting at which Unit Owners are entitled or invited to be present; provided, however, that the failure to give such notice shall neither invalidate any actions taken by the Executive Board at such meeting nor impose any liability on the Executive Board or its officers and/or members for the failure to give such notice. All Unit Owners shall have the right to attend and be heard, but not the right to vote, at the Executive Board meeting at which the fiscal year budget of the Association shall be presented to the Executive Board for adoption. The Secretary of the Executive Board shall give Unit Owners notice of such meeting, accompanied by a copy of the proposed budget, in the manner provided in Section 2.2.(c) hereof.

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

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

Section 3.4. Resignation and Removal. Any member of the Executive Board may be removed with or without cause by the Unit Owner entitled to elect the member who is being removed and a successor may be elected to fill the vacancy thus created by the Unit Owner entitled to elect the member whose position has been vacated. A member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to his, her or its Unit.

Section 3.5. Vacancies. Any vacancy or vacancies on the Executive Board, whether caused by transfer of a Unit, resignation, removal, death, adjudication of

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incompetency, or an increase in size of the Executive Board, shall be filled by the Unit Owner entitled to elect the member of the vacant position. If the vacancy results from removal, the election of a new member may be held at the same meeting where such removal takes place.

Section 3.6. Compensation. The members of the Executive Board shall serve without compensation for their services unless such compensation is expressly authorized or approved by a vote of more than fifty percent of the votes of all Unit Owners at any Annual or Special Meeting of the Association.

Section 3.7. Validity of Contracts with Interested Executive Board Members. No contract or other transaction between the Association and one or more of its Executive Board members or between the Association and any corporation, firm or association in which one or more of the Executive Board members are directors or officers, or are financially interested, shall be void or voidable because such Executive Board member or members are present at any meeting of the Executive Board which authorized or approved the contract or transaction or because his, her or its votes are counted, if the circumstances specified in either of the following subparagraphs exist:

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

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

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

Section 3.9. Powers of the Executive Board.

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

(b) Limitation. Nothing in this Section or elsewhere in these Bylaws shall be considered to grant to the Executive Board or to the officers of the

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Association any powers or duties which, by law, are possessed by Unit Owners. Unless otherwise provided herein or in the Declaration, the Executive Board shall comply with the instructions of more than fifty percent of the Unit Owners present in person or by proxy as expressed in the resolution duly adopted at any Annual or Special Meeting of the Unit Owners.

(c) Delegation of Powers; Managing Agent. The Executive Board may employ and establish compensation for a Condominium managing agent (the "Managing Agent"). The Managing Agent shall perform such duties and services as the Executive Board shall authorize, including, without limit, all of the duties listed in the Act, the Declaration and these Bylaws; provided, however, where the Managing Agent does not have the power to act under the Act, the Declaration or these Bylaws, the Managing Agent may act as an advisor or in an advisory capacity to the Executive Board. The Executive Board may delegate to the Managing Agent all of the powers granted to the Executive Board by the Act, the Declaration and these Bylaws other than the following powers: (i) to adopt an annual budget and any amendment thereto or to assess Common Expenses; (ii) to adopt, repeal or amend rules and regulations; (iii) to designate signatories on Association bank accounts; (iv) to borrow money on behalf of the Association; (v) to acquire mortgages on Units; and (vi) to assign Common Elements as Limited Common Elements.

ARTICLE 4
OFFICERS

Section 4. 1. Election. At the first meeting of the Executive Board, and at every annual meeting of the Executive Board thereafter, the Executive Board members, if a quorum is present, shall elect officers of the Association for the following year, such officers to serve for a one year term and until their respective successors are elected. The officers to be elected are: President, Vice President, Secretary, Treasurer and such other officers as the Executive Board shall determine. Each officer may serve an unlimited number of terms so long as such member or officer continued to be re-elected to the Executive Board. Any member may hold two offices simultaneously, except that the President shall not hold any other office.

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

(a) President. The President shall be the chief executive officer of the Association and the chairperson of the Executive Board. The President shall be responsible for implementing the decisions of the Executive Board and in that capacity shall direct, supervise, coordinate and have general

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

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

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

(d) Treasurer. Unless otherwise determined by the Executive Board, the Treasurer shall have the charge and custody of, and be responsible for, all funds and securities of the Association, shall deposit or cause to be

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deposited all such funds in such depositories as the Executive Board may direct, shall keep or cause to be kept correct and complete accounts and records of all financial transaction of the Association and the Executive Board and shall submit or cause to be submitted to the Executive Board and the Association such reports thereof as the Act, the Declaration, the Executive Board or these Bylaws may from time to time require. Such records shall include, without limitation, chronological listings of all receipts and expenditures on account of the Common Elements, Limited Common Elements and each Unit, the amount of each assessment for Common Expenses and expenses assessable to individual Units, if any, and the amount paid and the amounts due on such assessments. Such records shall specify and itemize the maintenance, repair and replacement expenses relating to the Common Elements and the Limited Common Elements and any other expenses incurred by the Association. The foregoing financial records shall be kept at the Association's office and shall be available there for inspection by Unit Owners or prospective Unit Owners during normal business hours. The Treasurer shall, upon request, provide any person who shall have entered into a written agreement to purchase a Unit with a written statement of the information required to be provided by the Association pursuant to Sections 1603-116(h) and 1604-108(b) of the Act. The Treasurer shall also perform such duties and have such powers as are ordinarily attributable to the treasurer of a corporation domiciled in Maine.

Section 4.3. Compensation. The officers of the Executive Board shall serve without compensation for their services in such capacity unless such compensation is expressly authorized or approved by a vote of more than fifty percent of the votes of all Unit Owners at any Annual or special Meeting of the Association.

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

Section 4.5. Vacancies. Vacancies caused by resignation or removal of officers or the creation of new offices may be filled by a majority vote of the Executive Board members.

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ARTICLE 5
COMMON EXPENSES: BUDGETS

Section 5. 1. Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by the Executive Board; provided, however, that first fiscal year shall begin upon the recordation of the Declaration and end on December 31 of the same year.

Section 5.2. Preparation and Approval of Budget.

(a) Adoption. On or before the first day of November of each year (or sixty days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall adopt an annual budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Executive Board to maintain, repair and replace, and the cost of such wages, materials, insurance premiums, services, supplies and other expenses as may be declared to be Common Expenses by the Act, the Declaration, these Bylaws or a resolution of the Association and will be required during the ensuing fiscal year for management and administration expenses; the estimated cost of repairs, maintenance and replacement of Common Elements and Limited Common Elements; the cost of such insurance and utilities as may be furnished by the Association; the amount of such reserves as shall be reasonably established by the Executive Board including operating contingency reserves for expenses, both unanticipated and extraordinary, and reserves for periodic maintenance, repair and replacement of the Common Elements and Limited Common Elements; and such other expenses of the Association as may be approved by the Executive Board including operating deficiencies, if any, for prior periods.

Without limitation of the foregoing, the budget shall include, but shall not necessarily be limited to the following items:

(1). Landscaping maintenance for all Common Elements of the Condominium including the entryway to the Property off of Mountain Road and any additional landscaping on the roadway that the Association shall approve.

(2) Paddle tennis maintenance in the event that the Declarant or the Association constructs a paddle tennis facility. Such facility may be

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built by the Declarant in its sole discretion or by the Association by appropriate vote.

(3) Reserve to cover miscellaneous items including legal, accounting, replacement landscaping and any other items that either the Declarant or the Association deem appropriate.

(4) Maintenance of the private road providing access to the Condominium.

(5) Maintenance repairs/replacement, and electricity costs of lighting of Common Elements (*e.g.* paddle tennis facility, ice skating pond).

(6) Maintenance of the retention pond.

(7) Maintenance of water system.

(b) Available for Inspection. Not later than thirty (30) days after the adoption of the annual budget by the Executive Board, the Executive Board shall make the budget available for inspection at the Association office and shall mail to each Unit Owner a summary of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses. Such budget shall constitute the basis for determining each Unit Owner's assessments for General Common Expenses of the Association.

(c) Ratification of Budget. The Executive Board shall set a date for a meeting of the Unit Owners to consider ratification of the budget referred to in Section 5.2.(b) not less than fourteen (14) days nor more than thirty (30) days after mailing of the summary referred to in such Section. Unless at that meeting a majority of all the Unit Owners reject such budget, such budget is ratified, whether or not a quorum is present. In the event such proposed budget is rejected, the budget last ratified by the Unit Owners shall be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Executive Board.

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

Section 5.3. Assessment and Payment of Common Expenses.

(a) General Common Expenses. The Executive Board shall calculate the semiannual assessments for General Common Expenses against each Unit

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by multiplying (i) the total amount of the estimated funds required for the operation of the property set forth in the budget adopted by the Executive Board for the fiscal year in question by (ii) the percentage Interest of each Unit in the Condominium and dividing (iii) the result by two. Such assessments, payable in semiannual installments, shall be due and payable on the First day of September and the First day of March and shall be a lien against each Unit Owner's Unit as provided in the Act and the Declaration. Within ninety days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Unit Owner and to each record holder of a first mortgage on a Unit who has registered an address with the Secretary an itemized accounting of the Common Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves. Any net shortage with regard to General Common Expenses, after application of such reserves as the Executive Board may determine, shall be assessed promptly against the Unit Owners in equal shares and shall be payable as a Special Assessment, in such manner as the Executive Board may determine.

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

Section 5.4. Further Assessments. The Executive Board shall serve notice on all Unit Owners of any further assessments pursuant to Section 5.3.(a) or otherwise as permitted or required by the Act, the Declaration and these Bylaws by a statement in writing giving the amount and reasons therefor, and such further assessments, unless otherwise specified in the notice, shall become effective with the next semiannual Assessment which is due more than ten days after the delivery of such notice of further assessments. All Unit Owners so assessed shall be obligated to pay the amount of such Semiannual Assessments. Such assessments shall be a lien as of the effective date as set forth in Section 5.3.(a).

Section 5.5. Initial Budget. At or prior to the time assessment of Common Expenses commences, the Executive Board shall adopt the budget, as described in this Article 5, for the period commencing on the date the Executive Board determines that assessments shall begin and ending on the last day of the fiscal year during which such

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commencement date occurs. Assessment shall be levied and become a lien against the Unit Owners during such period as is provided in Section 5.3. above.

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

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

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

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

Section 5.10. Working Capital Fund. The Association shall establish a working capital fund to be funded as hereinafter described and to be equal to a minimum of two (2) months estimated Common Expense liability for each Unit. Each Unit's share of the working capital fund shall be collected from the Unit purchaser upon the initial transfer of title from the Declarant to the purchaser and shall be transferred to the Association for deposit into the working capital fund. The amount paid by the Unit purchaser shall not be considered as advance payment of a normal Common Expense liability and no Unit owner shall be entitled to a refund of these monies by the Association upon the subsequent conveyance of his Unit or otherwise.

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ARTICLE 6
SEPARATE REAL ESTATE TAXES

Section 6. 1. Assessments Against Individual Units. In the event that, commencing with the taxable period during which occurs the first conveyance of a Unit to a person other than the Declarant, real estate taxes are not separately assessed against each Unit Owner, but rather are assessed against the property as a whole, then each Unit Owner (including the Declarant, as to the Units then owned by it) shall pay his proportionate share thereof in accordance with his, her or its respective Percentage Interest in the Common Elements.

ARTICLE 7
AMENDMENTS

Section 7. 1. Amendments to Bylaws. Except as otherwise provided in any one or more of these Bylaws, the Declaration or the Act, these Bylaws may be amended by the Declarant during the Declarant Control Period, and thereafter these Bylaws may be amended by the vote of the Unit Owners entitled to cast 67% of the votes in the Association, cast in person or by proxy at a meeting duly held in accordance with the provisions of these Bylaws. If any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, missing or inconsistent with any other provision hereof, or with any act or the Declaration, then at any time and from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the Unit Owners or the holders of any liens on all any part of the Property, upon receipt by the Executive Board of an opinion from legal counsel to the effect that the proposed amendment is permitted by the terms of this Paragraph

Section 7.2. Approval of Mortgagees. The Declaration contains provisions concerning various rights and interest of record holders of mortgages on Units. Such provisions are to be construed as covenants for the protection of such holders on which they may rely in making loans secured by such mortgages. Accordingly, no amendment or modification of the Declaration or these Bylaws impairing or affecting such rights, priorities, remedies or interest of such a holder shall be adopted without the prior written consent of such holders who have registered an address with the Secretary.

Section 7.3 Amendments to the Declaration. After compliance herewith, any officer or Executive Board Member of the Association may prepare, execute, certify and record amendments to the Declaration and/or to these Bylaws on behalf of the Association.

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ARTICLE 8
GENERAL PROVISIONS

Section 8. 1. Severability. The provisions of these Bylaws shall be deemed independent and severable, and the invalidity, partial invalidity or unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision or portion thereof unless the deletion of such invalid or unenforceable provision shall destroy the uniform plan for development and operation of the condominium project which the Declaration (including the Plat and these Bylaws) is intended to create.

Section 8.2. Conflicts. The Act and the Declaration shall control in the event of any conflict between the provisions thereof and the provision of these Bylaws. The Act, the Declaration and these Bylaws shall control in the case of any conflict between the provisions thereof and the provisions of the Rules and Regulations.

Section 8.3. Notices. All notices or other communications required or permitted under these Bylaws shall be in writing and shall be deemed to have been given when personally delivered or on the second business day after the day on which mailed by certified mail, return receipt requested, postage prepaid (or otherwise as the Act may permit), (a) if to a Unit Owner, at the single address which the Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Unit Owner, or (b) if to the Association, the Executive Board or to the Managing Agent, at the principal office of the Association and the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one person, each such person who so designates a single address in writing to the Secretary shall be entitled to receive all notices hereunder.

Section 8.4. Headings. The headings preceding the various Sections of these Bylaws are intended solely for the convenience of readers of the Bylaws and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.

Section 8.5. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders, and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

ARTICLE 9
CORPORATE SEAL

Section 9.1. Seal. The form of the seal of the Association shall contain the name of the Association and the State of Maine.

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RESTRICTIVE COVENANTS

TRAILSIDE AT SHAWNEE PEAK CONDOMINIUM

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RESTRICTIVE COVENANTS
TRAILSIDE AT SHAWNEE PEAK
CONDOMINIUM

As used in these covenants, "the Association" shall refer to the Trailside at Shawnee Peak Owner's Association.

1. USE OF UNITS.

a. The Units of the condominium shall be used only for single family residential purposes.

b. Further subdivision of the Units is expressly prohibited.

c. An owner may lease his Unit but shall be responsible to ensure compliance with these covenants by his/her tenant.

2. CONSTRUCTION OF DWELLINGS.

a. The Declarant reserves the right to require Unit owners to use its preferred builders to construct

b. Any builder approved to construct a dwelling, shall carry liability insurance with minimum limits of $1,000,000.00 and will, prior to commencement of construction, provide to the Declarant a certificate of insurance evidencing such coverage.

c. Construction of buildings on the Unit must be completed not more than six (6) months from commencement date. Application for extension of the six month period may be made to the Declarant, its successors or assigns. Such extension may be granted by the Declarant, provided that the Unit owner provides a specific reasonable time frame in which completion of construction is expected to occur.

d. All work on the exterior of any dwelling, out building or addition, including siding, painting, trim work and landscaping shall be completed as shown on the approved plans prior to issuance of an occupancy permit unless the time for completion of these items is extended under appropriate circumstances in the Declarant's sole discretion. If said work is not completed and an occupancy permit is issued, the owner of the dwelling or structure shall be

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subject to penalty assessments as provided in Paragraph 16 of these covenants until completion of the work.

e. Construction of any dwelling on a Unit shall commence no later than two years from date of transfer of the Unit by the Declarant to a purchaser. The Declarant or the Association shall have the right to extend this time frame under appropriate circumstances upon written request of a Unit owner stating the circumstances which require an extension and providing a specific additional time within which commencement of construction of a dwelling will begin.

3. SIZE OF DWELLINGS.

Each single family dwelling unit shall have a gross living area of not less than 1,100 square feet not including attic, basement, garage, porches, or breezeways. The first floor minimum shall be 750 square feet of finished space.

4. PLANS REQUIRED.

Prior to commencement of construction on each Unit, the Unit owner shall submit to the Declarant, or its designee, for approval, a site plan showing the dwelling, landscaping and any proposed tree cutting.

a. Landscaping

(i) Attractive landscaping is an essential element of the maintenance of property values in a Condominium. As such, the Declarant reserves the right for as long as it owns any Units in the Condominium, to require landscaping to be utilized which, in its sole discretion, is in keeping with the character of the Condominium and which will maintain property values. All landscaping, as approved in the site plan above, will be finished concurrently with the completion of the dwelling unless an extension is approved by the Declarant as provided in paragraph 3.d.

(2) Landscaping shall include, but not be limited to, shrubs and plantings and a front walkway, each to be approved as provided herein.

(3) Because of the proximity of dwellings to each other in the Condominium and the effect upon the property values of proper and well maintained landscaping in the event that any landscaping is not properly maintained or becomes unsightly and continues in such

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condition for a period of thirty days after written notification to the Unit owner, the Declarant or the Association reserves the right to maintain or replace such landscaping at the homeowner's expense.

(4) The landscaping package proposed by the Unit owner at the time of approval of the owner's plans shall be installed by the Unit owner or the builder of the dwelling and shall thereafter be maintained at the expense of the homeowner. The Association shall be responsible for maintaining landscaping along the roadway, common areas and all buffer zones.

(5) Notwithstanding the provisions in this paragraph 4, nothing contained in these covenants shall be construed to require the Declarant or the Association to plant landscaping of any kind except as may be deemed desirable by the Declarant in its sole and absolute discretion or by the Association as may be determined by the appropriate vote in accordance with its Bylaws.

(6) No lawns may be maintained by a Unit owner outside the boundaries of the Unit and any lawn maintained within the boundaries of a Unit shall only be fertilized with "low" or "no" phosphorus fertilizer.

b. Floor Elevations

In addition, the plan shall indicate the finished floor elevation of the building(s).

c. Grading and Runoff

A detailed plan of the proposed site grading shall be provided to insure that the finished site blends attractively with the surroundings and provides for adequate storm water runoff. Approval of the site plan does not relieve the Unit owner or building contractor of their responsibility to ensure that the grading of the site does not cause any ponding or erosion problems on any Unit owner or other portion of the Condominium;

d. Floor Area

Floor plan for the dwelling showing a minimum of 1,100 square feet of living space.

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e. Exterior Colors

Exterior color scheme for the dwelling and appurtenant structures shall be presented to Declarant for approval (only natural earth-tone stains or colors will be approved) and the color shall not thereafter be changed by the Unit owner unless approval is given by the Declarant or the Executive Board.

f. Architectural Features

Elevation plans showing all facades of all buildings on the Unit.

5. DESIGN AND PLAN APPROVALS.

a. All buildings and structures shall be architecturally designed in keeping with traditional styles. The Declarant reserves the right to approve the plans and specifications of all residences and other structures for as long as the Declarant is the owner of any Unit in the Condominium. At such time as the Declarant conveys its last Unit, the responsibility and/or authority for any architectural approvals in accordance with these restrictive covenants shall become the responsibility of the Executive Board of the Association or any subcommittee of the Association appointed to perform that task. The Declarant reserves the right to turn over responsibility for architectural approvals to the Association at any time prior to its conveyance of the last Unit it owns.

b. No construction of any kind shall be commenced on any Unit nor shall any exterior addition or change or alteration be made to any structure nor shall utility lines be erected or installed until plans for the foregoing have been approved in writing by the Declarant or the Association, as the case may be.

6. APPROVAL PROCESS.

a. The Declarant's approval of designs, plans and specifications referenced in paragraph 4 of these covenants shall be in its sole discretion and shall include the requirement that all permissions, permits and approvals of. appropriate governmental authorities have been obtained, as evidenced by such documentation as the Declarant may reasonably request. In deciding whether to grant approval, the Declarant may request reasonable additional plans from the applicant to aid in its determination.

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b. In the event the Declarant has not disapproved of any plans, specifications, or other materials within fifteen (15) days of receipt, the proposed plans shall be deemed to be approved.

c. The Declarant shall not be liable for any errors of judgment in approving plans later found by a court not to be in conformity with these covenants except for bad faith approval of non-conforming plans by the Declarant.

7. EXTERIOR SURFACES.

a. All structures shall have exterior wall surfaces (including any portion of foundation walls that exceed two-feet above final grade level) covered with wooden clapboards, wooden log cabin treatment or shingles or a combination of any of the aforesaid. The use of simulated or artificial brick or stone, composition clapboards, texture 111, vinyl or aluminum siding or any other similar materials shall not be allowed, nor shall mercury vapor lights be utilized to light any portion of a Unit or any adjacent portions of the Common Elements. All dwellings shall be constructed on poured concrete foundations.

8. FENCES.

No fences shall be permitted on any Unit

9. SIGNS.

No commercial or advertising signs of any kind shall be erected, placed, permitted or maintained on any Unit or improvement except such signs as may be approved by the Declarant for the sale of Units within the Condominium. Any *For Sale* signs used by a Unit owner other than the Declarant shall be no larger than three (3) square feet, shall be white or earth tone, shall state *For Sale*, with brokerage identification, for no more than one broker, and shall have only one telephone number.

10. MOBILE AND MODULAR HOMES/TEMPORARY STRUCTURES.

Mobile homes or homes of modular construction or structures of a temporary character shall not be permitted on any Unit except as a temporary shelter during repair or renovation of an existing structure. However, the Declarant may maintain a trailer for development purposes.

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11. VEHICLE STORAGE.

No unregistered or uninspected automobiles or automobiles being repaired, refinished or restored for a period for more than seven (7) days shall be stored on a Unit.

12. ANIMALS.

No farm animal or fowl shall be maintained on any Unit. A reasonable number of household pets shall be allowed, but shall not be bred or maintained for purposes of resale. All pets shall be leashed at all times when outside. No dog runs, dog houses, dog cages or similar apparatus shall be allowed.

No pet shall create unreasonable noise or create a nuisance or annoyance to neighbors.

13. BUILDING AND SITE MAINTENANCE.

a. Trash, garbage, or other waste materials shall he stored in sanitary containers, which shall not be visible from the street. Structures and grounds on each Unit shall be maintained at all times in a neat and orderly manner.

b. Owners of vacant Units, Units with houses under construction, and Units with finished homes shall at all times keep and maintain their property in an orderly manner, and prevent any accumulation of rubbish or debris on the premises.

c. Prior to construction, a gravel drive shall be installed and during construction thereafter roadway shall be kept clean free of mud, vehicles and construction debris.

14. TIMBER CUTTING AND VEGETATION.

a. No healthy living trees with a diameter in excess of six (6) inches shall be cut within ten (10) feet of any Unit boundary line without the express written approval of the Declarant unless said cutting is for the purpose of initial construction and landscaping which has been approved by the Declarant. The site plan submitted under these covenants shall indicate the area within which the Unit owner desires to cut trees for construction of the dwelling. All clearing shall comply with the Bridgton land use ordinance.

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b. The Buffer Areas depicted on the Plat and Plan shall be maintained in their present state as natural, scenic, wooded and open areas and as a suitable habitat for indigenous flora, fauna and wildlife. Within the Buffer Areas there shall be no destruction or removal of standing timber, plants, shrubs or other vegetation except as follows:

(1). The right to clear and restore forest cover and other vegetation that is damaged or distributed by the forces of nature, or for other reasonable causes consistent with good forestry practices, including without limitation when necessary to prevent the spread of diseases.

(2). The right to clear and restore forest cover and other vegetation in the event of an emergency when necessary to prevent the spread of fire.

(3). The right to gather, use or remove dead wood.

(4) The right to prune trees and other forest cover to maintain reasonable and adequate views.

15. ADDITIONAL RESTRICTIONS.

The FOLLOWING ARE PROHIBITED IN OR ON ANY UNIT:

(1). Clotheslines;

(2) Swingsets;

(3). Swimming pools (hot tubs within confines of an approved deck, however, are allowed);

(4). Antennas or satellite dishes with diameters larger than 24 inches;

(5). No pre-cast front steps.

(6). Additions or outbuildings or appurtenances unless prior approval has been obtained;

(7). Pesticides may be used only in limited quantities and only by professional application.

(8). Wood burning furnaces, stoves, fire places or boilers, unless serviced by masonry chimney(s)

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The FOLLOWING ARE PROHIBITED IN OR ON ANY COMMON ELEMENTS:

(1). Snowmobile usage;

(2). All-terrain vehicle usage;

(3). Hunting.

16. GENERAL PROVISIONS.

a. Reservation of Rights

The Declarant, as long as it owns any Unit or remains obligated for any development work, reserve the right to itself its agents, employees, contractors, and subcontractors, to enter upon the Units and Common Elements of the Condominium for the purpose of carrying out and completing the development of the Condominium as well as to abate, remove, or correct any violations of these restrictions, and such entry, abatement or removal shall not be deemed a trespass, conversion or other actionable wrong. However, the provisions of this paragraph shall not be deemed to obligate the Declarant to in fact take such action once it has turned over authority or responsibility for enforcement of these covenants to a successor Declarant or to the Association.

b. Amendment/Modification

(1) The foregoing covenants, conditions, reservations, and restrictions, may be amended by an instrument signed by the Declarant, as long as the Declarant owns any Unit in the Condominium. Upon sale of the Declarant's last Unit or voluntary relinquishment of this right to amend, amendment will then be by an 80% vote of the then owners of the Units within the Condominium agreeing to change said covenants in whole or in part as provided in the By-laws of the Association. Any amendment shall be recorded in the Cumberland County Registry of Deeds.

(2) Due to size and configuration of Units, the Declarant specifically reserves the right to modify these covenants to accommodate unique site issues on a particular Unit.

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c. Enforcement

The Declarant, or the Association upon relinquishment of the enforcement rights to it, shall have the right to assess a penalty in the amount of One Hundred ($100.00) dollars per day for the violation or breach of any of these covenants, conditions, reservations, or restrictions upon failure of a Unit owner to cure such violation after reasonable notice to the violator.

d. Validity

(1) Failure to specifically refer to and include or incorporate these covenants in deeds to any Unit shall not in any manner affect the validity and effectiveness of these restrictions upon any Unit made subject to them.

(2) Invalidation of any one of these covenants by court order shall in no way effect any of the other provisions which shall remain in full force and effect.

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FIRST AMENDMENT TO DECLARATION OF TRAILSIDE AT SHAWNEE PEAK CONDOMINIUM

THIS AMENDMENT is made as of the 11th day of December, 2000 by **MOUNTAIN ROAD DEVELOPMENT, LLC** (the "Declarant").

1. BACKGROUND. The Declarant has executed and recorded the Declaration of Condominium of Trailside at Shawnee Peak Condominium dated July 20, 2000 and recorded in the Cumberland County Registry of Deeds in Book 15607, Page 173(the "Declaration") pursuant to the Maine Condominium Act, Chapter 31 of Title 33 of the Maine Revised Statutes, as amended (the "Act"), and additionally has recorded the Plat referenced in the Declaration in the Cumberland County Registry of Deed in Plan Book 200, Page 297 and a Revised Plat recorded in the Cumberland County Registry of Deeds in Plan Book 200, Page 510 (said Plat and Revised Plat being hereinafter collectively referred to as the "Plat"). Capitalized terms used herein without definition shall have the meanings specified in the Declaration or, if not defined in the Declaration or herein, the meanings specified or used for such terms in the Act. In Article 15 of the Declaration, the right to amend the Declaration is set forth and requires a vote or agreement of "Unit Owners or Units to which sixty-seven percent (67%) of the votes in the Association are allocated." Article 4 (Section 4.2) of the Declaration provides that "during the Declarant Control Period, the Declarant shall be entitled to cast all votes of the Condominium Units. Further, Article 6 of the Declaration indicates that the Restrictive Covenants attached to the Declaration as Exhibit D "may be amended or modified by the Declarant during the Declarant Control Period . . ."

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2. AMENDMENT OF DECLARATION AND RESTRICTIVE COVENANTS. The Declarant, pursuant to the authority reserved to the Declarant by the Declaration, hereby amends the Declaration and the Restrictive Covenants in the following manner:

A. All references in the Declaration to the "Plat" are amended and modified to refer to the Revised Plat recorded in the Cumberland County Registry of Deeds in Plan Book 200, Page 510.

B. Section 2.2(n) of Article 2 of the Declaration is hereby amended by the addition of the following sentence thereto:

> "Additionally, the ground area within four (4) feet of the boundaries of each Unit (and the space above and below such ground area) shall be a Limited Common Element appurtenant to such Unit within which a Unit Owner may construct and maintain unenclosed porches, decks, balconies, chimneys, and similar areas."

C. Section 4.7 of Article 4 of the Declaration is amended by adding the following at the current conclusion of Section 4.7:

> ", with the exception of the four (4) foot wide strip of Limited Common Element adjacent to each boundary of a Unit notwithstanding that said strip is not specifically labeled as a Limited Common Element on the Plat.

D. Article 6 of the Declaration is amended by deleting the following language currently contained in Article 6:

> "However, Declarant reserves the right to cause the Association to enter into an exclusive Rental Agency Agreement with the Declarant whereby the Declarant, or its designee, will be the exclusive rental agent to be used by Unit Owners wishing to rent their Units. Any such Rental Agency Agreement will exclude from its scope, however, any "Owner-Direct" rentals (*i.e.* rental by a Unit Owner of his or her Unit without utilization of a rental agent). In the event of "Owner-Direct" rentals, the renting Unit Owner shall be responsible to inform the Unit Owner's tenant that neither the Declarant, the Declarant's Rental Agent, nor Shawnee Peak Mountain shall be contacted by such tenant for assistance during the rental period."

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E. Paragraph 3 (Size of Dwellings) of the Restrictive Covenants is hereby amended by adding the following to said Paragraph 3:

> "The height of any dwelling unit shall not exceed twenty-five (25) feet. The height of a dwelling unit is the vertical building measurement from the structure's highest point to the highest point of the original ground level adjoining the dwelling unit."

3. GENERAL. Except as modified by this Amendment, all of the terms and provisions of the Declaration and the Plat are hereby expressly ratified and confirmed, shall remain in full force and effect, and shall apply to the Units Common Elements and Limited Common Elements created thereby.

IN WITNESS WHEREOF, this Amendment has been executed by Mountain Development, LLC in its capacity as Declarant and by Chester E. Homer, III in his capacity as President of Trailside at Shawnee Peak Condominium Owners Association.

MOUNTAIN ROAD DEVELOPMENT, LLC ("Declarant")

Witness

By: Chester E. Homer, III
Its: Manager, Duly Authorized

TRAILSIDE AT SHAWNEE PEAK CONDOMINIUM OWNERS ASSOCIATION

Witness

By: Chester E. Homer, III
Its: President, Duly Authorized

RECEIVED
RECORDED REGISTRY OF DEEDS
2000 DEC 12 AM 10:56
CUMBERLAND COUNTY
John B O'Brien

STATE OF MAINE
YORK, ss. December 11, 2000

Personally appeared before me the above-named Chester E. Homer, III, Manager of Mountain Road Development, LLC and President of Trailside at Shawnee Peak Condominium Owners Association and acknowledged the foregoing Amendment to Declaration to be his free and act deed in his said capacities and the free act and deed of Mountain Road Development, LLC and Trailside at Shawnee Peak Condominium Owners Association.

Notary Public / Attorney at Law

STEVE... GOODSON
NOTARY PUBLIC, MAINE
MY COMMISSION EXPIRES
DECEMBER 25, 2005

Authentisign ID: 41E17F79-95CF-F011-8195-000D3A1E5303

SECOND AMENDMENT TO DECLARATION OF TRAILSIDE AT SHAWNEE PEAK CONDOMINIUM

THIS AMENDMENT is made as of the _____ day of February, 2001 by **MOUNTAIN ROAD DEVELOPMENT, LLC** (the "Declarant").

1. BACKGROUND. The Declarant has executed and recorded the Declaration of Condominium of Trailside at Shawnee Peak Condominium dated July 20, 2000 and recorded in the Cumberland County Registry of Deeds in Book 15607, Page 173 and a First Amendment to Declaration of Trailside at Shawnee Peak Condominium dated December 11, 2000 and recorded in the Cumberland County Registry of Deeds in Book 15896, Page 324, (said Declaration and First Amendment to Declaration being hereinafter collectively referred to as the "Declaration"), pursuant to the Maine Condominium Act, Chapter 31 of Title 33 of the Maine Revised Statutes, as amended (the "Act"), and additionally has recorded the Plat referenced in the Declaration in the Cumberland County Registry of Deed in Plan Book 200, Page 297 and a Revised Plat recorded in the Cumberland County Registry of Deeds in Plan Book 200, Page 510 (said Plat and Revised Plat being hereinafter collectively referred to as the "Plat"). Capitalized terms used herein without definition shall have the meanings specified in the Declaration or, if not defined in the Declaration or herein, the meanings specified or used for such terms in the Act. In Article 15 of the Declaration, the right to amend the Declaration is set forth and requires a vote or agreement of "Unit Owners or Units to which sixty-seven percent (67%) of the votes in the Association are allocated." Article 4 (Section 4.2) of the Declaration provides that "during the Declarant Control Period, the Declarant shall be entitled to cast all votes of the Condominium Units. Further, Article 6 of the Declaration indicates that the Restrictive Covenants attached to the Declaration as Exhibit D "may be amended or modified by the Declarant during the Declarant Control Period . . ."

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2. AMENDMENT OF DECLARATION AND RESTRICTIVE COVENANTS. The Declarant, pursuant to the authority reserved to the Declarant by the Declaration, hereby amends the Declaration and Restrictive Covenants in the following manner:

A. Section 7.7 of the Declaration is amended by adding the following at the current conclusion of Section 7.7:

"It shall be conclusively presumed that the maintenance (including snow plowing) of the Condominium roadway, Trailside Way, and the cost of maintenance and repair of the Condominium water system benefit only those Units upon which a dwelling has been constructed, or upon which construction of a dwelling has commenced, and consequently such cost shall be such Units.

B. Paragraph 2 (Construction of Dwellings) (e) of the Restrictive Covenants is hereby amended by adding the words "may waive this time frame" following the word "Declarant" in the second sentence of the subparagraph so that Paragraph 2(e), as amended, reads as follows:

"Construction of any dwelling on a Unit shall commence no later than two years from date of transfer of the Unit by the Declarant to a purchaser. The Declarant *may waive this time frame* or the Association shall have the right to extend this time frame under appropriate circumstances upon written request of a Unit owner stating the circumstances which require an extension and providing a specific additional time within which commencement of construction of a dwelling will begin."

3. GENERAL. Except as modified by this Amendment, all of the terms and provisions of the Declaration are hereby expressly ratified and confirmed, shall remain in full force and effect, and shall apply to the Units, Common Elements, and Limited Common Elements created thereby.

IN WITNESS WHEREOF, this Amendment has been executed by Mountain Development, LLC in its capacity as Declarant and by Chester E. Homer, III in his capacity as President of Trailside at Shawnee Peak Condominium Owners Association.

MOUNTAIN ROAD DEVELOPMENT, LLC ("Declarant")

_____
Witness

_____
By: Chester E. Homer, III
Its: Manager, Duly Authorized

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TRAILSIDE AT SHAWNEE PEAK CONDOMINIUM OWNERS ASSOCIATION

Witness

By: Chester E. Homer, III
Its: President, Duly Authorized

STATE OF MAINE
YORK, ss.

February ____, 2001

Personally appeared before me the above-named Chester E. Homer, III, Manager of Mountain Road Development, LLC and President of Trailside at Shawnee Peak Condominium Owners Association and acknowledged the foregoing Amendment to Declaration to be his free and act deed in his said capacities and the free act and deed of Mountain Road Development, LLC and Trailside at Shawnee Peak Condominium Owners Association.

Notary Public / Attorney-at-Law

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TRAILSIDE CONDOMINIUM ASSOCIATION

Preliminary Budget Estimates January 2001

Road plowing, sanding	$10,000
Water, septic maintenance	2,500
Landscaping, road maintenance	3,000
Skating pond upkeep	2,000
Insurance expense	2,500
Meeting/accounting expense	1,000
Electric, miscellaneous utilities	2,000
Rubbish, other	3,000
	$26,000
Total per unit annually assuming (20)	*$1,300/Unit

Assessments will be paid semiannually beginning September 1st of each year.

*costs associated with maintenance and repair of the road and water system will be assessed only to those Units upon which construction of a dwelling has commenced.

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