

SHAHEEN & GORDON, P.A.

A T T O R N E Y S A T L A W

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Tenacity. Creativity. Results.

May 21, 2015

Winnisquam Beach Resort
10A Grey Rocks Road
Belmont, New Hampshire 03220

Re: Bath House Repairs

I am writing this letter in response to your request for a legal determination of whether the Board has any financial limitations related to its authorization of the repairs in connection with the Bath house.

It is my understanding that the Bath house in question has been used throughout each year, including the winter months, by the Unit owners and their guests, since the inception of the condominium. I also understand that the Bathhouse had fallen into disrepair and that the Board initiated the process of the maintenance and repairs to the structure. During that process however, it was discovered that the repairs were much more significant than what was initially anticipated and in fact it was determined that it was less expensive to tear down the structure and rebuild it then to attempt to make all the repairs that were needed. For both safety and financial reasons, the existing structure was raised. The Board is now seeking direction as to whether there are any limitations on their authority to proceed with the project.

Based on my review of the Bylaws of the Condominium, the Board, pursuant to Section 4-113 of the Bylaws, has the authority to make repairs to the common area. Based on such authority the Board may continue with the Bath house repairs and pay for such repairs from the General Fund.

Due to the expectation that such repairs will be in excess of \$5000, it is my opinion that Section 4-200 of the Bylaws requires the Board to obtain majority approval of the Unit Owner's concerning the allocation and budgeting of such expenses. I urge the Board, thorough a special meeting of the Unit Owner's accompanied by proxies to make recommendations and obtain Owner approval with respect to the payment allocation and budgeting of the expenses from such funds that are available in the general fund or capital reserve account or a combination of both, or, in the alternative, from loan proceeds.

Please let me know if you require any assistance in preparation of the meeting notice or proxies.

Sincerely,



Heidi J. Barrett-Kitchen