



CHOCORUA SKI & BEACH CLUB Chocorua New Hampshire 03817

May 16, 1998

Dear Chocorua Ski & Beach Association Member:

In the middle of 1995, the Association was informed that the 40+/- acre, land locked wooded parcel of land abutting our subdivision to the south was for sale by American Central Corporation, the original owners and subdividers of Chocorua Ski & Beach. This land abuts lots on Indian Trail and runs under and past the power lines. American Central claimed at that time that they had the rights to use the Association bridge, roads and all paper roads that were of record.

Initially, Attorney Zimmermann, on behalf of the Association, rejected all of these claims and denied use of our road to American Central Corporation (International Paper Corp.) Through subsequent correspondence, research and references to prior legal decisions, it has become most apparent that the law will allow the owner of this 40+/- acre parcel access over our bridge and roads.

We are pleased to be able to report that the lawsuit against the Association by American Central Corporation has been settled. We will be acquiring the 40+/- acre parcel of land for a settlement price of \$42,500. All of the rights of American Central Corporation to the roads, common facilities and internal rights of way are also acquired with the purchase. The settlement will also terminate the expenses of costs and attorney fees prior to trial and trial preparation which would have required several thousand dollars and would likely have resulted in uncontrolled use of our facilities by American Central Corporation or the purchaser of the property.

On April 27, 1996, at the Special Meeting to vote on the land acquisition, the Board felt a sale price of \$35,000 should be considered. The initial authorized assessment of \$125.00 per lot owned would have been sufficient. However, with negotiations stalled, Attorney Zimmermann requested authorization not to exceed \$45,000, which was approved at the September 20, 1997 annual meeting.

To meet the final price of \$42,500, a total special assessment of \$150.00 will cover land acquisition, closing costs and taxes. Eighty percent of the members responded to the initial assessment of \$125.00, therefore, an additional \$25.00 per lot owned is requested. For the 20% who did not pay the initial special assessment, the total now due is \$150.00. Please be advised that special assessments unpaid by due date will result in loss of Association privileges including beach and tennis court. Enclosed is your respective bill.

Sincerely,


President