

MARTHA'S VINEYARD CAMP MEETING ASSOCIATION

COTTAGE OWNERSHIP TRANSFER RULES

IN TRANSFERRING OWNERSHIP OF A COTTAGE, THE OWNER MUST REALIZE THAT THE APPLICATION OF THE PROPOSED TRANSFEREE WILL BE REVIEWED BY THE COMMITTEE ON RESIDENTIAL LEASE IN THE LIGHT OF THE SPIRIT AND OBJECTIVES OF THE ASSOCIATION AND THE ACCEPTANCE THEREOF AND THE PROBABLE ADHERENCE THERETO BY THE PROPOSED TRANSFEREE.

1. An application must be made to the Committee on Residential Lease at least 30 days prior to approval of any change in cottage ownership. For the purposes of these rules, a change in cottage ownership includes any transfer of any interest in a cottage or, in the case of a cottage owned by a person other than one or more individuals, any direct or indirect transfer of an interest in a person that owns a cottage. Application forms are available at the Association office.
2. The application must be accompanied by three letters of recommendation from persons who know the prospective transferee well. At least one of the letters must be from a member of the clergy, and, if possible, at least one should be from an MVCMA residential leaseholder, former leaseholder, or spouse, sibling, parent or child of an MVCMA residential leaseholder or former leaseholder. Each letter shall, at a minimum, attest to the character of the applicant.
3. In addition to the application and letters of recommendation, all applicants must be interviewed by three or more members of the Committee on Residential Lease, or by other members of the Board of Directors of the Association or other appropriate persons, in each case as designated by the Committee on Residential Lease. Interviews must take place at least ten days prior to any transfer. As described in more detail in Section 4 below, the interview and approval process applies to each person acquiring an interest in a cottage, as well as each person with an ownership interest in or a management role on behalf of any legal entity acquiring an interest in a cottage.
4. For the purposes of these rules, a "person" means an individual, partnership, limited partnership, corporation, limited liability company, unincorporated association, trust, or any other legal entity. The application must indicate the type of proposed ownership, i.e., whether life interest, remainder interest, full ownership by individual, joint ownership with survivorship or co-ownership in specified shares without survivorship. Whenever there are two or more joint owners, each proposed joint owner must submit the required three letters of recommendation. Also, whenever there are two or more joint owners other than husband and wife, one of them must be designated as the person primarily responsible for compliance with all Campground rules and regulations. If the proposed cottage owner is a person other than one or more individuals, then each owner of an equity or beneficial interest in the owner, as well as any trustee, manager, officer and director of the owner, as well as any other person managing the affairs of the owner, must submit the required three references and be interviewed and approved pursuant to Section 3 prior to any

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approval of a cottage transfer. In the case of an owner other than one or more individuals, the application must include a statement identifying all of the owners of equity or beneficial interests in the proposed leaseholder, as well as each trustee, manager or other person managing the affairs of the proposed leaseholder, and the person primarily responsible for compliance with all Campground rules and regulations on behalf of the proposed leaseholder. Cottage purchasers should be aware that to the extent there is subsequently any intent to change in the owners of equity or beneficial interests in the leaseholder, or in the trustees, managers or other persons managing the affairs of the leaseholder, then any such person not previously interviewed and approved by the Committee on Residential Lease in connection with the leaseholder must submit the required references and be interviewed and approved by the Committee on Residential Lease, as described in these rules, prior to any such change in the ownership or control of the leaseholder taking place. Notwithstanding the foregoing, however, to the extent any person otherwise required to submit an application and be interviewed and approved under these Rules is a minor, such person shall not be required to do so until such person reaches the age of majority, provided that such person must submit an application, be interviewed and approved within six months of achieving the age of majority in order for the leaseholder (e.g., a trust leaseholder in which the person is a beneficiary) to maintain its status as a leaseholder.

5. In the event of disapproval by the Committee on Residential Lease of a proposed leaseholder, the present leaseholders shall not transfer ownership of the cottage to the proposed leaseholder unless and until the transfer is approved by the Board of Directors of the Association.

6. In the event of involuntary transfer of any legal interest in a cottage or a leaseholder by death, bankruptcy, foreclosure, insolvency, forfeiture of lease or otherwise, the parties entitled to such interest shall furnish to the Association satisfactory evidence of the transfer and apply for approval by the Committee on Residential Lease of the parties to whom the interest has been transferred as outlined in paragraphs 1, 2, 3, and 4 above. In the event of disapproval, proper arrangements must be made for further transfer of ownership to owners acceptable to the Committee on Residential Lease. Such arrangements must be made within six months after the date of the said involuntary transfer of legal interest.

7. Upon approval of any new ownership as above outlined, a copy of the duly executed Bill of Sale or other legal transfer document shall be filed with the Association office for permanent record and shall be recorded with the Town of Oak Bluffs.

8. Prospective leaseholders may not occupy a cottage until they have executed a lease with the MVCMA, unless they occupy as a tenant under the rental rules.

9. Any failure to follow the foregoing procedures shall be sufficient cause for the Committee on Residential Lease to terminate a leaseholder's lease of the property

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on which the cottage rests. Any such termination may be appealed to the Board of Directors of the Association.

10. Before issuance of a lease to a new cottage owner, all outstanding charges, including back lease payments, interest on back leases, and current lease due, must be paid in full, as well as any fines or other monetary amounts which may be owed to the Association with respect to the cottage. This provision includes back lease payments with interest on leases withheld or suspended by the Association, and any third party costs, which may include legal fees, incurred by the Association in connection therewith.

11. (a) There is a fee of 2% of the cottage selling price (including the price of any cottage contents also sold to the purchaser of the cottage) which is payable by the buyer or transferee of a cottage to the Association for processing and recording of any transfer of ownership when such transfer is not a "family transfer".

(b) There is a fee of \$200.00 payable to the MVCMA when the cottage transfer is a "family transfer" and a fee of \$25.00 for recording the addition of a name or names of "family" members on a residential lease or in connection with a previously approved Entity.

(c) Any fee paid under this Section 11 must be paid prior to the granting of a lease to a transferee or the addition of a name or names to a residential lease. Any such fee will be credited to the Tabernacle Endowment Fund.

(d) The Committee on Residential Lease will define the meaning of "family transfer" to implement the purposes of this rule.

12. All Town regulations regarding transfers of property must be complied with in connection with any cottage transfer.