

## EXHIBIT H

### LIENS, DEFECTS OR ENCUMBRANCES

The following liens, defects, or encumbrances will continue to affect the title to the Unit or real property owned by the Association after the conveyance of the Unit to Purchaser:

1. That part of said premises lying within SW  $\frac{1}{4}$  of NW  $\frac{1}{4}$ , Section 13, Township 52, Range 15 is subject to an easement granted for right of way, recorded in the office of the County Recorder in Book 13 of Miscellaneous, page 472.
2. That part of said premises lying within SW  $\frac{1}{4}$  of NW  $\frac{1}{4}$ , Section 13, Township 52, Range 15 is subject to flowage rights, roadway rights, and right of entry to Island Lake, recorded in the office of the County Recorder in Book 724 of Deeds, page 572.
3. That part of said premises lying within SW  $\frac{1}{4}$  of NW  $\frac{1}{4}$ , Section 13, Township 52, Range 15 is subject to flowage rights, roadway rights, and right of entry to Island Lake, recorded in the office of the County Recorder in Book 746 of Deeds, page 597.
4. That part of said premises lying within SW  $\frac{1}{4}$  of NW  $\frac{1}{4}$ , Section 13, Township 52, Range 15 is subject to an easement to construct, operate and maintain lines for the transmission of electric energy and telephone, recorded in the office of the County Recorder in Book 1012 of Deeds, page 11.
5. Lot 13 Island Beach is subject to flowage rights recorded in the office of the County Recorder in Book 375 of Deeds, page 574. Said right, privilege and easement of Minnesota Power is subject to the Mortgage and Deed of Trust made by said Company to Irving Trust Company, a New York Corporation, and Richard H. West as Trustees and instruments supplemental thereto, of record in the office of the County Recorder in Book 736 of Mortgages, page 55; Book 781 of Mortgages, page 297; Book 811 of Mortgages, page 289; Book 893 of Mortgages, page 219; and as Document No 91208, 139445, 220132, 240926, 262161, 272448, 279102 and 353673; J.A. Austin having succeeded said Richard H. West as Trustee under said Mortgage and Deed of Trust, E. J. McCabe having succeeded said J.A. Austin as Trustee under said Mortgage and Deed of Trust and D.W. May having succeeded said E. J. McCabe as Trustee under said Mortgage and Deed of Trust by instruments of record in the office of the County Recorder in Book 225 of Miscellaneous, page 576 and as Documents No. 78368 and 20132.
6. Subject to the perpetual right, privilege and easement to flood or cover with water to any depth in favor of Minnesota Power & Light Company, and recorded in the office of the County Recorder as Document No. 392362, affecting the following described lands: That part of the NW $\frac{1}{4}$  of NW $\frac{1}{4}$  and the West 25 acres of the SW $\frac{1}{4}$  of NW $\frac{1}{4}$ , Section 13, Township 52 North, Range 15 West, as described in that deed from George Larsen and Jenny M. Larsen, his wife, to Agnes Carmody dated June 16, 1921 and recorded in the office of the Register of Deeds on June 16, 1921 in Book 425 of Deeds, page 570. This land and the use thereof is subject to the jurisdiction of the Federal Energy Regulatory Commission according to the provisions of the

Federal Power Act., 16 U.S.C. 792 et seq. and the rules and regulations promulgated thereunder. The use of these lands conveyed shall not endanger health, create a nuisance or otherwise be incompatible with overall recreational use of the St. Louis River project, Federal Energy Regulatory Commission No. 2360, for which Minnesota Power & Light Company has been issued a license under Section 4(e) of the Federal Power Act. The grantees shall take all reasonable precautions to ensure that the construction, operation and maintenance of structures or facilities on the conveyed lands will occur in a manner that will protect the scenic, recreational and environmental values of the above-named Project No. 2360.

7. Findings of Fact, Conclusions of Law, Order for Judgment and Judgment and Decree, dated April 11, 2005, filed April 22, 2005 as Document No. 796841 vacating all that portion of the unnamed road which lies northerly and easterly of a line drawn perpendicular to the common line between Section 13, Township 52 North, Range 15 West and Section 14, Township 52 North, Range 15 West, and which line is 323.07 feet southerly of the iron pipe at the northwest corner of the Southwest Quarter of the Northwest Quarter of said Section 13.
8. Permit granted for a Residential Planned Unit Development dated July 8, 2004 and recorded September 22, 2004 as Document No. 784201.
9. Requirements of the Minnesota Common Interest Ownership Act, Chapter 515B, Minnesota Statutes, as amended;
10. Requirements, restrictions, easements, conditions, obligations, covenants and reservations contained in the Declaration, Bylaws and CIC Plat of record, or any amendments or supplements thereto;
11. Federal, state and local building, housing and zoning laws, codes, ordinances and regulations;
12. Lien of real estate taxes and installments of special assessments (including interest) payable in the year following the closing and subsequent years;
13. Any mortgage given by Purchaser and encumbering the Unit, together with its undivided interest in the common elements;
14. Riparian rights incident to the land, if any;
15. Rights of the United States of America, State of Minnesota, the county, the municipality, and the public in and to that part of the land which may be in Island Lake.