

Declaration of Grants, Covenants, Conditions, and Restrictions
Establishing a Plan for Condominium Ownership of

Marina Place Condominiums

Note: Copies of the original document are on file with the County Clerk, Summit County, Colorado, receipt #213731. This document is only for general reference.

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Declaration of Grants, Covenants, Conditions, and
Restrictions Establishing A Plan For Condominium
Ownership of Marina Place Condominiums

MARINA PLACE, INC., a Colorado corporation (the "Declarant"), as the owner of certain real property subject to this Declaration located in Summit County, Colorado, and more particularly described as follows:

Lot 19B, Block H, NEW TOWN OF DILLON, according to the filed revised plat thereof filed February 21, 1978, under reception No. 173578 in the office of the Recorder of the County of Summit, State of Colorado (the "Property"),

hereby makes the following grants, submissions, and declarations:

ARTICLE I: Recitals

Section 1.1 Intention of Declarant. Declarant, as the Owner of the Property, intends to improve *or* has improved the Property by constructing two 24-unit, multi-family structures. Each of said structures has been or will be constructed to provide for condominium ownership under the Condominium Ownership Act of the State of Colorado. All of the Property, including all structures and other improvements thereon, shall hereinafter be referred to as the "Project."

Section 1.2 Proposed Expansion. Declarant proposes to construct two additional 24-unit buildings of substantially equal quality and workmanship as the Project on adjacent property owned by it and more particularly described & follows:

Lot 1, Block G, New Town of Dillon, County of Summit, State of Colorado

The Declarant desires to reserve the right to expand the Project to Include any such additional buildings, if and when constructed, so that such additional buildings and the initial Project shall be treated as integral parts of o; single condominium ownership project.

ARTICLE II: Definitions

The following terms shall have the following meanings when used, unless the context otherwise requires:

Section 2.1 Building. "Building" means any building constructed on Property pursuant to this Declaration,

Section 2.2 Unit. "Unit" means an individual air space unit, consisting of enclosed rooms occupying part of a floor or floors in a Building and bounded by the interior surfaces of the perimeter walls, floor, ceiling, windows, and doors thereof as shown and numbered on the Condominium Map or Maps to be filed for record, together with all fixtures and improvements therein contained.

Section 2.3 General Common Element. "General Common Elements" means ail of the Project, except all of the Units and except the Limited Common Elements, and shall include (a) the property; (b) all structural components, including, but not limited to the foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, lobbies, stairs, stairways, fire escapes, entrances, and exits of such Building or Buildings, partition walls, non-perimeter floors, non-perimeter division walls, chimneys, flues, and heat ducts; (c) basements, green or open space areas, yards, gardens, walks, walkways, parking areas and storage spaces; (d) installations of central services such as power, lights, gas, hot and cold water, heating, refrigeration, central air conditioning, waste removal, incinerating, other utilities

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(including all pipes, ducts, flues, wires, cables, and conduits used in connection with such items, whether located in common areas or within Units); (e) the elevators, tanks, pumps, motors, fans, compressors, ducts in general, and all apparatus and installations existing for common use; (f) such community and commercial facilities as may be provided for in the Declaration; and (g) all other parts of the Property necessary or convenient to its existence, maintenance, and safety where normally in common use.

Section 2.4 Limited Common Elements. "Limited Common Elements" means those Common Elements which are either limited to and reserved for the exclusive use of an Owner or are limited and reserved for use by more than one but fewer than all of the Owners of the Condominium Units as designated, located, or shown on the Condominium map by legend, symbol, or word.

Section 2.5 Common Elements. "Common Elements" means the General Common Elements and all Limited Common Elements.

Section 2.6 Condominium Unit. "Condominium Unit" means a Unit together with an undivided interest in the Common Elements therein (expressed as a fraction of the entire ownership interest in the Common Elements) as set forth in Exhibit "A" attached hereto.

Section 2.7 Owner. "Owner" means any person or entity including the Declarant, at any time owning a Condominium Unit and includes the term "Unit Owner," as used in the Colorado Condominium Ownership Act. The term "Owner" shall not refer to any mortgagee as herein defined, unless such mortgagee has acquired title pursuant to foreclosure, or any proceeding in lieu of foreclosure.

Section 2.8 Mortgage. "Mortgage" means any mortgage, deed of trust, or other security instrument by which a Condominium Unit or any part thereof is encumbered.

Section 2.9 First Mortgagee. "First Mortgagee" means the holder of any Mortgage under which the interest of any Owner is encumbered and which Mortgage has first and paramount priority subject only to the lien of general or ad valorem taxes and assessments.

Section 2.10 Association. "Association™" means Marina Place Condominium Association, Inc., a Colorado nonprofit corporation and its successors and assigns.

Section 2.11 Board of Managers. "Board of Managers" or "Board" means the governing body of the Association as provided in this Declaration, the Articles of Incorporation, and the Bylaws thereof.

Section 2.12 Condominium Map. "Condominium Map" or "Map" means and includes the engineering surveys of the Property locating thereon the Buildings, the floor plans, and other drawings or diagrammatic plans, including without limitation, charts or schedules depicting all or part of the improvements on the land and such other information as may be included thereon in the discretion of the Declarant.

Section 2.13 Condominium Declaration. "Condominium Declaration" or "Declaration" means this Declaration together with and supplement or amendment hereto recorded in the office of the Clerk and Recorder of Summit County, Colorado.

Section 2.14 Common Expenses. "Common Expenses" means and includes (a) expenses of administration, operation, management, repair, or replacement of the General Common Elements of the Project, (b) expenses declared Common Expenses by the provisions of this Declaration or the Bylaws of the Association, (c) all sums lawfully assessed against the Common Elements of the Project by the Board of Managers of the Association, (d) expenses agreed upon as Common Expenses by the Association of Unit Owners, and (e) expenses as are provided in any Management, Agreement.

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ARTICLE III: Grant and Submission of Property

Section 3.1 Grant and Submission. Declarant hereby grants and submits the Property to this Declaration.

Section 3.2 Covenants Running with the Land. The Project is hereby divided into forty eight (48) Condominium Units, each consisting of a fee simple interest in a Unit and an undivided fee simple interest in the Common Elements in accordance with the respective interest in Common Elements appurtenant to each Unit as set forth in Exhibit A attached hereto. Such undivided interests in the Common Elements are hereby declared to be appurtenant to the respective Units.

Section 3.3 Covenants Running with the Land. All provisions hereof shall be deemed to be covenants running with the land, or as equitable servitudes, as the case may be, and shall inure to the benefit of and be binding upon Declarant, its successors and assigns, and to all persons hereafter acquiring or owning any interest in the Project or in any Condominium Unit, however such interest may be acquired.

ARTICLE IV: Condominium Map

Section 4.1 Description. The Map shall be filed for record in the office of the County Clerk and Recorder of Summit County, Colorado. The Map may be filed in whole or in parts or sections, from time to time, as stages: of construction of the Units and other improvements are substantially completed. Each section of the Map filed subsequent to the first or initially filed Map shall be termed a supplement to such Map, and the numerical sequence of such supplements shall be shown thereon. The Map or any part or section thereof depicting Units shall not be filed for record until the Building in which the Units are located has been substantially completed in order to permit the location thereof, both horizontally and vertically, by registered engineers. The Map shall be filed for record prior to the conveyance of the Condominium Unit to a purchaser. The Map shall depict and show at least the following: the legal description of the land and a survey thereof; the location of the Building on the land; the floor and elevation plans; the location of the Units within the Building, both horizontally and vertically; the thickness of the common walls between or separating the Units; and the location of any structural components or supporting elements of the Building. The Map shall contain a certificate of a registered professional engineer or licensed architect, or both, certifying that the Map substantially depicts the location and the horizontal and vertical measurements of the Building, the Units, the dimensions of the Units, the elevations of the unfinished floors and ceilings as constructed, the Building name or designation, and that such Map is prepared subsequent to the substantial completion of the improvements. Each supplement or any amendment shall set forth a like certificate when appropriate.

Section 4.2 Interpretation. In interpreting the Map, the existing physical boundaries of each separate Unit as constructed shall be conclusively presumed to be its boundaries.

Section 4.3 Amendment. At any time prior to seven years from the date of this Declaration, Declarant shall have the right to amend the Map, from time to time, to conform it to the actual location of any of the constructed improvements and to establish, vacate, and relocate utility easements, access road easements, and parking areas outside the Building.

ARTICLE V: Easements for Encroachments

Section 5.1 Easements. If any portion of the Common Elements now encroaches upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, as a result of the construction of the Buildings, or if any such encroachment shall occur hereafter as a result of settling or shifting of any Building or for any other reason, a valid easement for the encroachment end for the maintenance of the same so long as the Building stands shall exist. In the event any Building, or any

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adjoining Common Element, shall be partially or totally destroyed as a result of condemnation or eminent domain proceedings and then rebuilt, encroachments or parts of the Common Elements upon any Unit or upon any portion of the Common Elements due to this rebuilding shall be permitted, and valid easements for such encroachment and the maintenance thereof shall exist so long as the Building shall stand. The foregoing encroachments shall not be construed to be encumbrances affecting the marketability of title to any Condominium Unit.

ARTICLE VI: Incidents of Condominium Ownership

Section 6.1 Limited Common Elements. Limited Common Elements shall consist of decks immediately adjoining Units, which shall be depicted on the Condominium Map. The deck or decks adjoining a Unit identified on the Condominium Map with the same number or other designation, by which the Unit is identified on the Condominium Map, shall be used exclusively by the Owner of the Unit and not by others except by invitation.

Section 6.2 Title. Title to a Condominium Unit may be held or owned by any person or entity and in any manner in which title to real property may be held or owned in the State of Colorado.

Section 6.3 Inseparability. Each Condominium Unit shall be inseparable from the undivided interest in and to the Common Elements appurtenant thereto, and no such Unit shall be conveyed, leased, devised, mortgaged, or otherwise transferred except as a complete Condominium Unit as defined herein in Section 2.5. Every gift, devise, bequest, transfer, encumbrance, conveyance, or other disposition of a Condominium Unit or any part thereof shall be presumed to be a gift, devise, bequest, transfer, encumbrance, or conveyance respectively of the entire Condominium Unit, together with all appurtenant rights created by law or by this Declaration.

Section 6.4 No Partition. The Common Elements shall be owned in common by all the Owners of Condominium Units, and neither an Owner, group of Owners, nor the Association shall bring any action for partition or division of the Common Elements, nor shall the Common Elements be encumbered, abandoned, sold, or subdivided by the Association. Similarly, no action shall be brought for partition of a Condominium Unit between or among the Owners thereof.

Section 6.5 Owners' Rights to Common Elements. Subject to the limitations contained in this Declaration, any Owner shall have the nonexclusive right to use and enjoy the General Common Elements and shall have the exclusive right to use and enjoy the Limited Common Elements designated herein for exclusive use by such Owner.

Section 6.6 Separate Tax Assessments. Upon the recording of this Declaration and the filing of the Condominium Map for record in Summit County, Colorado, Declarant shall deliver a written notice to the Assessor of Summit County, Colorado, as provided by law, which notice shall set forth the descriptions of the Condominium Units, so that thereafter all taxes, assessments, and other charges by the State or any political subdivision of any special improvement district or any other taxing agent or assessing authority shall be assessed against and collected on each Condominium Unit, each of which shall be carried on the tax records as a separate and distinct parcel for that purpose. For the purpose of such assessment, valuation of the Common Elements shall be apportioned among the Units in proportion to the fractional interest in the Common Elements appurtenant to such Units. No forfeiture or sale of any Condominium Unit for delinquent taxes, assessment, or other governmental charge shall divest or in any way affect the title to any other Condominium Unit.

Section 6.7 Access to Units for Maintenance, Repair, and Emergencies. The Owners shall have the irrevocable right to be exercised by the Managing Agent, Board of Managers of the Association, or their delegated representatives, to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair, or replacement of any of the Common Elements therein or

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accessible therefrom. Such right of access shall be immediate for the making of emergency repairs therein in order to prevent damage to the Common Elements or to another Unit. The Association shall also have all the foregoing rights independent of any agency relationship. Damage to the interior of any part of the Unit resulting from the maintenance, repair, emergency repair, or replacement of any of the Common Elements or as a result of emergency repairs within another Unit shall be a Common Expense of all of the Owners. If such damage is caused by a negligent or tortuous act of an Owner, members of his or her family, his or her agent, employee, invitee, licensee, or tenant, then such Owner shall be responsible and liable for all such damage. All damaged improvements shall be restated to substantially the same condition in which they existed prior to the damage. All maintenance, repairs, and replacements of the Common Elements, whether located inside or outside of Units (unless necessitated by the negligence, misuse, or tortuous acts of an Owner), in which case such expense shall be charged to such Unit Owner shall be the Common Expense of all of the Owners.

Section 6.3 Association's Right to Use of Common, Elements. The Association shall have a nonexclusive easement to make such use of the Common Elements as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration, including the right to construct and maintain in the General Common Element's maintenance and storage facilities for use by the Association.

ARTICLE VII:

Section 7.1 Contracts prior to Filing Map. A contract for the sale of a Condominium Unit prepared prior to the filing of the Map may describe the Condominium Unit by the number shown on Exhibit A attached hereto followed by the words "Marina Place Condominiums, Summit County, Colorado."

Section 7.2 Description, After Map is filed. Subsequent to the filing of the Map and recording of this Declaration, every deed, lease, mortgage, trust deed, will, or other instrument may legally describe a Condominium Unit by its Unit Designation, followed by the words "Marina Place Condominiums" with further reference to the Map thereof filed for record and the recorded Declaration. Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber, or otherwise affect not only the Unit, but also the interest in the Common Elements appurtenant thereto. Said description shall be in the following form:

Unit _____, Building _____, Marina Place Condominiums, Summit County, Colorado, as shown on the Condominium Map recorded in Book _____ of Maps, No. _____, and subject to the Declaration for Marina Place Condominiums recorded in Book _____ at Page _____, Summit County Records.

ARTICLE VIII: Termination of Mechanics' Lien Rights and Indemnification

Section 8.1 Mechanics' Lien. Subsequent to the completion of the improvements described on the Map, no labor performed or materials furnished and incorporated in a Condominium Unit with the consent or at the request of the Owner thereof, or the agent, contractor, or subcontractor of an Owner, shall be the basis for filing a lien against the Condominium Unit of any other Owner not expressly consenting to or requesting the same, or against the Common Elements. Each Owner shall indemnify and hold harmless each of the other Owners from and against all liability arising from the claim of any lien claimant against the Condominium Unit of any other Owner or against the Common Elements for construction performed or for labor, materials, services, equipment, or other products incorporated into the Owner's Condominium Unit, at such Owner's request or with the consent of an Owner. The provisions of this Article VIII shall not apply to any labor performed or materials furnished at the request of the Managing Agent or Board of Managers of the Association. At the written request of any Owner, the Association shall enforce such indemnity by collecting from the Owner of the Unit on which the labor was performed or materials furnished the amount necessary to discharge any such lien, including all costs incidental thereto, and

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obtaining a discharge of the lien. Such collection shall be made by special assessment pursuant to Article XII. The Bylaws of the Association may also contain provisions relating to mechanics' liens.

ARTICLE IX: The Association

Section 9.1 The Association. The administration of the Condominiums shall be governed by this Declaration, the Articles of Incorporation, and the Bylaws of the Marina Place Condominium Association, Inc., a Colorado nonprofit corporation.

Section 9.2 Membership. An Owner of a Condominium Unit shall automatically become a member of the Association and shall remain a member for the period of ownership. If title to a Condominium Unit is held by more than one person, the membership related to that Condominium Unit shall be shared by all such persons in the same proportion of interests and by the same type of tenancy in which the title to the Condominium Unit is held. An Owner shall be entitled to one membership for each Condominium Unit owned. Each membership shall be appurtenant to the Condominium Unit and shall be transferred automatically by conveyance of the Condominium Unit. No person or entity other than an Owner may be a member of the Association, but the rights of membership may be assigned to a Mortgagee as further security for a loan secured by a lien on a Condominium Unit.

Section 9.3 Classes of Membership and Voting Rights. There shall be one class of membership in the Association. Each member shall be entitled to one vote for each Unit owned.

Section 9.4 Transfer. Except as otherwise expressly stated herein, any of the rights, interests, and obligations of the Association set forth herein or reserved herein may not be transferred or assigned to any other person or entity. No such transfer or assignment shall relieve the Association of any of the obligations set forth herein. Any such transfer of assignment shall not revoke or change any of the rights or obligations of any Owners as set forth herein.

ARTICLE X: Maintenance

Section 10.1 By the Owner. Owner shall have the obligation to maintain and keep In good repair the interior surfaces of walls, ceilings, and floors (including carpeting, tile, wallpaper, paint, or other covering), internal installation, repair, and maintenance of the Unit such as water, light, gas, power, sewer, telephone, air conditioning, garbage disposals, doors, windows and windowpanes, lamps, and accessories, all appurtenant Limited Common Elements, as well as all fixtures and appliances, whether the weather the same are Common Elements or not, located within such Owner's Unit. An Owner shall not be responsible for repair occasioned by casualty as defined in Article XV unless such casualty is due to the act or negligence of the Owner, or of the guests, invites, or tenants of an Owner. An Owner shall reimburse the Association for any expenditure incurred for replacing or repairing any Common Element and facility damaged through fault of an Owner, the guests, invitees, or tenants, of an Owner, and the Association shall be entitled to assess such Owner, for such amounts which shall be payable, collectible, and enforceable in the same manner as assessments pursuant to Article XII. No Owner shall alter any Common Element without the prior written consent of the Association.

Section 10.2 By the Association. The Association, through its Board of Managers, shall maintain, replace, improve, and keep in good repair as a Common Expense, and without the requirement of approval of the Owners, all the Condominium Property not required to be maintained and kept in good repair by an Owner.

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ARTICLE XI: Certain Rights and Obligations

Section 11.1 Common Elements. The Association, subject to the rights of Owners with respect to the interior of the Units, shall be responsible for the exclusive management and control of the Common Elements and all improvements thereon (including furnishings and equipment related thereto), and shall keep the same in good, clean, attractive, and sanitary condition. The Association shall be responsible for the maintenance and repairs of exterior surfaces of the Building, including, without limitation, painting as often as necessary, the replacement of trim and caulking, the maintenance and repair of roofs, the maintenance and repair of other Common Elements, including utility lines, and other improvements or material located within or used in connection with the Common Elements. The specifications of duties of the Association with respect to particular Common Elements shall not be construed to limit its duties with respect to other Common Elements, as set forth in the first sentence of this section. The cost of such management, operation, maintenance, and repair by the Association, shall be borne as provided in Article XII.

Section 11.2 Miscellaneous Services. The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Project, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of this Declaration. The Association may arrange with others to furnish lighting, heating, water, trash collection, snow removal, pool service, grounds maintenance, sewer service, firewood, and other Common Services to each Unit. The cost of such services shall be borne as provided in Article XII. Any management contract altered into by the Association shall be terminable on ninety days written notice, with or without cause, and the term of any such contract shall not exceed three years.

Section 11.3 Personal Property for Common Use. The Association may acquire and hold for the Owners tangible and intangible personal property and may dispose of the same by sale or otherwise, and a beneficial interest in each such property shall be deemed to be owned by the Owners in the same proportion as their respective interests in the Common Elements. Such interests shall not be transferable except with the transfer of a Condominium Unit. The transfer of a Condominium Unit shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto. Each Owner may use such property in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful rights of other Owners. The transfer of title to a Condominium Unit under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosed Condominium Unit.

Section 11.4 Rules and Regulations: The Association may make reasonable rules and regulations governing the use of the Units and the Common Elements, which rules and regulations shall be consistent with the rights and duties established in this Declaration. Such rules and regulations may include, without limitation: (1) the requirement that interior window coverings, including draperies, shades, and the interior surfaces of any window or door glass used in Units, shall present a uniform appearance of type and color from the exterior of the Building, and that the Association shall have the right to inspect and approve all proposed draperies or shades or other interior window coverings to assure compliance with such rule before installation thereof in any Unit; (2) assignment and relocation from time to time of particular portions of storage areas within the Common Elements for exclusive use by Owners of particular Condominium Units; and (3) the assignment and relocation from time to time of particular parking spaces in adjoining parking lots for the exclusive use of Owners of particular Condominium Units. The Association may suspend any Owner's voting rights in the Association during any period or periods during which such Owner fails to comply with such rules and regulations, or with any other obligations of such Owner under this Declaration. The Association may also take judicial action against any Owner to enforce compliance with such rules, regulations, or other obligations or to obtain damages for noncompliance, all to the extent permitted by law.

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Section 11.5 Identity of Board of Mangers. From time to time, but not less than annually, there shall be mailed by the Association to each Owner a notice containing the names and addresses of the members of the Board of Managers and the Managing Agent, if any.

ARTICLE XII: Assessments

Section 12.1 Assessments. All Owners shall be obligated to pay the estimated assessments imposed by the Board of Managers to meet the Common Expenses of maintenance, operation, and management of the Project. The Board may establish any reasonable system for collection periodically of Common Expenses or in advance or arrears as deemed desirable. Initially, assessments for the estimated Common Expenses on the annual basis shall be made by the Board and shall be payable in equal monthly installments in advance on the first day of each calendar month. At the end of each calendar year, the Board shall determine actual expenses and either assess each Owner or credit against the installment for the next ensuing calendar month, as the case may be. Assessments made shall be based upon the estimated cash requirements deemed to be such aggregate sum as the Board shall from time to time determine to be paid by all of the Owners. Estimated expenses include the cost of maintenance and operation of the Common Elements, expenses of management, taxes and special assessments, unless separately assessed, insurance premiums for insurance coverage as deemed desirable or necessary by the Board, landscaping, care of grounds, common lighting, repairs and Renovations, wages, common water and utility charges, legal and accounting fees, management fees, expensed, and liabilities incurred by the Board of Managing Agents under or by reason of this Declaration, payment of any deficit remaining from a previous assessment period, the creation of a reasonable contingency or other reserve or surplus fund as well as other costs and expenses of relating of the General Common Expense. The omission or failure of the Board to fix the assessments for any assessment period shall not be deemed a waiver, modification, or release of the Owners from their obligation to pay the same. The Board shall have the right but not the obligation to make pro rata refunds of any assessments in excess of the actual expenses incurred prior to the end of the fiscal year.

Section 12.2 Apportionments. The percentage of Common Expenses to be paid by the Condominium Owners shall be equal to such Owner's appurtenant interest in and to the Common Elements as set forth in Exhibit "A" attached hereto Declarant shall be considered to own only the undivided interest in Common Elements based upon Condominium Units which have been completed, as evidenced by a certificate of occupancy or other final inspection certification issued by the Town of Dillon, Colorado, but not conveyed by Declarant.

Section 12.3 Times for Payment of Assessments. Assessments shall be due and payable within 30 days after written notice of the amount thereof shall have been given to the respective Owner of a Condominium Unit. Each monthly assessment shall bear interest at the rate of 10% per annum from the date it becomes due and payable if not paid within 30 days after such date and there shall be a \$25 late charge for each assessment payment that is delinquent. Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of the Owner of any Condominium Unit for such assessment, but the date when payment shall become due in such case shall be deferred to a date 30 days after such notice shall have been given. The Association may elect to have the annual assessments paid quarterly.

Section 12.4 Special Assessments for Capital Improvements. In addition to the annual assessments authorized by this Article, the Association may levy in any assessment year a special assessment, payable over such a period as the Association may determine, for the purpose of deferring, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Project or any part thereof or for any other expense or purchase incurred or to be incurred as provided in this Declaration. This section shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other sections hereof which shall make specific referenced to this Article. Any amounts assessed pursuant hereto shall be assessed to Owners in proportion to their respective undivided interests in the

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Common Elements. Notice in writing of the amount of such special assessments and the time for payment thereof shall be given promptly to the Owners, and no payment shall be due less than 30 days after such notice shall have been given. A special assessment shall bear interest at the rate of 10% per annum from the date it becomes due and payable if not paid within 30 days after such date.

Section 12.5 Assessment Lien. All sums assessed but unpaid for the share of Common Expenses or special assessments chargeable to any Condominium Unit shall constitute a lien on such Unit superior to all other liens and encumbrances except (a) tax and special assessment liens on the Unit in favor of a taxing authority and (b) all sums unpaid on a First Mortgage of record. To evidence the lien as herein permitted, the Board of Managers shall prepare a written notice setting forth the amount of such unpaid indebtedness, the amount of accrued penalty thereon, the name of the Owner of the Condominium Unit and record the same in the office of the Clerk and Recorder of Summit County, Colorado. Such lien for assessment shall attach from the due date of the assessment. The lien may be enforced by foreclosure of the defaulting Owner's Condominium Unit by the Association in the manner for foreclosing a mortgage on real property upon recording of a notice of claim thereof. In the event of any such foreclosure, the Owner shall be liable for the amount of unpaid assessments, and penalties thereon, the costs and expenses of such proceedings, the costs and expenses for filing the notice of the claim and lien, and all reasonable attorney's fees in connection therewith. The Association shall have the power to bid on a Condominium Unit at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. Any Mortgagee holding a lien on a Condominium Unit may pay any unpaid assessment payable with respect to such Unit and any and all costs and expenses with respect thereto, and upon such payment shall have a lien on such Unit for the amounts paid with the same priority as the lien of the Mortgage. By accepting a deed to a Unit, each Owner shall thereby waive and release any and all rights and claims said Owner may have in and to the Unit as a homestead exemption or any other exemption, said waiver and release to be applicable only in an action to foreclose the assessment lien.

Section 12.6 Personal Obligation. The amount of any assessment chargeable against any Condominium Unit shall be a personal and individual debt of the Owner thereof. No Owner may exempt himself from liability for the assessment by abandonment or waiver of the use or enjoyment of any of the Common Elements. A suit to recover a money judgment for unpaid Common Expenses plus interest and expenses, including attorneys' fees, shall be maintainable without foreclosing or waiving the assessment lien provided herein.

Section 12.7 Notice to Mortgagee. The Association shall give written notice to any Mortgagee of a Condominium Unit of any default hereunder or unpaid assessments remaining in default or unpaid for longer than 60 days after the same shall have become due, if such Mortgagee first shall have furnished to the Association written notice of the Mortgage.

Section 12.8 Statement of Status of Assessment Payment. Upon payment of a reasonable fee not to exceed \$25.00 and upon the written request of any Owner, Mortgagee, prospective Mortgagee, or prospective purchaser of a Condominium Unit, the Association shall issue a written statement, setting forth the amount of the unpaid assessments, if any, with respect to such Condominium Unit. Unless such request shall be complied with within 20 days after receipt of said request by the Association, all unpaid assessments which became due prior to the date of making such request shall be subordinate to the lien of a Mortgagee which acquired its interest subsequent to requesting such statement. If the request is made by a prospective purchaser, both the lien for the unpaid assessment and the personal obligations of the purchaser shall be released automatically if the statement is not furnished within the 20 day period provided herein and thereafter an additional written request is made by such purchaser and is not complied with within 10 days and the purchaser subsequently acquires the Condominium Unit.

Section 12.9 Personal Liability of Purchaser for Assessments. Subject to the provisions of Sections 12.8 and 12.11, a purchaser of a Condominium Unit shall be jointly and severally liable with the seller for all unpaid assessments against the Condominium Unit up to the time of conveyance to purchaser, without prejudice to purchaser's right to recover from the seller the amount paid by the purchaser for such

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assessments.

Section 12.10 Assessment Reserves. Each Owner, other than Declarant, may be required to deposit and maintain with the Association an amount equal to up to three times the amount of the estimated monthly Common Assessments to be held without interest, which sum shall be used by the Association or Managing Agent as a reserve for paying such Owner's Monthly Common Assessment, for purchase of equipment, supplies, and for working capital of the Association. Such advance payment shall not relieve an Owner from making the regular monthly payment of the Common Assessment as the same becomes due. Upon the sale of a Condominium Unit, an Owner shall be entitled to a credit from its grantee for any unused portion thereof.

Section 12.11 First Mortgage - Foreclosure - Liability for Unpaid Assessments. Any First Mortgagee who obtains title to a Condominium Unit through foreclosure of its mortgage or by a deed in lieu of foreclosure shall not be liable for unpaid assessments accruing prior to the date of the vesting of title to the Condominium Unit in the First Mortgagee, and such unpaid assessments shall not constitute a lien against the Condominium Unit.

ARTICLE XIII: Restrictive Covenants and Obligations – Use of Condominium Units

Section 13.1 Residential. The Condominium Units are hereby restricted to residential use and uses related to the convenience and enjoyment of such residential use. All Buildings and structures erected upon the Property shall, be of new construction, and no Buildings or structures shall be moved from other locations onto the premises, and no improvements other than those depicted on the Map shall be erected or constructed on the Property except by vote of the majority of the Owners. No Structures of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used or permitted to be kept or stored on any portion of the premises at any time, either temporarily or permanently.

Section: 13.2 Sales and Construction Facilities of Declarant. Notwithstanding any provision in Section 13.1, Declarant, its agents, employees, and contractors shall be permitted to maintain during the period of construction and sale of the Condominium Units in the Project upon such portion of the Property as Declarant may choose, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient, or incidental to the construction, sale, or rental of Condominium Units and interests, including, without limitation, a business office, storage area, construction yards. Signs, model Units, sales office, construction office, parking areas and lighting, and temporary parking facilities for all prospective tenants or purchasers of Declarant.

Section 13.3 No Other Business. NO other business activity of any kind shall be conducted in any Condominium Unit or on the Project

Section 13.4 Rights of Association to Own Units and to Use Common Elements. The Association shall have the right, but not the obligation, to purchase and own any Condominium Unit for the purpose of maintaining an office for the Association for storage, recreation, or conference area or any other use which the Association determines is consistent with the operation of the residential Condominium. The Association may also maintain offices, storage areas, conference areas, and recreation areas elsewhere within the General Common Elements.

Section 13.5 Compliance with Law. No immoral, improper, offensive, or unlawful use shall be permitted or made of the Condominium Property or any part thereof. All valid laws, ordinances, and regulations of all governmental bodies having jurisdiction over the Project shall be observed.

Section 13.6 Rules and Regulations. Rules and regulations may be adopted and amended from time to time by the Board of Managers concerning and governing the use of the General and Limited Common Elements, providing such rules and regulations shall be furnished to Unit Owners prior to the time they

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are adopted. Unit Owners shall be notified as provided in the Bylaws of the Association that the Board of Managers will consider adoption of or changes to the rules and regulations so that Unit Owners will have an opportunity to be heard or furnish input,

Section 13.7 No Unauthorized Additions, Alterations, or Decorations. Except for those improvements erected or installed by Declarant, no exterior additions, alterations, or decorations to any Buildings, walls, and other structures shall be commenced, erected, or maintained without the prior written approval of the Board of Managers as to conformity and harmony of external design and location with existing structures in the Project.

Section 13.8 Animals. The Association may, by rules and regulations, prohibit or limit the raising, breeding, or keeping of animals in any Unit or on the Common Elements or any part thereof.

ARTICLE XIV: Insurance

Section 14.1 Comprehensive General Liability and Property Insurance. Comprehensive general liability and property damage insurance shall be purchased by the Board of Managers and shall be maintained in force at all times, the premiums thereon to be paid by the Association as a Common Expense. If Declarant pays the premium, it shall be entitled to reimbursement from the Association. The insurance shall be carried with reputable companies authorized to do business in the State of Colorado in such amounts as the Board may determine. The policy or policies shall name as insured all of the Owners and the Association. Declarant shall be named as an additional insured on such policy or policies until such time as Declarant shall have conveyed all the Condominiums in the Project. The policy or policies shall insure against loss arising from perils in both the Common Areas and the Units, and shall include contractual liability coverage to protect against such liabilities as may arise under the contractual exposures of the Association or the Board of Managers.

Section 14.2 Fire and Hazard Insurance. Fire and other hazard insurance shall be purchased by the Board of Managers and shall thereafter be maintained in force at all times as a Common Expense. Policies shall provide for a standard noncontributory mortgagee clause in favor of each First Mortgagee whether or not named therein, and shall provide that the policy cannot be canceled by either the insured or the insurance company until after 10 days' prior written notice to each Owner and each First Mortgagee. The policies shall also provide that the interest of each First Mortgagee in the insurance shall not be invalidated by any action or neglect of the Board of Managers, Owners, or their tenants or agents. The policies shall farther provide for waiver by the insurer of any policy provisions which would render the mortgagee clause invalid by reason of failure of the Mortgagee to notify the insurer of any hazardous use or vacancy in any Condominium Unit and any requirement that the Mortgagee pay the premium thereon. The policy or policies shall insure against loss from perils therein covered to all of the Improvements in the Project, except such as may be separately insured. Such policy or policies shall contain extended coverage, vandalism, and malicious mischief endorsements. The improvements to be insured under this clause shall be continually insured to value, and the policy or policies shall contain replacement cost insurance. If reasonably available, the policy or policies shall contain a stipulated amount clause or determinable cash adjustment clause, or similar clause to permit cash settlement covering specified value in the event of destruction and a decision not to rebuild. The policy or policies shall name as insured all of the Owners, the Association, and the Declarant, so long as Declarant is the Owner of any of the Condominiums in the Project. The policy or policies shall also cover Personal property owned by the Association and shall further contain a waiver of subrogation rights by the carrier as to negligent Owners. If Declarant pays the premium for said policy or policies, it shall be entitled to reimbursement from the Association.

Section 14.3 No Individual Fire Insurance. Except as expressly provided in this clause, no Owner shall separately insure its Condominium or any part thereof against loss by fire or other casualty covered by the insurance carried under Section 14.2 above. Should any Owner violate this provision, any diminution

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in insurance proceeds resulting from the existence of such other insurance, and/or failure to have the proceeds of such insurance payable pursuant to the provisions of Section 14.2 shall be chargeable to the Owner who acquired such other insurance, who shall be liable to the Association to the extent of any such diminution and/or loss of proceeds. Such liability may be enforced as a special assessment under Article XII.

Section 14.4 An Owner may carry such personal liability insurance, in addition to that herein covered, as such Owner may desire. In addition, any improvements made by an Owner to the real property within a Unit, as well as the personal property of the Owner, may be separately insured by such Owner, such insurance to be limited to the type and nature of coverage often referred to as "Tenant's Improvements and Betterments". All such insurance separately carried shall contain waiver of subrogation rights by the carriers as to negligent Owners.

Section 14.5 Other Insurance. The Board of Managers may purchase and maintain in force as Common Expense debris removal insurance, fidelity bonds, and other insurance or bonds that it deems necessary. The Board shall purchase and maintain Workmen's Compensation Insurance to the extent that the same shall be required by law respecting employees of the Association.

Section 14.6 Attorney in Fact. The Board of Managers is hereby appointed the attorney in fact for all Owners to negotiate loss adjustment on the policy or policies carried under Sections 14.1, 14.2, 14.3, and 14.5 above.

Section 1.4.7 Proceeds. Association shall receive the proceeds of any casualty insurance payments received on the policies obtained and maintained pursuant to this Article. To the extent that repairs and reconstruction are required herein, the proceeds shall be used for such purposes. To the extent that repair and reconstruction are not required herein and there is a determination that the Project shall not be rebuilt, the proceed shall be distributed in the manner provided in Article XV regarding casualty damage or destruction.

ARTICLE XV: Casualty

Section 15.1 Association as Agent and Attorney In Fact. All of the Owners irrevocably constitute and appoint the Association as their true and lawful agent and attorney in fact in their name, place, and stead for the purpose of dealing with the Project upon its damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from the Declarant or from any Owner shall constitute appointment of the Association an agent and attorney in fact as herein provided.

Section 15.2 General Authority of Association. As attorney in fact, the Association shall have full and complete authorization, right, and power to make, execute, and deliver any contract, deed, or other instrument with respect to the interest of a Condominium Unit Owner which may be necessary or appropriate to exercise the powers herein granted. Repair and construction of the improvements as used in this Article means restoring the Project to substantially the same condition in which it existed prior to damage, with each Unit and the Common Elements having substantially the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall b available to the Association for the purpose of repair or reconstruction subject to the provisions of Section 15.5.

In the event any first Mortgages should not agree to rebuild, the Association shall have the option and right, but not the obligation, to purchase such Mortgage by payment in full of the amount secured thereby if the Owners are in unanimous agreement to rebuild. The Association shall obtain the funds for such purpose by special Assessments pursuant to Article XII of this Declaration.

Section 15.3 Cost Estimate. As soon as practical after an event causing damage to, or destruction of, any part of the Project, the Association shall obtain estimates that it deems reliable and complete of the

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cost of repair or reconstruction of that part of the Project damaged or destroyed.

Section 15.4 Insurance Proceeds Sufficient to Repair. In the event that proceeds from insurance coverage are sufficient to cover the cost of repair or construction after a casualty pursuant to the estimate of costs obtained by the Association, then such repair reconstruction shall be promptly performed by the Association as attorney in fact for the Owners pursuant to this Article.

Section 15.5 Insurance Proceeds Insufficient to Repair. If insurance proceeds are insufficient to repair or reconstruct the damaged or destroyed Condominium Property, the following provisions shall govern:

- (a) **Partial Damage.** For the purposes Article XV total destruction is defined as such damage or destruction as to render, in the judgment of the Board of Managers, all of the Units in any Building untenable. Any damage or destruction less than total destruction is so defined as partial damage for poses of this Article XV. The partial damage to the Condominium Property, whether insurance proceeds shall be sufficient to cover same or not, shall be repaired as promptly as possible by the Association as attorney in fact, and any cost of such repair or reconstruction in excess of insurance proceeds available assessed against all Owners as a Common Expense.
- (b) **Total destruction.** in. the event o destruction of the Building as defined in subparagraph (a.) at the further event that insurance proceeds are estimated to be insufficient to repair and reconstruct in the judgment of the Board of Managers, the Board shall advise all Owners of such decision, which notice shall advise of the special meeting of Owners, pursuant to the Articles of Incorporation and Bylaws of the Association, which meeting shall be held as soon as reasonably possible after the date of the casualty for the purpose of determining whether or not the repair or reconstruction should be done. The Building shall be reconstructed unless 75% of the Owners, plus all First Mortgagee in writing to sell the entire remaining Condominium Project hereinafter provided. Any necessary assessment made in connect the plan of reconstruction approved by the Board of Managers a Common Expense and charged as an assessment to each Owner the course of reconstruction at the times deemed necessary or desirable by the Board. Any such assessment shall be an obligation each Owner and a lien on such Owner's Condominium Unit shall be enforced and collected as Common Expense pursuant to Article XII. If 75% of the Owners or more and all First Mortgagees agree in writing, the entire remaining Condominium Property shall be sold by the Association, as attorney in fact, free and clear of the provisions contained in this Declaration and other Condominium Documents In such case, the insurance proceeds payable as a result of the casualty and the sale proceeds, if any, shall be apportioned between the Owners on the basis of each Owner's appurtenant interest in and to the Common Elements as specified in Exhibit A attached hereto, and such apportioned proceeds shall be paid into separate accounts, each account representing one Condominium Unit. Each such account shall be in the name of the Association, and shall be further identified by the Condominium Unit designation and the name of the Owner. The Association as attorney in fact, shall use and disburse the total amount of such separate account without contribution from one account to another as follows:
 - i. For payment of taxes and special assessment liens in favor of any assessing entity and customary expenses of sale;
 - ii. For payment of the balance of the lien of any First Mortgage;
 - iii. For payment of unpaid Common Expenses and all costs, expenses, and fees incurred by the Association;
 - iv. For payment of junior liens and encumbrances in the order and to the extent of their priority; and
 - v. The balance remaining; if any, shall be paid to the Condominium Unit Owner.

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ARTICLE XVI: Obsolescence

Section 16.1 The Owners representing an aggregate ownership interest of 75% or more may agree that the Condominium Property is obsolete and adopt a plan for the renewal and reconstruction, which plan has the unanimous written approval or consent of every First Mortgagee of a Condominium Unit. If a plan for the renewal or reconstruction is adopted, notice of such plan shall be recorded, and the expense of renewal and reconstruction shall be payable by all of the Owners as Common Expenses; provided, however, that an Owner not a party to such a plan for renewal or reconstruction may give written notice to the Association within 15 days after the date of adoption of such plan that his Condominium Unit shall be purchased by the Association for the fair market value thereof. The Association shall then have 30 days within which to cancel such plan. If such plan is not canceled, the Condominium Unit of the requesting Owner shall be purchased according to the following procedures. If such Owner and the Association can agree on the fair market value thereof, then such sale shall be consummated within 30 days after such agreement. If the parties are unable to agree, the date when either party notifies the other that it is unable to agree with the other shall be the "commencement date" from which all periods of time mentioned hereafter shall be measured. Within 10 days following the commencement date, each party shall nominate in writing (and give notice of such nomination to the other party) an appraiser. If either party fails to make such a nomination, the appraiser nominated shall, within five days after default by the other party, appoint and associate with another appraiser. If the two designated or selected appraisers are unable to agree, they shall appoint another appraiser to be umpire between them, if they can agree on such person. If they are unable to agree upon such umpire, each appraiser previously appointed shall nominate two appraisers, and from the names of the four appraisers so nominated one shall be drawn by lot by any judge of any court of record in Colorado, and the name so drawn shall be such umpire. The nominations from whom the umpire is to be drawn by lot shall be submitted within 10 days of the failure of the two appraisers to agree, which, in any event, shall not be later than 20 days following the appointment of the second appraiser. The decision of the appraisers as to the fair market value, or in the case of their disagreement, then such decision of the umpire shall be final and binding, and a judgment based upon the decision rendered may be entered in any court ??????? jurisdiction thereof. The expenses and fees of such appraisers shall be borne equally by the Association and the Owner. The sale shall be consummated within 15 days thereafter, and the Association, as attorney in fact, shall disburse such proceeds for the same purposed and in the same order as is provided in paragraphs (i) through (v) of section 15.5 (b).

Section 16.2 Sale of Property. The Owners representing an aggregate ownership interest of 75% or more and 100% of all First Mortgagees may agree in writing that the Condominium Property is obsolete and that the same should be sold. In such instance, the Association shall forthwith record a notice executed by the Associations' president and secretary or assistant secretary setting forth such fact, and upon the recording of such notice the Condominium Property shall e sold by the Association, as attorney in fact for all of the Owners, free and clear of the provisions contained in this Declaration and other Condominium Documents. The sales proceeds shall be collected, apportioned, and disbursed by the Association as attorney in fact, in accordance with the procedure set forth in Section 15.5(b).

ARTICLE XVII: Condemnation

Section 17.1 Consequences of Condemnation. If at any time or times during the continuance of the Condominium Ownership pursuant to this Declaration, all or any part of the Project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in advance thereof, the provisions of this Article XVII shall apply.

Section 17.2 Proceeds. All compensation, damages, or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award," shall be payable to the Association.

Section 17.3 Complete Taking. In the event that the entire Project is taken, condemned, sold, or

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otherwise disposed of in lieu of or in avoidance thereof, the Condominium Ownership pursuant thereto shall terminate. The Condemnation Award shall be apportioned among the Owners in proportion to the respective undivided interest in the Common Elements, provided that if a standard different from the value of the Project as a whole is employed to measure the Condemnation Award in the negotiation, judicial decree, or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable.

On the basis of the principle set forth in the last preceding paragraph, the Association shall as soon as practicable determine the share of the Condemnation Award to which each Owner is entitled. Such shares shall be paid into separate accounts and disbursed as soon as practicable in the same manner provided in Section 15.5 of this Declaration.

Section 17.4 Partial Taking. In the event that less than the entire Project is taken, condemned, sold, or otherwise disposed of: in lieu of or in avoidance thereof, the Condominium Ownership hereunder shall not terminate. Each Owner shall be entitled to a share of the Condemnation Award to be determined in the following manner: (a) As soon as practicable, the Association shall, reasonably and in good faith, allocate the Condemnation Award between compensation, damages, or other proceeds, and shall apportion the amounts so allocated to taking of or injury to the Common Elements and shall be apportioned among Owners in proportion to their respective undivided interests in the Common Elements, (b) the total amount allocated to severance damages shall be apportioned to those Condominium Units which were not taken or condemned, (c) the respective amounts allocated to the taking of or injury to a particular Unit and/or improvements an Owner had made within his its own Unit shall be apportioned to the particular Unit involved, and (d) the amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances. If an allocation of the Condemnation Award is already established in negotiation, judicial decree, or otherwise, then in allocating the Condemnation Award the Association shall employ such allocation to the extent it is relevant and applicable. Distribution of apportioned proceeds shall be made by checks payable jointly to the; respective Owners and their respective Mortgagees.

Section 17.5 Reorganization. In the event a partial taking results in the taking of a complete Unit, the Owner thereof automatically shall cease to be a member of the Association. Thereafter the Association shall reallocate the ownership, voting rights, and assessment ratio determined in accordance with this Declaration according to the same principles employed in this Declaration at its inception and shall submit such reallocation to the Owners of remaining Units for amendment of this Declaration as provided in Article XX hereof.

Section 17.6 Reconstruction and Repair. Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Article XV above.

ARTICLE XVIII: Expansion

Section 18.1 Reservation of Right to Expand. Declarant reserves the right to expand this Condominium Ownership Project to quality and workmanship as the Buildings containing the Condominium Units. Such Buildings shall be constructed on other real property then owned by Declarant adjacent to the Property and described in Section 1.2. The total number of Units in the Project, as expanded shall not exceed 96.

Section 18.2 Supplemental, Declarations and Supplemental Condominium Maps. Such expansion may be accomplished by the filing for receipt by Declarant in the office of Clerk and Recorder for Summit county, Colorado, no later than seven years from the date of this Declaration, a supplement or supplements to this Declaration containing a legal description of the site or sites for a new Building or Buildings, together with a Supplemental Condominium Map or Maps containing the same information with respect to the new Buildings as was required on the original Condominium Map with respect to the initial

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Buildings. The expansion may be accomplished in stages by successive supplements or in one supplemental expansion.

Section 18.3 Expansion of Definitions. In the event of such expansion, the definitions used in this Declaration automatically shall be expanded to encompass and refer to the Project as so expanded. For example, "Property" shall mean the real property described hereinabove plus any additional real property added by a Supplemental Condominium Declaration or by Supplemental Condominium Declarations, and reference to this Declaration shall mean this Declaration as so supplemented. All conveyances of Condominium Units after such expansion shall be effective to transfer rights in the Project as expanded by use of the form of description set forth in Article VII hereof, with additional references to the Supplemental Condominium Declaration and the Supplemental Condominium Map. The recordation in the Summit County, Colorado, records of a Supplemental Condominium Map incident to any expansion shall operate automatically to grant, transfer, and convey to then Owners of Condominium Units in the Project as it existed before: such expansion the respective undivided interests set forth in Exhibit "A" hereto in the new Common Elements added to the Project as a result of such expansion. Such recordation shall also operate to vest in any then Mortgagee of any Condominium Unit in the Project as it existed before such expansion a security interest in the undivided interest so acquired by the Owner Of the Condominium Unit encumbering the new Common Elements added to result of such expansion.

Section 18.4 Declaration Operative on New Buildings. The new Buildings shall be subject to all the terms and conditions of this Declaration and of a Supplemental Declaration, and the Condominium Units therein shall be subject to Condominium ownership with all the incidents pertaining thereto as specified herein, upon placing the Supplemental Condominium Map and Supplemental Condominium Declaration of public record in the Summit County, Colorado real estate records.

Section. 18.5 Fractional Undivided Interests in Common Elements; Disposition of Remainder of Common Elements. Each Owner's undivided interest in the Common Elements of the Project, as expanded from time to time, shall be expressed as a fraction, the numerator of which shall be the number of square feet within the Unit owned by the Owner and the denominator of which shall be the total number of square feet within all Units of the Project. The undivided interests set forth in Exhibit A shall not be reduced by more than 50% by virtue of the expansion contemplated hereby. At the time or times the Declarant records any Supplemental Declaration, the undivided interest in the Common Elements attaching to each Unit shall be recomputed and attached as an exhibit to such Supplemental Declaration.

ARTICLE XIX: General Reservations

Section 19.1 Reservation of Easements, Exceptions, and Exclusions. Declarant reserves to it and hereby grants to the Association the right to establish from time to time by dedication or otherwise, utility and other easements, for purposes including, but not limited to, streets, paths, walkways, drainage, recreation areas, parking areas, ducts, shafts, flues, and conduit installation areas, and to create other reservations, exceptions, and exclusions consistent with the Condominium Ownership of the Project for the best interest of all the Owners and the Association in order to serve all the Owners within the Project and Project as expanded.

Section 19.2 Further Reservation. Declarant hereby reserves to it and for Unit Owners of all future, phases of the Condominium Project a perpetual easement and right-of-way end access over, upon, and across the Property for construction, utilities, drainage, ingress and egress, and for use of common areas. The location of said easements and rights-of-way may be made certain by the Developer or the Association by recorded documents.

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ARTICLE XX: Revocation or Amendments of Declaration

Section 20.1 Revocation. This Declaration shall not be revoked unless all the Owners and all the holders of any recorded First Mortgage covering or affecting any or all of the Condominium Units unanimously consent and agree to such revocation by instrument(s) duly recorded.

Section 20.2 Amendment. This Declaration shall not be amended, except as otherwise herein provided, unless the Owners representing an aggregate ownership interest of 75% or more of the Common Elements and all of the holders of any recorded First Mortgage covering or affecting any or all Condominium Units unanimously consent and agree to such amendment by instrument(s) duly recorded. Any amendment may also be evidenced by a recorded certificate of the Secretary of the Association certifying that a meeting of the Owners, duly called, Owners representing an aggregate ownership interest of 75% more of the Common Elements consented to the Amendment, and that all of the holders of First Mortgages have given written consent to the Amendment, and that copies of such written consent are in the corporate records of the Association.

ARTICLE XXI: Miscellaneous Provisions

Section 21.1 Mailing Address. Each Owner shall register their mailing address with the Association, and all notices, demands, and statements shall be sent by regular United States mail, postage prepaid, addressed in the name of the Owners at such registered mailing address. All notices to the Declarant shall be mailed in said manner to the following address:

Marina Place, Inc
8745 E. Orchard Rd.
Suite 520
Englewood, CO 80111

until such address is changed by notice of address change given to the Owners.

Section 21.2 Compliance with Provisions. Each Owner shall comply strictly with the provisions of this Declaration, the Articles of Incorporation, Bylaws, rules, regulations, resolutions, and contracts of the Association as the same may from time to time be in force and effect. Failure to comply with any of the same shall be grounds for an action to recover sums due for damages or injunctive relief or both, together with reasonable attorneys' fees, court costs, and injunction bond premiums maintainable by the Board of Managers or the Managing Agent on behalf of the Owners.

Section 21.3 Reference to Ownership Interests. Wherever in this Declaration or in the Articles of Incorporation or Bylaws of the Association reference is made to a specific percentage interest of Owners, such reference shall be deemed to mean the total aggregate appurtenant interests in and to the Common Elements as reflected in Exhibit "A" attached hereto and shall not be deemed to mean a percentage of Owners by number of individual persons, partnerships, corporations, or other entities.

Section 21.4 Severability. If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase, word, or section or the application thereof in any circumstance is invalidated, such invalidity shall not affect the validity of the remainder of this Declaration, and the application of any such provision, paragraph, sentence, clause, phrase, word, or section in any other circumstances shall not be affected thereby.

Section 21.5 Terminology. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include either gender.

Note: Copies of the original document are on file with the County Clerk, Summit County, Colorado, receipt #213731. This document is only for general reference.

Section 21.6 State Law. The provisions of this Declaration shall be in addition and supplemental to the Condominium Ownership Act of the State of Colorado and to all other laws of the State of Colorado.

Section 21.7 Period of Condominium Ownership. The Condominium Ownership created by this Declaration and the Condominium Map shall continue until this Declaration is revoked in the manor provided in Article XX or until terminated as provided in Article XV (Casualty), XVI (Obsolescence), or XVII (Condemnation) of this Declaration,

Section 21.8 Declarant's Rights Transferable. Any right or interest of Declarant hereunder, established or reserved, may be transferred or assigned by Declarant, either separately or with one or more of such rights or interests, to any person or entity.

ARTICLE XXII: Control by Declarant

Section 22.1 Declarant's Rights to Control Initial Board. Three of the initial five members of the Board of Managers, elected by the Declarant, shall serve until the third annual meeting and may be removed only by the vote of Owners of 100% of the Common Elements. Accordingly, the Declarant may effectively control the Board of Managers until that time.

Dated this 21st day of October 1980.

Marina Place, Inc.,
a Colorado corporation

By: _____
John L. Bellehumeur, Vice President

Attest:

By: _____
Assistant Secretary (John J. Mincher)

Note: Copies of the original document are on file with the County Clerk, Summit County, Colorado, receipt #213731. This document is only for general reference.

State of Colorado }
 }
City and County of Denver } SS.

The forgoing instrument was acknowledged before me this 21st day of October 1980, By John L. Bellehumeur as Vice President and by John J. Mincher as Secretary of Marina Place, Inc. a Colorado corporation.

Witness my hand and official seal.

My commission expires December 14, 1982.

Notary Public (Lorene Bowling)

Note: Copies of the original document are on file with the County Clerk, Summit County, Colorado, receipt #213731. This document is only for general reference.