

**FIRST AMENDED AND RESTATED CONDOMINIUM DECLARATION**

**FOR**

**CRYSTAL AT THE VILLAGE,  
a condominium**

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, BoRiver Corp., a Colorado Corporation and Crystal Venture I, L. P., a California Limited Partnership, hereinafter collectively called the "Declarant" ~~is the owner of,~~ established a condominium project described as "Crystal at the Village" (the "Project") on the following described real property situated in the Telluride Mountain Village, County of San Miguel, State of Colorado:

Tract A of combined Lots 133 and 89.1, Telluride Mountain Village according to the Replat thereof filed in Book 1 at Pagepage 823, Reception No. 255026 of the records of San Miguel County, Colorado (hereinafter the "Real Property"); and

WHEREAS, Declarant ~~desires to establish a established the~~ condominium projectProject under the Condominium Ownership Act of the State of Colorado; ~~and~~ the Owners thereafter elected to subject the Project to the Colorado Common Interest Ownership Act, C.R.S. sec. 38-33.3-101 et seq.; and

WHEREAS, there is currently constructed on said ~~real propertyReal Property~~ improvements consisting of separately designated residential ~~condominium units~~ Condominium Units and other improvements; and

~~WHEREAS, Declarant does hereby establish~~ WHEREAS, pursuant to the original Condominium Declaration recorded December 29, 1989 in Book 461 at page 264, Reception No. 262912 (the "Original Declaration"), Declarant established a plan for the ownership in fee simple of the condominium estates subject to the easements, restrictions, reservations, rights of way, conditions, taxes and assessments of record and reservations in ~~this~~ the Original Declaration consisting of the area or space contained in each of the air space ~~units~~ Units located in the building improvements and the co-ownership by the individual and separate ~~owners~~ Owners thereof as tenants in common of all of the remaining property ~~(except such property as is otherwise reserved herein);~~ which property is hereinafter defined and referred to as the general common elements; and

WHEREAS, the Declarant and the Owners amended the Original Declaration by a First Amendment recorded November 20, 1992 in Book 500 at page 777, Reception No. 281047; a First Supplemental Condominium Declaration recorded February 16, 1994 in Book 525 at page 205, Reception No. 290495; a Second Supplemental Condominium Declaration recorded August 30, 1994 in Book 534 at page 278, Reception No. 294243; a Third Supplemental Condominium Declaration recorded December 19, 1996 in Book 573 at page 386, Reception No. 309552 and re-recorded December 23, 1996 in Book 573 at page 668, Reception No. 309652; and a Second

Amendment (erroneously titled First Amended Condominium Declaration) recorded June 19, 1997 in Book 582 at page 895, Reception No. 312921 (collectively the “Original Declaration Amendments and Supplements”); and

WHEREAS, on March 16, 2007, the Owners also recorded a Second Amendment to the Bylaws of Crystal at The Village Homeowners’ Association at Reception No. 391309 (the “2007 Second Amendment to the Bylaws”); and on April 18, 2014, the Owners also recorded The Restated Bylaws and Responsible Governance Policies of Crystal at The Village Homeowners’ Association at Reception No. 432542 (the “2014 Bylaws and Policies”);

NOW THEREFORE, ~~Declarant does~~the Owners do hereby publish and declare that the following terms, covenants, conditions, easements, restrictions, uses, limitations and obligations shall be deemed to run with the land, shall be a burden and benefit to ~~Declarant, Declarant’s~~the Owners and their heirs, personal representatives, successors and assigns and any persons acquiring or owning interest in the ~~real property~~Real Property and improvements, their grantees, successors, heirs, executors, administrators, devisees or assigns, and that this First Amended and Restated Condominium Declaration, together with the 2023 Amended and Restated Bylaws, the 2023 Amended and Restated Responsible Governance Policies and the 2023 Amended and Restated Rules & Regulations, all recorded herewith, shall replace and supersede the Original Declaration, the Original Declaration Amendments and Supplements, the 2007 Second Amendment to the Bylaws and the 2014 Bylaws and Policies.

#### DEFINITIONS

1. The following definitions shall apply unless the context expressly provides otherwise.

a. Unit. Except as hereinafter limited and notwithstanding anything in the Declaration, the ~~Map~~Maps or any supplements thereto to the contrary, "Unit" means the portion of the Project reserved for individual ownership and includes:

1. the land on which a ~~unit~~Unit is constructed;
2. foundations, walls, floors, ceilings;
3. All structural components of a ~~unit~~Unit including, all foundations, columns, girders, beams and supports of a building;
4. All decks, porches, balconies, patios, fireplaces, doors, windows;
5. The exterior walls of a building, the main or bearing walls within a building, the main or bearing subflooring and the roofs of a building;
6. All entrances, exits, vestibules, halls, corridors, lobbies, lounges, linen rooms, laundry rooms, kitchen facilities, stairs, stairways, fire escapes, if any;

7. All utility service and maintenance rooms, space, fixtures, apparatus, installations and facilities for power, light, gas, telephone, television, hot water, cold water, heating, refrigeration, air conditioning, trash, incineration or similar utility, service or maintenance purposes, including furnaces, tanks, pumps, motors, fans, compressors, flues, vents, similar fixtures, apparatus, installation and facilities, water and service lines, mains and connections which are located within the perimeter walls of a Unit or serve only one particular ~~unit~~Unit;

8. Those limited common elements appurtenant to the Unit, including all decks, porches, balconies, patio areas, entry ways, and storage areas which are designated as appurtenant to a particular Unit on the Maps and any supplements thereto. Those portions of the Project identified on the Maps and any supplements thereto as limited common elements are deemed to be part of the Units and not limited common elements, despite such designation on the Maps and any supplements thereto. Notwithstanding anything herein to the contrary, because Units 18 and 22 include the parking garages, the foundations of those ~~units~~Units as well as all structural components of the parking garages constituting a part of Units 18 and 22 shall not be considered as part of any ~~unit~~Unit but shall constitute general common elements.

b. "Condominium Unit" is synonymous with Unit. Ownership of a Condominium Unit means the fee simple interest title in and to a ~~unit~~Unit, together with the undivided interest in the general common elements and the appurtenant limited common elements thereto. As set forth in this Declaration, the appurtenant limited common elements are part of the Unit. ~~elements thereto.~~

c. "Owner" means the person or persons, as hereinafter defined, owning a ~~unit~~Unit in fee simple together with an undivided interest in fee simple in the general common elements in the percentage specified and established in this Declaration, including the Declarant, as long as any condominium unit, as hereinafter defined, is owned by Declarant.

d. "General common elements" means all of the ~~project~~Project, as hereinafter defined, except the portions thereof which constitute ~~units~~Units (and again, the Units include the appurtenant limited common elements). Without limiting the generality of the foregoing, trash storage or disposal areas or structures, the boiler building and all utility lines, fixtures and installations which are outside of a Unit as defined, (except to the extent such line serves only one Unit), shall be part of the general common elements.

If a utility line or fixture serves more than one (1) Unit but less than all Units, the Owners of the Units using such line/fixture shall share the cost of any maintenance, repair or replacement. The foundations of Units 18 and 22 as well as all the structural components of the parking garages within these ~~units~~Units and all entrances and exits to the parking garages shall constitute general common elements.

e. "Mortgage" means any mortgage, deed of trust or other security instrument by which a ~~condominium unit~~Condominium Unit or any part thereof is encumbered.

f. "Mortgagee" means any person named as the mortgagee or beneficiary under any mortgage by which the interest of any ~~owner~~Owner is encumbered.

g. "Limited common elements" ~~means those general~~ as set forth in this Declaration, the ~~limited~~ common elements ~~which appurtenant to a Unit~~ are ~~reserved for the use part~~ of ~~certain~~ ~~owners to the exclusion of others~~ Unit.

h. "Person" means an individual, corporation, partnership, combination, ~~association~~ Association, trustee or any other legal entity.

i. "Project" means all of the real property, ~~condominium units~~ Condominium Units, building(s) fixtures, personal property and improvements submitted to this declaration.

j. "Common expenses" means and includes:

(1) all sums lawfully assessed against the ~~owners~~ Owners by the ~~board~~ Association, as hereinafter defined:

(2) expenses of administration, maintenance, repair or replacement of the general common elements, as hereinafter defined;

(3) expenses declared common expenses by provisions of this Declaration and the Bylaws; and

(4) expenses agreed on as common expenses ~~by a vote of the owners representing an aggregate ownership interest of at least fifty one percent (51%) of the general common elements~~ pursuant to a duly adopted Association budget.

k. ~~"Map" means~~ Maps " mean the Condominium ~~Map~~ Maps referred to in paragraph ~~two~~ (2) below.

l. "Building" means any of the building ~~improvement~~ improvements comprising a part of the ~~project~~ Project.

m. "Association" means ~~The~~ Crystal at the Village ~~Homeowners~~ Homeowners' Association, ~~inc.~~, a nonprofit corporation organized under the laws of Colorado, of which all ~~owners~~ Owners of ~~units~~ Units shall be members and which shall be charged with the management and maintenance of the ~~project~~ general common elements.

n. "Board of Directors" or "~~board~~ Board" means the governing body of the ~~association~~ Association.

o. "Managing agent" means the person ~~employed~~ contracted by the ~~board~~ Board to perform the management and operational functions of the ~~project~~ Association.

p. "Bylaws" means the bylaws of the ~~association~~ Association as may currently be in effect. Recorded herewith are the 2023 Amended and Restated Bylaws of Crystal at the Village Homeowners' Association.

q. "Articles" means the articles of incorporation of the ~~association~~ Association as may be amended from time to time.

r. "Guest" means any agent, employee, tenant, guest, licensee or invitee of an ~~owner~~ Owner.

s. "Declarant" means the Declarant named herein and such successor or successors as may be designated hereafter by Declarant by written notice duly recorded.

t. "Declaration" means this Declaration together with any supplement or amendment hereto recorded in the office of the Clerk and Recorder of San Miguel County, Colorado.

u. "Responsible Governance Policies" means the responsible governance policies of the Association as may currently be in effect. Recorded herewith are the 2023 Amended and Restated Responsible Governance Policies of Crystal at the Village Homeowners' Association.

v. "Rules & Regulations" means the rules & regulations of the Association as may currently be in effect. Recorded herewith are the 2023 Amended and Restated Rules & Regulations of Crystal at the Village Homeowners' Association.

w. "Governing Documents" means the Association's current Declaration, Bylaws, Responsible Governance Policies and Rules & Regulations, as may be amended from time to time.

2. ~~Map~~ Maps. There ~~shall be~~ have been filed for record in the office of the Clerk and Recorder for San Miguel County, Colorado, ~~a map~~ maps, hereinafter referred to as the "~~map~~", ~~which map may be~~ Maps," as follows: Map of Crystal at the Village, a Condominium, Telluride Mountain Village, Filing 1, recorded December 29, 1989 in Plat Book 1 at page 982, Reception No. 262933; First Correction Map for the Map dated December 20, 1989 of Crystal at the Village, recorded January 18, 1990 in Plat Book 1 at page 993, Reception No. 263275; First Supplemental Condominium Map of Crystal at the Village, recorded February 16, 1994 in Plat Book 1 at page 1641, Reception No. 290492; Second Supplemental Condominium Map of Crystal at the Village, recorded August 30, 1994 in Plat Book 1 at page 1735, Reception No. 294242; and the Third Supplemental Condominium Map of Crystal at the Village, recorded December 19, 1996 in Plat Book 1 at page 2173, Reception No. 309551, and any amendments or supplements subsequently recorded. The Maps have been filed ~~in whole or in part,~~ depicting thereon:

- a. the legal description of the ~~property~~ Real Property and a survey thereof;
- b. the name and general location of the ~~project~~ Project;

c. the linear measurements and location with reference to the exterior boundaries of the land, of the building(s) and all improvements on the land;

d. floor plans and elevation plans of the building(s) showing the location, the designation and the linear dimensions of each ~~unit~~Unit and the designation of the limited common elements; (again, as set forth in this Declaration, the appurtenant limited common elements are part of the Unit);

e. the elevations of the unfinished interior surfaces of the floor and ceilings as established from a datum plan and the linear measurements showing the thickness of the perimeter and common walls of the building.

The ~~map~~Maps and any supplement(s) thereto do and shall contain the statements of (1) for the original Map, the Declarant, submitting the property to the provisions of this Declaration and (2) a registered land surveyor certifying that the ~~map~~Maps fully and accurately ~~depicts~~depict the layout, measurements and location of all of the building(s) and improvements, the ~~unit~~Unit designations, the dimensions of such ~~units~~Units and the elevations of the floors and ceilings. ~~Declarant~~The Owners hereby ~~reserves unto itself and reserve to~~ the ~~board~~Board the right, from time to time, without the consent of any ~~owner~~Owner being required, to amend the ~~map~~Maps and supplement(s) thereto, to conform the ~~map~~Maps to the actual location of any of the constructed improvements; and to establish, vacate and relocate utility easements, access road easements and parking spaces and to establish certain general common elements as limited common elements. In interpreting any and all provisions of ~~this Declaration or the articles, bylaws~~Governing Documents, subsequent deeds to and/or mortgages of ~~condominium units~~Condominium Units, the actual location of a ~~unit~~Unit shall be deemed conclusively to be the property intended to be conveyed, reserved or encumbered, notwithstanding any minor deviations from the location of such ~~unit~~Unit indicated on the ~~map~~Maps.

3. Division into Units. Pursuant to the Original Declaration, as amended, and the Maps, Declarant ~~does hereby submit the project, the Owners and others have submitted the Project~~ to condominium ownership pursuant to the Colorado ~~Condominium-Common Interest~~ Ownership Act, and the ~~project is hereby~~Project has been divided into ~~four (4) condominium units~~eight (8) ~~Condominium Units~~. Each ~~condominium unit shall consist~~Condominium Unit consists of a separate fee simple estate in a particular ~~unit~~Unit (again including the appurtenant limited common elements) and an appurtenant undivided fee simple interest in the general common elements. Each ~~unit shall have~~Unit has appurtenant to it an undivided interest in the general common elements as set forth on Exhibit A attached hereto and incorporated herein by this reference.

~~—4. Right to Combine Units. Declarant hereby reserves the right to physically combine the area or space of one (1) unit with the area or space of one (1) or more adjoining units provided, however, that Declarant shall not exercise the right without the written consent of any first mortgagee having an interest in the units. In the event of any such physical combining of units to create a combined unit, such combined unit shall also include the combining of the fixtures and improvements and of the undivided interests in general common elements appurtenant to the units so combined. Declarant hereby reserves the right to designate and convey to any purchaser~~

~~any of the combined units, the additional limited common elements appurtenant thereto, any walls, floors or other structural separations between the units so combined or any space which would be occupied by such structural separations or such space shall automatically become general common elements and shall no longer be limited common elements if the combined units become subject to separate ownership in the future. This reserved right in Declarant shall terminate on the conveyance by Declarant of all of the condominium units within the project or December 31, 1995, whichever event first occurs.~~

~~5. Limited Common Elements. The limited common elements are the parking spaces, "utility room" (Unit 22) and storage areas which are designated as appurtenant to a particular unit on the Map and any supplements thereto. Those portions of the project identified on the Map and any supplements thereto as limited common elements which are herein defined as parts of the units, shall hereinafter be deemed to be part of the units and not limited common elements, despite such designation on the Map and any supplements thereto.~~

~~\_\_\_\_\_6.~~

~~4. Establishing General Common Elements as Part of Unit. Owners desiring to establish general common elements as part of a Unit, whether interior or exterior space, shall apply to the Board to do so. Any conversion of general common element space to Unit space (again, including limited common element space, since limited common elements are part of the Unit) shall require the unanimous approval of all Owners.~~

~~5. Inseparability of a Condominium Unit. An ~~owner's~~Owner's undivided interest in the general common elements and in any appurtenant limited common elements shall not be separated from the ~~unit~~Unit to which they are appurtenant and shall be deemed to be conveyed or encumbered with the ~~unit~~Unit even though the interest is not expressly mentioned or described in a deed or other instrument. Again, as set forth in this Declaration, the appurtenant limited common elements are part of the Unit.~~

~~76. Description of a Condominium Unit. Every deed, lease, mortgage, trust deed, will or other instrument may legally describe a ~~condominium unit~~Condominium Unit by its identifying ~~unit~~Unit number followed by the words Crystal at the Village, a condominium, with reference to the recorded Declaration and ~~map~~Maps and the street address of the property, which legal description shall be in the following form:~~

~~Unit \_\_, Crystal at the Village, a condominium, as defined and described in the First Amended and Restated Condominium Declaration for Crystal at the Village, a condominium, recorded ~~in Book 461~~ \_\_\_\_\_ [date] at ~~Page 264~~ of Reception No. \_\_\_\_\_ in the records of the Clerk and Recorder of San Miguel County, Colorado, and the ~~condominium map~~Condominium Maps for Crystal at the Village, a condominium, recorded December 29, 1989 in ~~plat book~~Plat Book 1 at page 982 ~~of the records of the Clerk and Recorder of San Miguel County, Colorado,~~ Telluride Mountain Village, Filing 1, as supplemented and amended,~~

SAN MIGUEL COUNTY, COLORADO

also known as 210 Sunny Ridge Place, Unit \_\_, Sunnyridge Place,  
Telluride Mountain Village, Colorado \_\_\_\_\_:81435.

This description shall be deemed good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect not only the unitUnit but also the general common elements appurtenant to it. This description shall be construed to include a nonexclusive easement for ingress and egress throughout the general common elements appurtenant thereto to the exclusion of all third parties not lawfully entitled to use the same.

87. Title. A ~~condominium unit~~Condominium Unit may be held and owned by more than (1) person as joint tenants or as tenants in common or in any real property tenancy relationship recognized under the laws of the State of Colorado.

98. No Partition. The general common elements shall remain undivided and no ~~owner~~Owner or any other person shall bring any action for partition or division of the general common elements. Similarly, no action shall be brought for the partition of a unitUnit or a ~~condominium unit~~Condominium Unit between or among the ~~owners~~Owners thereof. Each ~~owner~~Owner expressly waives any and all such rights of partition ~~hesuch Owner~~ may have by virtue of ~~hissuch Owner's~~ ownership of a ~~condominium unit~~Condominium Unit. A violation of this provision shall entitle the ~~association~~Association to personally collect, jointly or severally, from the parties violating the same the actual attorney's fees, costs and other damages the ~~association~~Association incurs in connection therewith.

109. Separate Taxation. Each ~~condominium unit~~Condominium Unit shall be deemed to be a separate parcel and shall be subject to separate assessment and taxation by each assessing unitUnit and special district for all types of taxes authorized by law, including ad valorem levies and special assessments. Neither the building(s), the property nor any use of the general common elements shall be deemed to be a parcel. The lien for taxes assessed to any ~~condominium unit~~Condominium Unit shall be confined to that ~~condominium unit~~Condominium Unit. No forfeiture or sale of any ~~condominium unit~~Condominium Unit for delinquent taxes, assessments or other governmental charges shall divest or in any way affect the title to any other ~~condominium unit~~Condominium Unit. In the event that such taxes or assessments for any year are not separately assessed to each ~~owner~~Owner and rather are assessed on the property as a whole, each ~~owner~~Owner shall pay ~~hissuch Owner's~~ proportionate share thereof in accordance with ~~hissuch Owner's~~ ownership interest in the general common elements; and, in such event, such taxes or assessment shall be a common expense. Without limiting the authority of the ~~board~~Board provided for elsewhere herein, the ~~board~~Board shall have the authority to collect from the ~~owners~~Owners their proportionate share of taxes or assessments for any year in which taxes are assessed on the property as a whole.

110. Certain Work Prohibited. No ~~owner~~Owner shall undertake any work in ~~his unit~~such Owner's Unit which would jeopardize the soundness or safety of the ~~project~~Project, reduce the value thereof or impair an easement or hereditament thereon or thereto; nor shall any ~~owner~~Owner enclose, by means of screening or otherwise, any balcony, yard, deck, patio or porch which is accessible from, associated with and which adjoins a unitUnit without having first obtained the prior written approval of the ~~board~~Board (which approval may be withheld for any



reason) for such enclosure and with respect to the materials, plans and specifications for such enclosure. Structural alterations shall not be made by an ~~owner~~Owner to the exterior portions of ~~his units~~such Owner's Unit or to the building(s) or in the water, gas or steam pipes, electric conduits, plumbing or other fixtures connected therewith; nor shall an ~~owner~~Owner remove any additions, improvements or fixtures from the building(s) without the prior written approval of the ~~board~~Board (which approval may be withheld for any reason) first having been obtained.

1211. Liens Against Condominium Units -- Removal from Lien -- Effect of Part Payment; and Maintenance Responsibility.

a. No labor performed or materials furnished with the consent or at the request of an ~~owner~~Owner of a particular ~~condominium unit~~Condominium Unit or ~~his~~such Owner's agent shall be the basis for the filing of a lien pursuant to law against the ~~condominium unit~~Condominium Unit or other property of another ~~owner~~Owner not expressly consenting to or requesting the same, in writing signed by the ~~owner~~Owner except that express consent shall be deemed to be given by the ~~owner~~Owner of any ~~condominium unit~~Condominium Unit to the managing agent or the ~~board~~Board in the case of emergency repairs. Emergency repairs shall be defined as any urgent repairs required to protect the Owners or occupants (other than the Owners or occupants of the subject Unit requiring repairs) and/or other parts of the Community (other than the subject Unit requiring repairs) from damage or other injury. Notwithstanding the above, each Unit Owner shall be solely responsible to maintain, repair and replace such Owner's Unit (including the limited common elements which are part of the Unit) to ensure the protection and safety of their occupants and of third parties present at the Community, and each Owner shall be solely liable and responsible for any and all damage to persons and property arising out of or related to the use or occupancy of such Owner's Unit. Labor performed or materials furnished for the general common elements, if duly authorized by the managing agent ~~or the board~~in accordance with the Declaration or Bylaws or the Board of directors in accordance with the Declaration or ~~bylaws~~Bylaws, shall be deemed to be performed or furnished with the express consent of each ~~owner~~Owner and shall be the basis for the filing of a lien pursuant to law against each of the ~~condominium units~~Condominium Units in the ~~project~~Project.

b. In the event a lien is effected against two (2) or more ~~condominium units~~Condominium Units, the ~~owners~~Owners of the separate ~~condominium units~~Condominium Units may remove their ~~condominium units~~Condominium Units from the lien by payment of the fractional or proportional amount attributable to each of the ~~condominium units~~Condominium Units affected. Individual payment shall be computed by reference to the percentages appearing in this Declaration. Subsequent to payment, discharge or other satisfaction, the ~~condominium unit~~Condominium Unit shall be released from the lien paid, satisfied or ~~discharged~~discharged. Partial payment, satisfaction or discharge shall not prevent the lienor from proceeding to enforce ~~his~~such Owner's rights against any ~~condominium unit~~Condominium Unit not so released or discharged.

c. Each ~~owner~~Owner shall indemnify and hold each of the other ~~owners~~Owners harmless from and against liability or loss arising from the claim of any lien by any third party against the ~~condominium unit~~Condominium Unit of the ~~owner~~Owner or any part thereof for any matter, including but not limited to labor performed or for materials furnished in work on such ~~owner's~~

~~condominium unit.~~Owner's Condominium Unit. At the written request of an ~~owner~~Owner, the ~~association~~Association shall enforce such indemnity by collecting from the ~~owner~~Owner of the ~~condominium unit on which~~Condominium Unit responsible for the ~~labor was performed or materials furnished~~claim of lien the amount necessary to discharge any such lien and all costs incidental thereto, including reasonable attorney's fees and costs. If not promptly paid, the ~~association~~Association may proceed to collect the same in the manner provided herein for collection of assessments for the purpose of discharging the lien.

~~13~~12. Use and Occupancy of Units. Each ~~owner~~Owner shall be entitled to the exclusive ownership and possession of ~~his unit~~such Owner's Unit subject to the restrictions and reservations contained in this Declaration.

~~14.~~ a. Use of the Units shall be restricted to single family residential use with one (1) kitchen. If a Unit is rented out, the entire Unit shall be rented out. No sub-part of a Unit shall be rented out. No second kitchens shall be permitted. Nor shall a supplemental kitchenette be permitted. This includes a prohibition on second facilities within the Unit, other than the primary kitchen, containing cooking and food preparation items such as a microwave, sink, element burner, refrigerator or other cooking and food preparation apparatus.

b. No Unit shall be used to accommodate more persons that it was designed to accommodate comfortably.

c. No industry, business, trade or commercial activities other than home professional pursuits without employees, public visits and nonresidential storage shall be conducted, maintained or permitted in any part of a Unit.

d. No time share estate (as defined in 38-33-110, C.R.S.) may be created in any Unit; provided, however, that nothing in this section shall be deemed to prevent any Unit Owner or such Unit Owner's duly authorized agent from renting or leasing to others from time to time the entire Unit owned by such Unit Owner. The use of a Unit by an interval membership or other type of company, with the sale of membership interests allowing for use by company members, is not a residential use and as such is prohibited. No form of interval ownership, club membership and/or use program of any kind shall be permitted. A prohibited membership company use shall be defined as a form of ownership in which a Unit is owned by a club or other entity containing more than two (2) unrelated members or owners with rights to use or occupy a Unit on a recurring and/or shared basis, or such a club or entity with a lease or other agreement authorizing such entity to use or occupy a Unit on a recurring and/or shared basis.

~~13.~~ 13. Use of General ~~and Limited~~ Common Elements. Each ~~owner~~Owner may use the general ~~common elements and his appurtenant limited~~ common elements in accordance with the purpose for which they are intended without hindering or encroaching on the lawful rights of the other ~~owners~~Owners. The ~~association~~Association and/or the ~~board~~Board may, from time to time, adopt ~~rules and regulations~~Rules & Regulations governing the use of general ~~and limited~~ common elements and such ~~rules and regulations~~Rules & Regulations shall be uniform and nondiscriminatory. Each ~~owner~~Owner, by the acceptance of ~~his~~such Owner's deed or other

instrument of conveyance or assignment, agrees to accept and be bound by any such adopted ~~rules and regulations~~ Rules & Regulations.

1514. Various Right and Easements.

a. Owner's Rights in Limited Common Elements. Subject to the other provisions of this Declaration, each ~~owner, his~~ Owner, such Owner's family and guests shall have an exclusive right to use and enjoy the limited common elements designated herein in the ~~map~~ Maps or in the initial deed from Declarant as appurtenant to the ~~condominium unit~~ Condominium Unit owned by such ~~owner~~ Owner. Again, as set forth in this Declaration, the appurtenant limited common elements are part of the Unit.

b. Association Rights. The ~~association~~ Association, the ~~board~~ Board and the managing agent shall have a nonexclusive right and easement to make such use of and enter into or on the general common elements, ~~the limited common elements and the units~~ as may be necessary or appropriate for the performance of the duties and functions which they are obligated or permitted to perform under ~~this Declaration, the Articles, the Bylaws and/or rules and regulations as adopted or amended hereafter~~ the Governing Documents as adopted or amended hereafter. The Association, the Board and the managing agent shall also have a nonexclusive right and easement to make such use of and enter into or on the Units (again which include the limited common elements) as may be necessary or appropriate to: (1) address emergency repairs to protect Owners or occupants of Units other than the subject Unit or to protect the Community other than the subject Unit, and/or (2) to verify compliance with the Governing Documents.

c. Owner's Easements for Access, Support and Utilities. Each ~~owner~~ Owner shall have a nonexclusive easement for access between ~~his units~~ such Owner's Unit and the roads and street adjacent to the ~~project~~ Project and the roads, streets and driveways in the ~~project~~ Project, over and on the lobby, halls, corridors, stairs, walks, bridges and exterior access and other easements which are part of the general common elements. Each ~~owner~~ Owner shall have a nonexclusive easement in, on and over the general common elements, ~~including the general common elements within the unit of another owner,~~ for horizontal and lateral support of the ~~unit~~ Unit which is part of ~~this condominium unit~~ the Condominium Unit, for utility service to that ~~unit~~ Unit, including and not limited to water, sewer, gas, electricity, telephone, internet and television service and for the release of smoke arising from any fireplace within a ~~unit~~ Unit through the flue leading therefrom.

d. Easements for Encroachments. If any part of the general common elements encroaches or shall hereafter encroach on a ~~unit~~ Unit, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a ~~unit~~ Unit encroaches or shall hereafter encroach on the general common elements or on another ~~unit~~ Unit, the ~~owner~~ Owner of that ~~unit~~ Unit shall and does have an easement for such encroachment and for the maintenance of same. Such encroachments shall not be considered to be encumbrances either on the general common elements or on a ~~condominium unit~~ Condominium Unit for purposes of marketability of title or otherwise. Encroachments referred to herein include and are not limited to encroachments caused by error in the original construction of the building (s), by error in the ~~map~~ Maps, by

settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the ~~project~~Project or any part thereof.

e. Easements in Units for Repair, Maintenance and Emergencies. Some of the general common elements are or may be located within a ~~unit~~Unit or may be conveniently accessible only through a particular ~~unit~~Unit. The ~~association, board~~Association, Board and managing agent and each ~~owner~~Owner shall have an easement, which may be exercised for any ~~owner~~Owner by the ~~association~~Association, the ~~board~~Board or the managing agent, as ~~his~~such Owner's agent, for access through each ~~unit~~Unit and to all general common elements, from time to time, during such reasonable hours as may be necessary for the location, placement, existence, maintenance, repair or replacement of any of the general common elements located therein or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the general common elements or to another ~~unit or for making repairs or replacements pursuant to paragraph sixteen (16) hereafter.~~Unit. Damage to ~~the interior of~~any part of a ~~unit~~Unit resulting from the maintenance, repair, emergency repair or replacement of any of the general common elements or as a result of emergency repairs within another ~~unit~~Unit, at the instance of the ~~association~~Association, the ~~board~~Board or the managing agent, ~~shall~~may either be a common expense; of all of the ~~owners~~Owners or allocated to the subject Unit Owner as the Board may deem appropriate. The Board may also allocate to less than all Owners any expense for maintenance, repair, emergency repair, replacement and/or improvement of any of the general common elements as the Board may deem appropriate. No diminution or abatement of common expense assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements or from action taken to comply with any law, ordinance or order of any governmental authority. Restoration of the damaged improvements shall be substantially the same as ~~the~~the condition in which they existed prior to the damage. Notwithstanding the foregoing, if any such damage is the result of the carelessness or negligence of any ~~owner~~Owner, such ~~owner~~Owner shall be solely responsible for the costs and expenses of repairing such damage.

f. Easements Deemed Appurtenant. The easements, uses and rights herein created for an ~~owner~~Owner shall be appurtenant to the ~~condominium unit~~Condominium Unit of that ~~owner~~Owner; and all conveyances of any other instruments affecting title to a ~~condominium unit~~Condominium Unit shall be deemed to grant and reserve the easements, uses and rights as are provided for herein, even though no specific reference to such easements, uses and rights appear in any such conveyance.

g. Emergency Easement. A nonexclusive easement for ingress and egress is hereby granted to the managing agent and its employees and to all police, sheriff, fire protection, ambulance and other similar emergency agencies or persons now or hereafter servicing the ~~project~~Project to enter on all streets, roads and driveways located in the ~~project~~Project and on the property in the performance of their duties.

~~4615~~. Owners' Maintenance Responsibility. For purposes of maintenance, repair, alteration and remodeling, an ~~owner~~Owner shall be deemed to own and shall have the right and obligation to maintain, repair, alter and remodel ~~his units~~such Owner's Unit subject to the limitations set forth herein. No ~~owner~~Owner shall make any structural changes, additions or alterations to ~~his~~

~~units~~such Owner's Unit, or make any changes to the exterior of ~~his units~~such Owner's Unit without the express written approval of the Owners of ~~three-fourths~~seventy-five percent (75%) of all ~~units~~Units. An ~~owner~~Owner shall not be deemed to own lines, pipes, wires, conduits or systems (hereinafter referred to as utility lines) which are outside the ~~unit~~. An ~~owner~~Unit ~~except to the extent that such line serves the Unit exclusively~~. An ~~Owner~~ shall maintain and keep in good repair and in a clean, safe, attractive and neat condition the exterior and interior of ~~his unit, including such Owner's Unit, again which Unit includes~~ all ~~limited common elements~~, fixtures, appliances and equipment installed within a ~~unit~~Unit, doors and windows thereof and the improvements affixed thereto ~~and such other items and areas as may be required in the bylaws.~~. Owners shall keep ~~their Units (including the general common elements, Unit limited commons~~common elements ~~and, which are part of the Unit, including~~ all decks, porches, balconies, patio areas and entry ways) free and clear of snow, ice, accumulations of water and trash. If any ~~owner~~Owner fails to carry out or neglects the responsibilities set forth in this paragraph, the ~~board or Board may take enforcement action as set forth in the managing agent may fulfill~~Responsible Governance Policies. However ~~nothing in this responsibility and charge such owner therefor. Any expense incurred by an owner under this paragraph~~Declaration shall ~~require or obligate the sole expense of the owner~~Association to inspect Unit interiors for compliance with these provisions.

1716. Compliance with ~~Provisions of Declaration, Articles and Bylaws of the Association~~Governing Documents. Each ~~owner~~Owner shall comply strictly with and shall cause each of ~~his~~such Owner's guests to comply strictly with all of the provisions of ~~this Declaration and the articles and bylaws~~the Governing Documents and the decisions, ~~rules, regulations~~ and resolutions of the ~~association~~Association or the ~~board~~Board adopted pursuant thereto, as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for ~~an action~~the Association to recover ~~from the offending Owner all~~ sums due and for damages or injunctive relief or both, along with costs of suit and reasonable attorney's fees; ~~maintainable by the managing agent or board of directors in the name of the association on behalf of the owners or, in a proper case, by an aggrieved owner.~~

1817. The Association.

a. General Purposes and Power. The ~~association~~Association, through the ~~board~~Board or the managing agent, shall perform functions and ~~hold and manage~~ ~~property~~the general common elements as provided in this Declaration so as to further the interests of ~~owners~~Owners of ~~condominium units~~Condominium Units in the ~~project~~Project. It shall have all powers necessary or desirable to effectuate such purposes.

b. Membership. The ~~owner~~Owner of a ~~condominium unit~~Condominium Unit shall automatically become a member of the ~~association~~Association. The membership is appurtenant to the ~~condominium unit~~Condominium Unit of the ~~owner~~Owner and the ownership of the membership for a ~~condominium unit~~Condominium Unit shall automatically pass with fee simple title to the ~~condominium unit~~Condominium Unit. Each ~~owner~~Owner shall automatically be entitled to the benefits and subject to the burdens relating to the membership for ~~his~~ ~~condominium unit~~such Owner's Condominium Unit. If the fee simple title to a ~~condominium unit~~Condominium Unit is held by more than one (1) person, each ~~owner~~Owner of a

~~condominium unit~~ Condominium Unit shall be a member of the ~~association~~ Association. Memberships in the ~~association~~ Association shall be limited to ~~owners~~ Owners of ~~condominium units~~ Condominium Units in the ~~project~~ Project.

c. Board of Directors. The affairs of the ~~association~~ Association shall be managed by a ~~board~~ Board of directors which may by resolution delegate any portion of its authority to an executive committee or to a director or managing agent for the ~~association~~ Association. There shall be not less than three (3) or more than seven (7) members of the ~~board~~ Board of directors, the specific number to be set forth from time to time in the ~~bylaws~~ Bylaws, all of whom shall be ~~owners~~ Owners elected by ~~owners~~ Owners. Regardless of the number of members of the ~~board~~ Board of directors, the terms of at least one-third (1/3) of such ~~board~~ Board shall expire annually. ~~Notwithstanding anything to the contrary provided for herein however, until Declarant has conveyed one hundred percent (100%) of the condominium units in the project or until December 31, 1999, whichever event shall first occur, the members of the board of directors shall be appointed by Declarant or its successors or assigns and such members of the Board so appointed need not be owners.~~

d. Voting of Owners. The ~~owner~~ Owner or ~~owners~~ Owners of each ~~condominium unit~~ Condominium Unit shall be entitled to one (1) vote ~~for per~~ each ~~such condominium unit~~ Board position for each such Condominium Unit owned by the ~~owner or owners. In certain instances an owner's vote may be counted or weighed according to an owner's percentage interest in the general common elements, as is provided herein~~ Owner or Owners.

e. ~~Bylaws and Articles~~ Governing Documents. The purposes and powers of the ~~association~~ Association and the rights and obligations with respect to ~~owners~~ Owners set forth in this Declaration may be supplemented or amplified by provisions of the ~~articles~~ Articles, Bylaws, Responsible Governance Policies and ~~bylaws~~ Rules & Regulations of the ~~association~~ Association, but in the event of any inconsistency, the provisions of this Declaration shall control.

#### ~~19~~18. Certain Rights and Obligations of the Association.

a. Association as Attorney-in-Fact for Owners. The ~~association~~ Association is hereby irrevocably appointed attorney-in-fact for the ~~owners~~ Owners and each of them to manage, control and deal with the interest of each ~~owner~~ Owner in the ~~general~~ general common elements so as to permit the ~~association~~ Association to fulfill all of its duties and obligations hereunder and to exercise all of its rights hereunder, to deal with the ~~project~~ general common elements on its destruction or obsolescence as hereinafter provided and to grant utility easements through any portion of the ~~general~~ general common elements. The acceptance by any person of any interest in any ~~condominium unit~~ Condominium Unit shall constitute an appointment of the ~~association~~ Association as attorney-in-fact as provided above and hereinafter. The ~~association~~ Association is hereby granted all of the powers necessary to govern, manage, maintain, repair, rebuild, administer and regulate the ~~project~~ general common elements and to perform all of the duties required of it. Notwithstanding the above and subject to the provisions contained in this Declaration unless at least ~~three-fourths (3/4)~~ seventy-five percent (75%) of the first mortgagees of ~~condominium units~~ Condominium Units (based on one (1) vote for each first mortgage owned) and at least ~~three-fourths (3/4)~~ seventy-five percent (75%) of the ~~owners~~

~~(excluding Declarant)~~ Owners have given their prior written approval, the ~~association~~ Association shall not be empowered or entitled to:

(1) by act or omission seek to abandon or terminate the ~~project~~ Project;

(2) change the pro rata interest or obligations of any individual ~~condominium unit~~ Condominium Unit for the purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards;

(3) partition or subdivide any ~~condominium unit~~ Condominium Unit;

(4) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer (excluding the granting of easements for public utilities or other public purposes consistent with the intended use of the general common elements) any of the general ~~or limited~~ common elements; and

(5) use hazard insurance proceeds for loss to the ~~project (whether units or general common elements)~~ for other than repair, replacement or reconstruction thereof.

Provided, however, no action set forth in paragraphs ~~nineteen (19)~~ 18(a)(1-5) above may be taken without the prior written approval of the ~~owner~~ Owner and first mortgagee of the specific ~~unit~~ Unit or ~~units~~ Units being affected.

b. General Common Elements. The ~~association~~ Association shall provide for the care, operation, management, maintenance, repair and replacement of the general common elements ~~except as is provided for in paragraph sixteen (16) herein.~~ Without limiting the generality of the foregoing, the obligations shall include the keeping of such general common elements in a good, clean, attractive and sanitary condition, order and repair; removing snow and any other materials from such general common elements which might impair access to the ~~project~~ Project or the ~~units~~ Units; keeping the ~~project~~ general common elements safe, attractive and desirable; and making necessary or desirable alterations, additions, betterments or improvements to or on the general common elements.

~~c. Other Association Functions. The association may undertake any activity, function or service for the benefit of or to further the interests of all, some or any owners on a self-supporting, special assessment or common assessment basis. Such activities, functions or services may include the providing of maid and cleaning service for individual units and those services reasonable and necessary to operate a first class resort residential facility. In addition, the association shall have the right to designate an exclusive rental manager for all short term rentals.~~

~~d. Labor and Services. The association~~

~~c. Labor and Services. The Association~~ (1) may obtain and pay for the services of a managing agent to manage its affairs or any part thereof to the extent it deems advisable, as well as such other personnel as the ~~association~~ Association shall determine to be necessary or desirable for the proper operation of the ~~project~~ general common elements, whether such

personnel are furnished or employed directly by the ~~association~~Association or by any person with whom or which it contracts; (2) may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the ~~project~~Association or the enforcement of ~~this Declaration~~the Governing Documents; and (3) may arrange with others to furnish lighting, heating, water, trash collection, sewer service and other common services necessary and proper for the operation of a first-class resort residential facility.

ed. Property of Association. The ~~association~~Association may pay for, acquire and hold or lease real property for the purposes set forth within this Declaration and tangible and intangible personal property and may dispose of the same by sale or otherwise. Subject to the provisions of ~~this Declaration and rules and regulations of the association~~Governing Documents, each ~~owner~~Owner and each ~~owner's~~Owner's family and guests may use such property. On termination of condominium ownership of the ~~project~~Project and dissolution of the ~~association~~Association, if ever, the beneficial interest in any such property shall be deemed to be owned by the then ~~owners~~Owners as tenants in common in the same proportion as their respective interests in the general common elements. A transfer of a ~~condominium unit~~Condominium Unit shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto. Each ~~owner~~Owner may use such property in accordance with the purposes for which it is intended, without hindering or encroaching on the lawful rights of the other ~~owners~~Owners. The transfer of title to a ~~condominium unit~~Condominium Unit under foreclosure shall entitle the purchaser to the beneficial interest in such property associated with the foreclosed ~~condominium unit~~Condominium Unit.

fe. Association Right to Lease and License General Common Elements. The ~~association~~Association shall have the right to lease or license or permit the use of by less than all ~~owners~~Owners or by nonowners on either a short-term basis or long-term basis and with or without charge as the ~~association~~Association may deem desirable any portion of the general common elements or any ~~condominium unit~~Condominium Unit owned by the ~~association~~Association. The rights granted to the ~~association~~Association in this subparagraph shall only be used in the promotion of the collective best interests of the ~~owners~~Owners. Further, the ~~association~~Association shall have the right to grant utility easements under, through or over the general common elements which are reasonably necessary to the ongoing development and operation of the ~~project~~Project. The Board may grant leases and temporary licenses up to one (1) year and permanent utility easements over the general common elements. However the granting of or renewal of any leases, licenses or other types of easements over the general common elements in excess of one (1) year shall require the unanimous approval of the Owners.

g. ~~Mortgagee Notification. The association shall notify each first mortgagee of any proposed material amendment of the association's articles or bylaws at least ten (10) days prior to the effective date of such amendment or change. Further, onf. Mortgagee Rights. On~~ the written request of any first mortgagee, such first mortgagee shall be entitled to receive the most recent annual financial statement of the ~~association~~Association and written notice of all meetings of the ~~association~~Association and such first mortgagee shall have the right to designate a representative to attend any such meeting. ~~The cost of any notice shall be paid by the owner of the unit encumbered by said mortgage.~~



~~hg.~~ Enforcement by Association. The ~~board~~Board may ~~after Notice and Hearing, defined as compliance with the Association Responsible Governance Policies and Colorado law with respect to enforcement,~~ suspend any ~~owner's~~Owner's voting rights in the ~~association or the right of an owner to use the recreational facilities of the project~~Association during any period or periods during which such ~~owner~~Owner fails to comply with the ~~association's rules and regulations or with any other obligations of such owner under this Declaration.~~Association's ~~Governing Documents.~~ The ~~association~~Association may also ~~after Notice and Hearing and compliance with the Association Responsible Governance Policies and Colorado law with respect to enforcement,~~ take judicial action against any ~~owner~~Owner to enforce compliance with such ~~rules, regulations~~Governing Documents, ~~compliance with the law~~ or other ~~obligations hereunder or in~~matters concerning the ~~bylaws contained~~health and safety of the Community or to obtain damages for noncompliance, all to the extent permitted by law. The ~~board~~Board may impose a fine, ~~not to exceed fifty dollars (\$50.00),~~as authorized by the Association Responsible Governance Policies, and ~~after Notice and Hearing,~~ on any ~~owner~~Owner for each violation or act of noncompliance by any such ~~owner~~Owner or ~~his~~such Owner's guest, ~~invitee, tenant or other occupant,~~ which charges shall constitute a lien on the ~~owner's unit~~Owner's Unit as per the provisions of paragraph ~~2422~~, below.

~~i.~~ Certificate. The board of directors may, from time to time, record a certificate of the identity and the mailing addresses of the persons then comprising the board of directors, together with the identity and address of the managing agent, if any there be. Such certificate shall be conclusive evidence thereof in favor of any person relying thereon in good faith regardless of the time elapsed since the date thereof.

~~jh.~~ Implied Rights. The ~~association~~Association and its managing agent shall have and may exercise any right or privilege given to it expressly by ~~this Declaration or the articles or bylaws~~the Governing Documents or reasonably to be implied from the provisions of those documents or given or implied by law or which may be necessary or desirable to fulfill its duties, obligations, rights or privileges.

#### ~~2019.~~ Assessment for Common Expenses.

~~a.~~ Each owner, except Declarant, shall be obligated to pay the assessments imposed by the board of directors to meet the estimated common expenses. The assessments shall be made pro rata according to each owner's interest in and to the general common elements. Declarant shall have no obligation to pay the estimated common expense assessment on condominium units owned by Declarant imposed by the board to meet the common expenses and Declarant agrees to pay to the association a sum equal to the difference between the quarterly cost of operating and maintaining the general common elements, exclusive of reserves, and the amount of funds payable by the other owners to the association. This obligation of Declarant to subsidize the operations of the association shall terminate when Declarant relinquishes its right to appoint the association's board or December 31, 1999, whichever event first occurs. Subsequent to the occurrence of either of the aforesaid events, Declarant shall be obligated as any owner in reference to condominium units then owned by Declarant to pay the estimated common expense assessments imposed by the board to meet the common expenses. Except as hereinbefore provided, the limited common elements shall be maintained as general common elements and

~~owners having the exclusive use thereof shall not be subject to any special charges or assessments.~~ Each Owner shall be obligated to pay the assessments duly adopted by the Association to meet the estimated common expenses. The assessments shall be made pro rata according to each Owner's interest in and to the general common elements. Assessments for the estimated common expenses shall be due quarterly, in advance, on the first calendar day of each quarter. ~~The managing agent or board of directors shall prepare and deliver or mail to each owner an itemized annual budget showing the various estimated or actual expenses for which the assessments are made.~~ Contribution for quarterly assessments shall be prorated if the ownership of a ~~condominium unit~~ Condominium Unit commences on a calendar day other than the first calendar day of a quarter. The assessments made for common expenses shall be based on ~~the requirements deemed to be such aggregate sum as the board of directors shall from time to time determine is to be paid or accrued to be paid to provide for the payment of a budget duly adopted by the Association and shall be based on~~ all estimated expenses growing out of or connected with the maintenance and operation of the general common elements, which sum may include, among other things, expenses of management; taxes and special assessments, until separately assessed; premiums for insurance of the types and kinds provided for in paragraph ~~twenty-three (23)~~ 21 hereafter; landscaping and care of grounds; common lighting and heating; repairs and renovations; trash collections; ~~firewood; cable television service;~~ wages; water and sewer charges; all other utility charges associated with the general common elements; all costs of snow removal, maintenance, repairs and replacement of any private roadway serving the ~~project~~ general common elements and utility costs therefor; legal and accounting fees; capital expenditures ~~made by the board not exceeding five thousand dollars (\$5,000.00), in any one (1) calendar year (unless a greater amount is approved by a majority of the votes of the association);~~ expenses and liabilities incurred by the managing agent or ~~board~~ Board of ~~directors~~ Directors under or by reason of ~~this Declaration~~ the Governing Documents; deficits remaining from a previous period; and other costs and expenses relating to the general common elements. Further, ~~as set forth in the Responsible Governance Policies, the Board shall be mandatory for the board to~~ establish and segregate, out of such quarterly assessments, a contingency or reserve fund for the repair, replacement and maintenance of those general common elements that must be replaced periodically.

b. The Association budget adoption process shall be as follows. First, the Board shall adopt a budget subject to Owner ratification. Within ninety (90) calendar days after the Board adopts the budget, the Board shall cause a summary of the budget to be mailed, by first-class mail, or otherwise delivered to all Unit Owners, including posting the proposed budget on the Association's website. The Board shall also with such summary set a date for a meeting of the Unit Owners to consider the budget. The Owners' meeting shall take place within a reasonable time after mailing or other delivery of the summary and within the time prescribed by the Bylaws. The budget proposed by the Board will be deemed approved by the Unit Owners in the absence of a veto at the noticed meeting by a majority of all Unit Owners. If the proposed budget is vetoed, assessments under the most recent approved budget shall remain in effect until a subsequent budget is approved.

c. The omission or failure of the ~~board~~ Board of directors to fix the assessment for any quarter shall not be deemed a waiver, modification or a release of the ~~owners~~ Owners from their obligation to pay same. Any ~~owner~~ Owner or first mortgagee may, ~~pursuant to C.R.S. Section 38-~~

~~33-107 (1973, as amended),~~ inspect the ~~association's~~Association's records of receipts and expenditures at any reasonable time during convenient weekday business hours; ~~and, on ten (10) days' notice to as further set forth in the board of directors or managing agent, if~~Association Responsible Governance Policy concerning Association Records, and any, ~~and on payment of a reasonable fee, not to exceed twenty dollars (\$20.00), any owner~~ Owner or first mortgagee of such ~~owner~~Owner shall be furnished a statement of account setting forth the amount of any unpaid assessments or other charges due and owing from such ~~owner~~Owner. At the end of any calendar year, the ~~board~~Board of directors may but shall not be required to refund to each ~~owner~~his Owner such Owner's proportionate share of funds then held by the ~~association~~Association which are not deemed to be necessary to meet the common expenses. ~~Each owner~~If the overage is not refunded, it shall be added to the Association capital reserve fund. Each Owner shall be obligated to pay all charges for any separately metered utilities servicing ~~his units~~such Owner's Unit. All utilities that are master metered shall be a common expense hereunder.

bd. Audit. The ~~board~~books and records of ~~directors~~the Association may be subject to an audit at the discretion of the Board. An audit will also be required if a majority of the Members request an audit. The audit will be conducted pursuant to generally accepted auditing standards by an independent and qualified person selected by the Board. The person selected for the audit shall be a certified public accountant.

e. The Association shall have the right during any calendar year to ~~levy and assess against all of the owners~~adopt and approve a special assessment for such purpose or purposes, in accordance with ~~this Declaration, the articles or bylaws~~the Governing Documents, as may be necessary to keep the ~~project as general common elements in a condition required for~~ a first-class resort residential condominium. Such special assessment, once duly adopted, shall be borne by the ~~owners~~Owners in accordance with each ~~owner's~~Owner's interest in the general common elements and shall be due and payable as determined by the ~~board of directors~~approval. Special assessments shall be approved in the same manner as the annual budget process.

2120. Assessment Reserves. The ~~association~~Association may require an ~~owner, other than Declarant,~~Owner to deposit with the ~~association~~Association an amount ~~not exceeding three (3) times the amount of the original estimated quarterly common assessments as duly approved in the Association budget or any amendments thereto~~ working capital funds, which ~~sums~~sums shall be held by the ~~association as a reserve to be used for paying such owner's quarterly common assessment and~~Association for working capital. This deposit shall not accrue any interest for the benefit of the ~~owner~~Owner. Such an advance payment shall not relieve an ~~owner~~Owner from making the regular quarterly payment of the quarterly common assessment as the same comes due. On the transfer of ~~his condominium units~~such Owner's Condominium Unit, an ~~owner~~Owner shall be entitled to a credit from ~~his~~such Owner's transferee for any unused portion thereof. Such ~~reserves~~working capital funds shall, at all times, remain as capital of the ~~association~~Association.

22. Additions, Alterations and Improvement—General and Limited Common Elements. There shall be ~~no special assessments in excess of five thousand dollars (\$5,000.00), levied by the board of directors in any one (1) calendar year or any capital additions, alterations or improvements of or to the general or limited common elements by the association requiring expenditure(s) in excess of five thousand dollars (\$5,000.00), in any one (1) calendar year~~

without, in each case, prior approval by a majority of the votes in the association, except in the event of an emergency; the limitations set forth above shall not apply to any expenditures made by the association for maintenance and repair of the general common elements as set forth in paragraph nineteen (19) hereof or for repair in the event of damage, destruction or condemnation as provided in paragraph twenty nine (29) and paragraph thirty (30) hereof.

2321. Insurance.

a. ~~Insurance Requirements Generally. The association shall obtain and maintain in full force and effect at all times certain casualty, liability and other insurance as hereinafter provided. All such insurance shall be obtained, to the extent possible, from responsible companies duly authorized to do insurance business in the State of Colorado. All such insurance shall name as insureds the association, the board of directors of the association, the association's officers, employees and agents, and, if practicable, the owners. All such insurance shall protect each of the insureds as if each were separately insured under separate policies. To the extent possible, such casualty insurance shall: (a) provide for a waiver of subrogation of the insurer as to claims against Declarants, the association, its directors, officers, employees and agents and against each owner and each owner's employees and guest; (b) provide that the insurance cannot be cancelled, invalidated or suspended on account of the conduct of the association, its officers, directors, employees and agents or of any owner or such owner's employees or guests; (c) provide that any "no other insurance" clause in the insurance policy shall exclude any policies of insurance maintained by any owner or mortgagee and that the insurance policy shall not be brought into contribution with insurance maintained by any owner or mortgagee; (d) contain a standard mortgage clause endorsement in favor of the mortgagee of any condominium unit or part of the project except a mortgagee of a condominium unit or part of the project who is covered by other and separate insurance; (e) provide that the policy of insurance shall not be terminated, cancelled or substantially modified without at least ten (10) days prior written notice to the association and to each owner and to each mortgagee covered by any standard mortgage clause endorsement; and (f) provide that the insurer shall not have the option to restore the premises if condominium ownership of the project is to be terminated in accordance with the terms of this Declaration or the project is to be sold in its entirety in accordance with the destruction, condemnation and obsolescence provisions of this Declaration. To the extent possible, public liability and property damage insurance shall provide for coverage of any cross liability claims of owners against the association or other owners and of the association against owners without the right of subrogation. Any insurance policy may contain such deductible provisions as the board of directors of the association deems consistent with good business practice.~~Coverage. The Board shall obtain and maintain, or cause to be obtained and maintained on behalf of the Association, to the extent reasonably available, insurance coverage as follows:

~~The association shall obtain an independent appraisal of the project at least every three (3) years or more often if the board of directors deems it advisable; provided, however, that said appraisal may be performed by an appraiser employed by an insurance company.~~

~~Certificates of insurance coverage or copies of insurance policies shall be issued to each owner and each mortgagee who makes written request to the association for any such certificate or copy of an insurance policy.~~

~~The cost and expense of all insurance obtained by the association, except insurance covering additions, alterations or improvements made to a condominium unit by an owner or other insurance obtained at the request of and specifically benefiting any particular owner, shall be an expense of the association.~~

~~b. Casualty Insurance. The association shall obtain and maintain casualty insurance covering the project and each condominium unit covering loss or damage by fire and such other hazards as are covered under standard extended coverage policies, with vandalism and malicious mischief endorsements, and if available and if deemed appropriate by the association, other casualty risks, for the full insurable replacement cost of the project, including each condominium unit with an inflation guard endorsement that automatically increases the amount of coverage by a fixed percentage at least quarterly. At the option of the association such insurance may also cover additions, alterations or improvements to a condominium unit made by an owner if the owner reimburses the association for any additional premiums attributable to such coverage. The association shall not be obligated to apply any insurance proceeds to restore a condominium unit to a condition better than the conditions existing prior to the making of additions, alterations or improvements by an owner in the absence of insurance covering such additions, alterations or improvements as aforesaid.~~

~~e. Public Liability and Property Damage Insurance. The association shall obtain and maintain comprehensive public liability and property damage insurance covering personal liability, property damage liability and automobile personal and property damage liability of the association, its officers, managers, employees and agents and of each owner and each owner's employees and guests, arising in conjunction with ownership, operation, maintenance, occupancy or use of the project or of any condominium unit in the project with limits of no less than \$1,000,000 for each occurrence involving bodily injury liability and/or property damage liability.~~

~~d. Workmen's Compensation and Employer's Liability Insurance. The association shall obtain and maintain workmen's compensation and employer's liability insurance as may be necessary to comply with applicable laws.~~

~~e. Insurance by Owners. Insurance coverage on contents, merchandise, furnishings, including cabinets, counters, carpet and the floor coverings, draperies, oven range, refrigerator, wallpaper, disposal, plumbing fixtures such as tubs and sinks and other items of personal or other property belonging to an owner and public liability coverage within each unit shall be the sole and direct responsibility of the unit owner thereof, and the board of directors, the association and the managing agent shall have no responsibility therefor.~~

~~Any insurance policy obtained by an owner shall be such that it will not diminish or adversely affect or invalidate any insurance or insurance recovery under policies carried by the association and shall, to the extent possible, contain a waiver of the right of subrogation by the insurer as to any claim against the association, its officers, managers, agents and employees and against the owners and their employees and guests. A copy of any insurance policy obtained by an owner shall be furnished to the association on the written request of the association.~~

~~f. Receipt and Application of Insurance Proceeds. Except as some particular person has a legal right to receive insurance proceeds directly, all insurance proceeds and recoveries shall be paid to and received by the association. All insurance proceeds or recoveries received by the association shall be applied by the association; first, as expressly provided elsewhere in this Declaration; second, to the owners or persons whom the association may determine are legally or equitably entitled thereto; and third, the balance, if any, to owners in proportion to their respective interests in common elements.~~

~~g. Other Insurance by Association. The association shall have the power and authority to obtain and maintain other and additional insurance coverage, including casualty insurance covering personal property of the association, fidelity bonds or insurance covering employees and agents of the association and insurance indemnifying officers, managers, employees and guests of the association.~~

~~h. Owner Increased Premiums.~~ 1. Property insurance on the general common elements for broad form covered causes of loss, plus insurance on all personal property owned by the Association; except that the total amount of insurance must be not less than the full insurable replacement cost of the insured property less applicable deductibles at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, and other items normally excluded from property policies; and

2. Commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use, or management of the general common elements, in an amount, deemed sufficient in the judgment of the Board, but in no event shall it be less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) in the aggregate, insuring the Board, the Association, the Managing agent, and their respective employees, agents, and all persons acting as agents. The Unit Owners shall be included as additional insureds but only for claims and liabilities arising in connection with the ownership, existence, use, or management of the general common elements. The insurance shall cover claims of one or more insured parties against other insured parties.

b. Limits on Insurance. The insurance maintained under section (a)(1) above shall include the general common elements but not the Units or the limited common elements (which are part of the Units).

c. Availability. If the insurance described in section (a) of this paragraph 21 is not reasonably available, or if any policy of such insurance is cancelled or not renewed without a replacement policy therefore having been obtained, the Association promptly shall obtain and maintain insurance with coverages and limits following form as close as possible to the requirements set forth herein, and the Association shall cause notice of that fact to be hand delivered or sent prepaid by United States mail to all Unit Owners at their respective last known addresses. The Association may carry any other insurance it considers appropriate to protect the Association or the Unit Owners.

d. Required Provisions. Insurance policies carried pursuant to section (a) of this paragraph 21 must provide that:

1. Each Unit Owner is an insured person under the policy with respect to liability arising out of such Unit Owner's interest in the general common elements or membership in the Association;

2. The insurer waives its rights to subrogation under the policy against any Unit Owner or member of such Unit Owner's household;

3. No act or omission by any Unit Owner, unless acting within the scope of such Unit Owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and

4. If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

f. Loss Adjustment. Any loss covered by the property insurance policy described in section (a) of this paragraph 21 must be adjusted with the Association, but the insurance proceeds for that loss shall be payable to any insurance trustee designated for that purpose, or otherwise to the Association, and not to any holder of a security interest. The insurance trustee or the Association shall hold any insurance proceeds in trust for the Association Unit Owners and lienholders as their interests may appear. Subject to the provisions of section (i) of this paragraph 21, the proceeds must be disbursed first for the repair or restoration of the damaged property, and the Association, Unit Owners, and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored or the common interest community is terminated.

f. Policies and Procedures. The Association may adopt and establish written nondiscriminatory policies and procedures relating to the submittal of claims, responsibility for deductibles, and any other matters of claims adjustment and/or coverage requirements. To the extent the Association settles claims for damages to real property, it shall have the authority to assess negligent Unit Owners causing such loss or benefiting from such repair or restoration all deductibles paid by the Association. In the event that more than one Unit is damaged by a loss, the Association in its reasonable discretion may assess each Unit Owner a pro rata share of any deductible paid by the Association.

g. Unit Owner Insurance Responsibilities. An insurance policy issued to the Association does not obviate the need for Unit Owners to obtain insurance for their own benefit. All Unit Owners shall maintain the following insurance:

1. Property insurance on the Unit, and such personal property of Unit Owners as is normally insured under building coverage, for broad form covered causes of loss; except that the total amount of insurance must be not less than the full insurable replacement cost of the insured property less applicable deductibles at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, and other items normally excluded from

property policies; and the Board shall adopt a written policy setting minimum required coverage and other provisions; and

2. Commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use, or management of the Unit, in an amount, deemed sufficient in the judgment of the Executive Board, but in no event shall it be less than one million dollars (\$1,000,000) per occurrence and in the aggregate, insuring the Unit Owner and naming as additional insureds the Board, the Association, the Managing agent, and their respective employees, agents, and all persons acting as agents. The insurance shall cover claims of one or more insured parties against other insured parties.

3. The insurance maintained under (g)(1) above shall include the Unit, all limited common elements (which are a part of the Unit) as well as improvements and betterments installed by Unit Owners.

4. Each Unit Owner shall cause its insurer that has issued an insurance policy for the insurance described in this section (g) to issue certificates or memoranda of insurance to the Association. The insurer issuing the policies may not cancel or refuse to renew them until thirty (30) calendar days after notice of the proposed cancellation or nonrenewal has been mailed to the Association.

h. Certificates. An insurer that has issued an insurance policy for the insurance described in section (a) of this paragraph 21 shall issue certificates or memoranda of insurance to the Association and, upon request, to any Unit Owner or holder of a security interest. The insurer issuing the policy may not cancel or refuse to renew it until thirty (30) calendar days after notice of the proposed cancellation or nonrenewal has been mailed to the Association, and each Unit Owner and holder of a security interest to whom a certificate or memorandum of insurance has been issued, at their respective last-known addresses.

i. Repair and Replacement.

1. Any portion of the Community for which insurance is required under this section which is damaged or destroyed must be repaired or replaced promptly by the Association unless:

(a) The Community is terminated, in which case Colorado law applies;

(b) Repair or replacement would be illegal under any state or local statute or ordinance governing health or safety;

(c) Seventy-five percent (75%) of the Unit Owners, including every Owner of a Unit including the assigned limited common element that will not be rebuilt, vote not to rebuild;  
or

(d) Prior to the conveyance of any Unit, the holder of a deed of trust or mortgage on the damaged portion of the Community rightfully demands all or a substantial part of the insurance proceeds.



2. The cost of repair or replacement of general common elements in excess of insurance proceeds and reserves is a common expense. If the entire Project is not repaired or replaced, the insurance proceeds attributable to the damaged general common elements must be used to restore the damaged area to a condition compatible with the remainder of the Project, and, except to the extent that other persons will be distributees, the insurance proceeds must be distributed to the owners of those Units and the Owners of the Units to which those limited common elements were allocated, or to lienholders, as their interests may appear, and the remainder of the proceeds must be distributed to all the Unit Owners or lienholders, as their interests may appear, in proportion to the general common element interests of all the Units.

j. Fidelity Insurance / Association. The Association shall carry fidelity insurance. Coverage shall not be less in aggregate than two (2) months' current common expense assessments plus reserves, as calculated from the current budget of the Association.

k. Fidelity Insurance / Independent Contractors. The Association shall require any independent contractor contracted for the purposes of managing the Association, unless the Association names such person as an insured employee in a contract of fidelity insurance. Coverage shall not be less in aggregate than two (2) months' current common expense Assessments plus reserves, as calculated from the current budget of the Association.

l. Fidelity Insurance Limits. The Association may carry fidelity insurance in amounts greater than required in section (j) and may require any independent contractor employed for the purposes of managing a common interest community to carry more fidelity insurance coverage than required in section (k).

~~m. Premiums. In the event that, as a consequence of the hazardous use of any condominium unit, or of any owner installed improvements to any condominium unit, the premiums of any policy of insurance purchased by the association are increased, or special policy is required, the cost of such increase or specific policy shall be payable by the owner of such condominium unit.~~

~~24 Premiums for insurance that the Association acquires and other expenses connected with acquiring such insurance are common expenses.~~

n. Workers' Compensation Insurance. In the event the Association has any employees, the Association shall obtain and maintain workers' compensation insurance to meet the requirements of the laws of the State of Colorado.

o. Directors' and Officers' Liability Insurance. The Board shall obtain and maintain directors' and officers' liability insurance, if available, covering all of the Directors and officers of the Association. This insurance will have limits and deductibles determined by the Board, but in no event shall it be less than one million dollars (\$1,000,000) per occurrence and in the aggregate.

p. Umbrella Coverage. The Board shall obtain and maintain umbrella insurance coverage, if available, covering property, commercial general liability and directors and officers liability of the Association. This insurance will have limits and deductibles determined by the Board, but in no event shall it be less than one million dollars (\$1,000,000).

q. Insurance Provisions.

1. The maximum deductible for insurance policies covering the general common elements shall be the lesser of \$10,000 or one percent (1%) of the policy face amount.

2. Property insurance shall at least protect against broad form causes of losses and may protect against other causes of losses (including losses as are customarily covered under a standard "all risk" endorsement).

3. Insurance policies required by this paragraph 21 shall provide that:

(a) the Association and its insurers waive the right to subrogation under any such policies against a Unit Owner or member of the household of a Unit Owner;

(b) the Unit Owners and their insurers waive the right to subrogation under any such policies against the Association;

(c) an act or omission by a Unit Owner, unless acting within the scope of the Unit Owner's authority on behalf of the Association, will not void the policy or be a condition of recovery under the policy;

(d) if, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner which covers the same risk covered by the policy, the Association's policy provides primary insurance;

(e) losses covered under Association insurance must be adjusted with the Association;

(f) Association insurance proceeds shall be paid to the Association; and

(g) Each insurer writing an insurance policy covered by this paragraph (or if the insurer is covered by reinsurance, the reinsurer) must meet at least the following rating requirements: a "B" or better general policyholder's rating or a "6" or better financial performance index rating in A.M. Best Company's ("Best's") *Insurance Reports*, an "A" or better general policyholder's rating and a financial size category of "VIII" or better in *Best's Insurance Reports-International Edition*, an "A" or better rating in Demotech, Inc.'s *Hazard Insurance Financial Stability Ratings*, a "BBB" qualified solvency ratio or a "BBB" or better claims-paying ability rating in Standard and Poor Inc.'s ("S&P's") *Insurer Solvency Review*, or a "BBB" or better claims-paying ability rating in S&P's *International Confidential Rating Service*.

22. Lien for Nonpayment of Common Expenses, Penalties and Fines. All sums assessed by the ~~board~~Board pursuant to any provisions of this Declaration, including, without limitation, the share of common expenses chargeable to any ~~econdominium unit~~Condominium Unit, attorney's fees, costs and fines, shall constitute a lien on such ~~econdominium unit~~Condominium Unit superior (prior) to all other liens and encumbrances, except (1) tax and special assessment liens on the ~~econdominium unit~~Condominium Unit in favor of any governmental assessing unit and (2) all sums unpaid on a first mortgage of record recorded prior to the lien for assessments, including all unpaid obligatory sums as may be provided by such encumbrance, except the Association lien has a priority over this security interest for an amount equal to the assessments which would be due for the period of six (6) months prior to the commencement of any foreclosure proceedings by the holder of the security instrument.

~~a. If any assessment shall remain unpaid after twenty (20) days after the due date thereof, such unpaid sums shall bear interest from and after the due date thereof at the rate of eighteen percent (18%) per annum; and the board of directors may impose a late charge on such defaulting owner in an amount not to exceed twenty five dollars (\$25.00) to cover the extra cost and expenses involved in handling such delinquent assessments.~~

a. If any assessment shall remain unpaid, the Association shall follow the collection procedures as set forth in the Association Responsible Governance Policy / Collection Policy and Colorado law.

b. The ~~association~~Association may evidence its lien by recording in the office of the Clerk and Recorder of the County of San Miguel, Colorado, written notice which shall set forth the amount of such unpaid indebtedness, the name of the ~~owner~~Owner of the ~~econdominium unit~~Condominium Unit, a description of the ~~econdominium unit~~Condominium Unit and be signed by one (1) of the ~~board~~Board of directors or the managing agent. Such lien may be enforced by foreclosure of the defaulting ~~owner's econdominium unit~~Owner's Condominium Unit by the ~~association~~Association in like manner as a mortgage on real property on the recording of a notice or claim thereof. In any such foreclosure, the ~~owner~~Owner shall be required to pay the costs and expenses of such proceedings, the costs and expenses for filing the notice or claim of lien and all reasonable attorney's fees and court costs. The ~~owner~~Owner shall also be required to pay to the ~~association~~Association the quarterly assessment for the ~~econdominium unit~~Condominium Unit during the period of foreclosure, and the ~~association~~Association shall be entitled to the appointment of a receiver to collect the same. The ~~board~~Board of directors shall have the power to bid on the ~~econdominium unit~~Condominium Unit on behalf of the Association at foreclosure sale and to acquire and hold, lease, mortgage and convey same.

c. Any encumbrancers holding a lien on a ~~econdominium unit~~Condominium Unit may pay but shall not be required to pay any unpaid common expenses payable with respect to such ~~econdominium unit~~Condominium Unit; and, on such payment, such encumbrances shall have a lien on such ~~econdominium unit~~Condominium Unit for the amounts paid of the same rank as the lien of ~~hissuch Owner's~~ encumbrance, provided any first mortgagee who acquires a ~~econdominium unit~~Condominium Unit by foreclosure or by a deed in lieu thereof shall acquire title to such ~~econdominium unit~~Condominium Unit free and clear of any lien for unpaid common

expenses and shall only be responsible for common expenses arising after the date on which such first mortgagee acquires title to the ~~condominium unit~~Condominium Unit.

d. The ~~association~~Association shall, on request and on the payment of \$25.00 to the ~~association~~Association, deliver written notice to the first mortgagee of a ~~condominium unit~~Condominium Unit of any assessments remaining unpaid for longer than thirty (30) calendar days after the same are due as well as of any other default of an ~~owner~~Owner hereunder known to the ~~association~~Association which is not cured within sixty (60) calendar days.

e. ~~Declarant states, in accordance with the requirements of the Colorado Condominium Ownership Act, that it is possible that liens other than mechanic's liens, assessment liens and tax liens may be obtained against the general common elements, including judgment liens and mortgage liens.~~

f. ~~Each owner~~Owner hereby agrees that the ~~association's~~Association's lien on a ~~condominium unit~~Condominium Unit for assessments as hereinbefore described shall be superior to the Homestead Exemption provided by C.R.S. Section 38-41-201, et seq. (1973, as amended) and each ~~owner~~Owner hereby agrees that the acceptance of the deed or other instrument of conveyance in regard to any ~~condominium unit~~Condominium Unit within the ~~project~~Project shall signify such grantee's waiver of the Homestead right granted in that section of the Colorado statutes.

g. Any recorded lien for nonpayment of the common expenses may be released by recording a release of lien executed by a member of the ~~board~~Board of directors, the managing agent or an attorney representing the ~~association~~Association.

~~2523.~~ Owners' Obligations for Payment of Assessments, Penalties or Fines. The amount of the common expenses and any penalties or fines provided for herein or any special assessment assessed against each ~~condominium unit~~Condominium Unit shall be the personal and individual debt of the ~~owner~~Owner or ~~owners~~Owners thereof at the time the assessment is made. Suit to recover a money judgment for unpaid common expenses or special assessments and costs of suit and attorney's fees shall be maintainable without foreclosing or waiving the lien securing same. No ~~owner~~Owner may exempt ~~himself~~such Owner from liability for ~~his~~such Owner's contribution towards the common expenses or any special assessment by waiver of the use or enjoyment of the general common elements or by abandonment of ~~his condominium units~~such Owner's Condominium Unit.

~~2624.~~ Liability for Common Expenses on Transfer of Condominium Unit.

a. On payment of a reasonable fee not to exceed twenty-five dollars (\$25.00), and on fourteen (14) calendar days prior written notice from any ~~owner~~Owner or any mortgagee or prospective mortgagee of a ~~condominium unit~~Condominium Unit, the ~~association~~Association, by its managing agent or ~~board~~Board of directors, shall issue a written statement setting forth the amount of the unpaid common expenses, if any, with respect to the subject ~~condominium unit~~Condominium Unit, the amount of the current quarterly assessment, the date such assessment becomes due, the amount of any assessment reserve on deposit with the ~~association~~Association

and any credit for advanced payments for prepaid items, which statement shall be conclusive on the ~~association~~ Association in favor of all persons who rely thereon in good faith. Unless such request for such a statement shall be complied with within thirty (30) calendar days from receipt thereof, all unpaid common expenses which become due prior to the date of making such request shall be subordinate to the lien of the person requesting such statement.

b. The grantee of a ~~condominium unit, except a first mortgagee who acquires a condominium unit by foreclosure or a deed in lieu of foreclosure,~~ Condominium Unit shall be jointly and severally liable with the ~~granter~~ grantor for all unpaid assessments against the ~~granter~~ grantor for ~~his~~ such Owner's proportionate share of the common expenses up to the time of the grant or conveyance without prejudice to the grantee's right to recover from the ~~granter~~ grantor the amounts paid by the grantee therefor provided, however, that on payment of a reasonable fee not to exceed twenty-five dollars (\$25.00), on written request, any such prospective grantee shall be entitled to a statement from the managing agent or ~~board~~ Board of directors setting forth the amount of the unpaid common expenses, if any, with respect to the subject ~~condominium unit~~ Condominium Unit, the amount of the current quarterly assessment, the date that such assessment becomes due, the amount of any assessment reserve on deposit with the ~~association~~ Association and any credit for advanced payments for prepaid items, which statement shall be conclusive on the ~~association~~ Association in favor of all persons who rely thereon in good faith. Unless such request for such a statement shall be complied with within thirty (30) calendar days from the receipt thereof, such requesting grantee shall not be liable for and the ~~condominium unit~~ Condominium Unit conveyed shall not be subject to a lien for any unpaid assessments against the subject ~~condominium unit. The provisions contained in this paragraph shall not apply on initial transfer of the condominium units by Declarant~~ Condominium Unit.

2725. Mortgaging a Condominium Unit - Priority. Any ~~owner~~ Owner shall have the right from time to time to mortgage or encumber ~~his condominium unit~~ such Owner's Condominium Unit by deed of trust, mortgage or other security instrument. The ~~owner~~ Owner of a ~~condominium unit~~ Condominium Unit may create junior mortgages (junior to the lien, deed of trust or other encumbrance of the first mortgagee) on ~~his condominium unit~~ such Owner's Condominium Unit on the following conditions: (1) that any such junior mortgages shall always be subordinate to all of the terms, conditions, covenants, restrictions, uses, limitations, obligations, liens for common expenses and other obligations created by ~~this Declaration, the articles, the bylaws and rules and regulations promulgated thereunder~~ the Governing Documents, and (2) that the mortgagee under any junior mortgage shall release for the purpose of restoration of any improvements on the mortgaged premises all of ~~his~~ such Owner's right, title and interest in and to the proceeds under all insurance policies effected and placed on the ~~project~~ Project by the ~~association~~ Association. Such release shall be furnished forthwith by a junior mortgagee on written request of the managing agent or one (1) or more of the ~~board~~ Board of directors of the ~~association~~ Association, and if not furnished, may be executed by the ~~association~~ Association as attorney-in-fact for such junior mortgagee.

2826. Restrictive Covenants and Obligations.

a. No Imperiling of Insurance. No ~~owner~~Owner and no ~~owner's~~Owner's guests, invitees, tenants occupants or contractors shall do anything or cause anything to be kept in or on the ~~project~~Project which might cause cancellation of any insurance effected and placed on the ~~project~~Project by the ~~association~~Association.

b. No Violation of Law. No ~~owner~~Owner and no ~~owner's~~Owner's guests shall do anything or keep anything in or on the ~~project~~Project which would be immoral, improper, offensive or in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.

c. No Noxious, Offensive, Hazardous or Annoying Activities. No noxious or offensive activity shall be carried on or any part of the ~~project~~Project; nor shall anything be done or placed on or in any part of the ~~project~~Project which is or may become a nuisance or cause embarrassment, disturbance or annoyance to other ~~owners~~Owners or their guests. No activity shall be conducted on any part of the ~~project~~Project and no improvements shall be made or constructed on any part of the ~~project~~Project which are or might be unsafe or hazardous to any person or property. No sound shall be emitted on any part of the ~~project~~Project which is unreasonably loud or annoying. This includes but is not limited to barking dogs. No odor shall be emitted on any part of the ~~project~~Project which is noxious or offensive to others. No light shall be emitted from any part of the ~~project~~Project which is unreasonably bright or causes unreasonable glare.

d. No Unsightliness. No unsightliness or waste shall be permitted on or in any part of the ~~project~~Project. Without limiting the generality of the foregoing; no ~~owner~~Owner shall keep or store anything (except in designated storage areas) on or in any of the decks or general common elements; no ~~owner~~Owner shall hang, erect, affix or place anything on any of the decks or general common elements; and, nothing shall be placed on or in windows or doors of ~~units~~Units or the decks, which would or might create an unsightly appearance.

e. Restriction on Animals. ~~No animals~~ A reasonable number of any kind, including domesticated dogs or cats, livestock, reptiles and birds, shall be kept on any part of the project unless such is expressly permitted by the bylaws of the association/or other reasonable pets may be kept within a Unit, subject to and regulated by ~~rules and regulations~~the Governing Documents promulgated by the ~~association~~Association. No other animals such as livestock shall be kept on any part of the Project.

f. Restriction on Signs. ~~No~~Except as set forth herein, no signs or advertising devices of any nature shall be erected or maintained on any part of the ~~project~~Project without the prior written consent of the ~~board~~Board. The ~~board~~Board shall permit the placing of at least (1) sign of reasonable size and dignified form to identify the ~~project~~Project and the ~~condominium~~Condominium Units therein. So long as any condominium unit owned by Declarant Only one (1) political sign per political office or ballot issue that is contested in the projects remains unsold, no owner a pending election shall be permitted to place any sign on the project or on his unit or on any building advertising his condominium unit for sale or lease.

g. No Violation of Rules. No ~~owner~~Owner and no ~~owner's~~Owner's guests, invitees, tenants, occupants or contractors shall violate the ~~rules and regulations~~Governing Documents adopted from time to time by the ~~association~~Association, whether relating to the use of unitsUnits, the use of general ~~or limited~~-common elements or otherwise.

h. Owner Caused Damages. If, due to the act ~~or~~, neglect or omission of an ~~owner~~Owner or such ~~owner's~~Owner's guests or family, loss or damage shall be caused to any person or property, including the ~~project~~Project or any unitUnit therein, such ~~owner~~Owner shall be liable and responsible for the same except to the extent that such damage or loss is covered by insurance obtained by the ~~association~~Association and the carrier of the insurance has waived its rights of subrogation against such ~~owner~~Owner. The amount of such loss or damage may be collected by the ~~association~~Association from such ~~owner~~Owner as an assessment against such ~~owner~~Owner by legal proceedings or otherwise, and such amount (including reasonable attorney's fees) shall be secured by a lien on the ~~condominium unit~~Condominium Unit of such ~~owner~~Owner as provided hereinabove for assessments or other charges.

i. Parking of Vehicles. Parking of any and all vehicles on the ~~project~~Project shall be subject to the ~~rules and regulations~~Governing Documents of the ~~association~~Association.

j. Restrictions on Parking and Storage. No part of the ~~project~~Project, including the public streets and private streets, drives or parking areas, unless specifically designated by the ~~association~~Association therefor, shall be used as a parking, storage, display or accommodation area for any type of dumpster, trailer, camping trailer, boat trailer, hauling trailer, running gear, boat or accessories thereto, truck or recreational vehicle, except as a temporary expedience for loading, delivery, emergency, etc. (provided this restriction shall not restrict trucks or other commercial vehicles with the ~~project~~Project which are necessary for the construction or maintenance of the ~~project~~Project). Determination with respect to whether a particular activity or occurrence shall constitute a violation of this paragraph ~~twenty eight (28)~~26 shall be made by the ~~board~~Board of directors after Notice and ~~shall be final~~Hearing.

~~—29. Association as Attorney in Fact Damage and Destruction—Obsolescence. This Declaration does hereby make mandatory the irrevocable appointment of an attorney in fact to deal with the project on its destruction, repair or obsolescence. Title to any condominium unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed from the Declarant or from any owner shall constitute appointment of the attorney in fact herein provided. All of the owners irrevocably constitute and appoint the association their attorney in fact for the purpose of dealing with the project on its destruction, repair or obsolescence as is hereinafter provided. As attorney in fact, the association, by its president and secretary, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or any other instrument with respect to the interest of an owner which is necessary and appropriate to exercise the powers herein granted. Repair and reconstruction of the improvements as used in the succeeding subparagraphs means restoring the improvements to substantially the same condition in which the improvements existed prior to the damage with each unit and the general common elements and limited common elements having substantially the same vertical and horizontal boundaries as before. Except as is otherwise herein provided, the proceeds of any insurance collected shall be available to the association for the~~

~~purpose of repair, restoration or replacement unless the owners and first mortgagees agree not to rebuild in accordance with the provisions set forth hereinafter.~~

~~Assessments for common expenses shall not be abated during the period of insurance adjustment and repair and reconstruction.~~

~~a. In the event of damage or destruction to the project to the extent of not more than sixty-six and two-thirds percent (66 2/3%) of the total replacement cost thereof, not including land, due to fire or other disaster, the insurance proceeds if sufficient to reconstruct the improvements shall be applied by the association, as attorney in fact, to such reconstruction; and the improvements shall be promptly repaired and reconstructed. The association shall have full authority, right and power, at attorney in fact, to cause the repair and restoration of the improvements.~~

~~b. If the insurance proceeds are insufficient to repair and reconstruct the improvements, and if such damage is to the extent of not more than sixty-six and two-thirds percent (66 2/3%) of the total replacement cost of the project, not including land, such damage or destruction shall be promptly repaired and reconstructed by the association, as attorney in fact, using the proceeds of insurance and the proceeds of an assessment to be made against all of the owners and their condominium units. Such deficiency assessment shall be a common expense and made pro rata according to each owner's interest in the general common elements and shall be due and payable within thirty (30) days after written notice thereof. The association shall have full authority, right and power, as attorney in fact, to cause the repair or restoration of the improvements using all of the insurance proceeds and such assessment. The assessment provided for herein shall be a debt of each owner and a lien on his condominium unit and may be enforced and collected as is provided hereinbefore. In addition thereto, the association, as attorney in fact, shall have the absolute right and power to sell the condominium unit of any owner refusing or failing to pay such deficiency assessment within the time provided; and, if not so paid, the association shall cause to be recorded a notice that the condominium unit of the delinquent owner shall be sold by the association, as attorney in fact. The proceeds derived from the sale of such condominium unit shall be used and disbursed by the association, as attorney in fact, in the following order:~~

~~—————(1) For payment of taxes and special assessment liens in favor of any assessing entity.~~

~~—————(2) For payment of the balance of the lien of any first mortgage.~~

~~—————(3) For payment of unpaid common expenses, including the pro rata share of the deficiency assessment.~~

~~—————(4) For payment of junior mortgages and encumbrances in the order of and to the extent of their priority.~~

~~—————(5) The balance remaining, if any, shall be paid to the owner.~~

~~c. If the project is destroyed or damaged to the extent of more than sixty-six and two-thirds percent (66 2/3%) of the total replacement cost thereof, not including land, the board shall~~



~~adopt a plan for the repair and reconstruction of the project; and all owners shall be bound by the terms and provisions of such plan unless the owners representing an aggregate ownership interest of seventy five percent (75%) or more of the general common elements and at least seventy five percent (75%) of the first mortgagees (based on one (1) vote for each first mortgage owned) vote not to adopt such plan within one hundred (100) days after the damage or destruction. The association shall have the right to use, in accordance with such plan, all proceeds of insurance for such destruction or damages as well as the proceeds of an assessment to be made against all of the owners and their condominium units. Any assessment made in connection with such plan shall be a common expense and made pro rata according to each owner's percentage interest in the general common elements and shall be due and payable as provided by the terms of such plan and not sooner than thirty (30) days after written notice thereof. The association shall have full authority, right and power, as attorney in fact, to cause the repair and restoration of the improvements using all of the insurance proceeds for such purpose, notwithstanding the failure of an owner to pay the assessment. The assessment provided for herein shall be a debt of each owner and a lien on his condominium unit and may be enforced and collected as is provided hereinabove. In addition thereto, the association, as attorney in fact, shall have the absolute right and power to sell the condominium unit of any owner refusing or failing to pay such assessment within the time provided; and, if not so paid, the association shall cause to be recorded a notice that the condominium unit of the delinquent owner shall be sold by the association. The proceeds derived from the sale of such condominium unit shall be used and disbursed by the association, as attorney in fact, for the same purposes and in the same order as is provided in subparagraph b(1) through (5) of this paragraph.~~

27. Damage and Destruction - Obsolescence. In the event a Unit is damaged or destroyed, the Unit Owner shall promptly repair and/or rebuild the Unit, and no later than within three (3) years of the date of damage or destruction. Assessments for common expenses shall not be abated during the period of repair and reconstruction.

28. Limitation of Liability, Indemnification and Hold Harmless.

a. For purposes of this paragraph, the following terms shall have the meanings set forth below:

i. Proceeding. Any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal;

ii. Indemnified Party. Any person who is or was a party or is threatened to be made a party to any Proceeding by reason of the fact that such person is or was a Director or Officer of the Association or, while a Director or Officer of the Association, is or was serving at the request of the Association as a Director, Officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise including

~~d.~~, without limitation, any employee benefit plan of the Association for which any such person is or was serving as a trustee, plan administrator or other fiduciary.

b. Indemnification by the Association. The Association shall indemnify any Indemnified Party in any Proceeding to the fullest extent permitted by law. However, the Association may not indemnify an Indemnified Party in connection with a Proceeding by or on behalf of the

Association or its Members in which the Indemnified Party was adjudged liable to the Association or its Members, or in connection with any Proceeding charging improper personal benefit to the Indemnified Party, whether or not involving action in such person's official capacity, in which such person was adjudged liable on the basis that personal benefit was improperly received by such person.

c. Right to Impose Conditions to Indemnification. The Association shall have the right to impose, as conditions to any indemnification provided or permitted in this paragraph, such reasonable requirements and conditions as to the Board may appear appropriate in each specific case and circumstances including, without limitation, any one or more of the following:

i. that any counsel representing the person to be indemnified in connection with the defense or settlement of any Proceeding shall be counsel mutually agreeable to the person to be indemnified and to the Association; and

ii. that the Association shall have the right, at its option, to assume and control the defense or settlement of any claim or proceeding made, initiated or threatened against the person to be indemnified; and (c) that the Association shall be subrogated, to the extent of any payments made by way of indemnification, to all of the indemnified person's right of recovery, and that the person to be indemnified shall execute all writings and do everything necessary to assure such rights of subrogation to the Association.

~~d. If the project is damaged or destroyed to the extent of more than sixty-six and two-thirds percent (66 2/3%) of the total replacement cost thereof, not including land, and if the owners representing an aggregate ownership interest of seventy five percent (75%) or more of the general common elements and at least seventy five percent (75%) of the first mortgagees (based on one (1) vote for each first mortgage owned) vote not to adopt a plan for repair and reconstruction, the association shall forthwith record a notice setting forth such fact or facts; and, on the recording of such notice by the association's president and secretary, the entire remaining project shall be sold by the association, as attorney in fact for all of the owners, free and clear of the provisions contained in this Declaration, the map and the articles and bylaws. The insurance settlement proceeds shall be collected by the association, and such proceeds shall be divided by the association according to each owner's interest (as such interests appear on the policy or policies); and such divided proceeds shall be paid into separate accounts, each such account representing one (1) of the condominium units. 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. Thereafter, each such account shall be supplemented by the apportioned amount of the proceeds derived from the sale of the entire project. Such apportionment shall be based on each owner's percentage interest in the general common elements. The total funds of each account shall be used and disbursed, without contribution from one (1) account to another by the association, as attorney in fact, for the same purposes and in the same order as is provided in subparagraph b(1) through (5) of this paragraph. The provisions contained in this subparagraph shall not hinder the protection given to a first mortgagee under a mortgagee endorsement.~~

~~e. The owners representing an aggregate ownership interest of seventy five percent (75%) or more of the general common elements may agree that the general common elements are~~

~~obsolete and adopt a plan for the renewal and reconstruction provided the plan shall have the approval of seventy five percent (75%) or more of the first mortgagees of record at the time of the adoption of such plan. 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 a common expense, whether or not they have previously consented to the plan or renewal and reconstruction. The association, as attorney in fact, shall have the absolute right and power to sell the condominium unit of any owner refusing or failing to pay such assessment within the time provided; and, if not so paid, the association shall cause to be recorded a notice that the condominium unit of the delinquent owner shall be sold by the association. The delinquent owner shall be required to pay to the association the costs and expenses for filing the notices, interest at the rate of eighteen percent (18%) per annum on the amount of the assessment and all reasonable attorney's fees and costs. The proceeds derived from the sale of the condominium unit shall be used and disbursed by the association, as attorney in fact, for the same purposes and in the same order as is provided in subparagraph b(1) through (5) of this paragraph.~~

~~——— f. The owners representing an aggregate ownership interest of seventy five percent (75%) or more of the general common elements may agree that the condominium units are obsolete and the same should be sold. Such plan (agreement) must have the unanimous approval or consent of every first mortgagee. In such instance, the association shall forthwith record a notice setting forth such fact or facts; and, on the recording of such notice by the association's president and secretary, the entire project shall be sold by the association, as attorney in fact for all of the owners, free and clear. of the provisions contained in this Declaration, the map, the articles and the bylaws. The sales proceeds shall be apportioned between the owners on the basis of each owner's percentage interest in the general common elements, and such apportioned proceeds shall be paid into separate accounts, each such account representing one (1) condominium unit. Each such account shall be in the name of the association and shall be further identified by the condominium designation and the name of the owner. From each separate account, the association, as attorney in fact, shall use and disburse the total amount (of each) of such accounts without contribution from one (1) account to another for the same purposes and in the same order as is provided in subparagraphs b(1) through (5) of this paragraph.~~

30Limitation of Liability for the Association, Directors and Officers. Neither a Director or an Officer shall be personally liable to the Members/Owners for any mistake or judgment or for any acts or omissions of any nature whatsoever when acting as a Director or an Officer, except for any acts or omissions found by a court to constitute gross negligence or fraud. Nor shall the Association be liable to the Members/Owners for any mistake or judgment or for any acts or omissions of any nature whatsoever by a Director or an Officer when such party is acting as a Director or an Officer, except for any acts or omissions found by a court to constitute gross negligence or fraud.

e. Indemnification and Hold Harmless and by any Plaintiff Members/Owners or Equity Holders of Members/Owners. Any Member/Owner, including any party holding an equity interest in a Member/Owner, who threatens or does file suit or claim against the Association, any member of the Board, any Officer of the Association or any agent of the Association, shall indemnify and hold the Association and all such Directors, Officers and agents harmless from

and against any such suit or claim, cause of action and/or damages, including, without limitation, for claims arising out of or related to the performance of the Director's, Officer's and/or agent's respective Association duties or otherwise as an attempt to directly or indirectly intimidate, harass, influence, harm or damage such individual as a consequence, retaliation or result of such individual's service in the role as Director, Officer or agent, including but not limited to the individual's enforcement of the Governing Documents, except for any acts or omissions found by a court to constitute gross negligence or fraud. This indemnification and hold harmless provision shall include the payment by the Plaintiff Member/Owner of all attorneys fees and costs incurred by the Association, Directors, Officers and/or agents.

29. Condemnation.

a. Consequences of Condemnation. If, at any time or times during the continuance of condominium ownership pursuant to this Declaration, all or any part of the ~~project~~Project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the provisions of this paragraph ~~thirty (30)~~28 shall apply.

b. Proceeds. All compensation, damages or other proceeds therefrom, the sum of which is hereinafter called the "condemnation award", shall be payable to the ~~association~~Association and/or the Owners as hereafter provided.

c. Complete Taking. In the event the entire ~~project~~Project is taken or condemned or sold or otherwise disposed of in lieu of or in avoidance thereof, condominium ownership pursuant to this Declaration shall terminate. The condemnation award shall be apportioned among the ~~owners~~Owners in proportion to their Units' respective ~~undivided interests in the general common elements~~fair market values, provided that, if a standard different from the value of the ~~project~~Project as a whole is employed to measure the condemnation award in the negotiation, judicial decree or otherwise, in determining such share the same standard shall be employed to the extent it is relevant and applicable.

d. Partial Taking. In the event less than the entire ~~project~~Project is taken or condemned or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each ~~owner~~Owner shall be entitled to a share of the condemnation award to be determined in the following manner. As soon as practicable, the ~~association~~Association shall reasonably and in good faith allocate the condemnation award among compensation, damages and other proceeds and shall apportion the amounts so allocated among the ~~owners~~Owners as follows:

(1) The total amount allocated to taking of or injury to the general common elements shall be apportioned among the ~~owners~~Owners in proportion to their respective undivided interests in the general common elements.

(2) The total amount allocated to severance damages shall be apportioned to those ~~condominium units~~Condominium Units which were not taken or condemned.

(3) The respective amounts allocated to the taking of or injury to a particular ~~unit~~Unit and/or improvements an ~~owner~~Owner had made within ~~his~~such Owner's own ~~unit~~Unit shall be apportioned to the particular ~~condominium unit~~Condominium Unit involved.

(4) The amount allocated to consequential damages and any other takings or injuries shall be apportioned as the ~~association~~Association determines to be equitable in the circumstances. If an allocation of the condemnation award is already established in negotiation, judicial decree or otherwise, in allocating the condemnation award, the ~~association~~Association shall employ such allocation to the extent it is relevant and applicable. Any distribution of the condemnation award made pursuant to this subparagraph shall be made by checks payable jointly to the ~~owners~~Owners and their first mortgagees.

e. Distribution. The ~~association~~Association shall, as soon as practicable, determine the share of the condemnation award to which each ~~owner~~Owner is entitled. Such shares shall be paid into separate accounts and disbursed as soon as practicable, ~~provided, in the event of a complete taking, such distribution shall be made in the same manner as is provided in paragraph twenty-nine (29)b. of this Declaration.~~

f. Mortgagee Notice. The ~~association~~Association shall give timely written notice to each first mortgagee of the commencement of any condemnation or eminent domain proceedings and shall notify the first mortgagees in the event of the taking of all or any part of the general common elements.

g. Reorganization. In the event a partial taking results in the taking of a complete ~~unit~~Unit, the ~~owner~~Owner thereof automatically shall cease to be a member of the ~~association~~Association; and such ~~owner's~~Owner's interest in the general common elements shall thereupon terminate and the ~~association~~Association, as attorney-in-fact for such ~~owner~~Owner, may take whatever action is necessary and execute such documents as are necessary to reflect such termination. Thereafter the ~~association~~Association shall reallocate the ownership 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~~Owners of remaining ~~condominium units~~Condominium Units for amendment of this Declaration as provided ~~in paragraph thirty-one (31)b. hereof~~herein.

### 3130. Miscellaneous.

a. Duration of Declaration. All of the provisions contained in this Declaration shall continue and remain in full force and effect until condominium ownership of the ~~project~~Project and this Declaration are terminated, revoked or amended as hereinafter provided.

b. Amendments and Termination. Any provision contained in this Declaration may be amended or additional provisions may be added to this Declaration ~~and condominium ownership of the project may be terminated or revoked~~ by the recording of a written instrument or instruments specifying the amendment or addition ~~or the fact of termination~~ with the Clerk and Recorder of the County of San Miguel, Colorado, ~~executed~~approved by the ~~owners~~Owners of

~~condominium units~~ Condominium Units representing an aggregate ownership interest of ~~seventy-fivesixty-seven~~ percent (75/67%), or more, of the general common elements and first mortgagees whose liens encumber an aggregate ownership interest of seventy-five percent (75%), or more, of the general common elements ~~([except no provision of this Declaration requiring the approval or consent of more than seventy-five percent (75%) of such first mortgagees may be amended without the consent of at least the minimum number of first mortgagees whose approval or consent is required under such provision])~~ provided, however, that in no event shall the undivided interest of an ~~owner~~ Owner in the general common elements be decreased without the unanimous consent of each ~~owner~~ Owner and each first mortgagee ~~and provided, further, so long as Declarant continues to own one (1) or more condominium units, which he is holding for rental or sale, no right.~~ Condominium ownership of Declarant contained in this declaration the Project may be amended/terminated or modified without/revoked by the consent/recording of Declarant a written instrument or instruments specifying the fact of termination with the Clerk and Recorder of the County of San Miguel, Colorado, approved by the Owners of Condominium Units representing an aggregate ownership interest of sixty-seven percent (67%), or more, of the general common elements and first mortgagees whose liens encumber an aggregate ownership interest of seventy-five percent (75%), or more, of the general common elements. The consent of any junior mortgagees shall not be required under the provisions of this paragraph. ~~The association shall, at least ten (10) days prior to the effective date of any amendment to this Declaration, notify all first mortgagees of record of such amendment.~~

c. Effect of Provisions of Declaration. Each provision of this Declaration and an agreement, promise, covenant and undertaking to comply with each provision of this Declaration and any necessary exception or reservation or grant of title, estate, right or interest to effectuate any provision of this Declaration shall:

(1) be deemed incorporated in each deed or other instrument by which right, title or interest in the ~~project~~ Project or in any ~~condominium unit~~ Condominium Unit is granted, devised or conveyed, whether or not set forth or referred to in such deed or instrument;

(2) by virtue of acceptance of any right, title or interest in the ~~project~~ Project or in any ~~condominium unit~~ Condominium Unit by an ~~owner~~ Owner be deemed accepted, ratified, adopted and declared as a personal covenant of such ~~owner~~ Owner and, as a personal covenant, shall be binding on such ~~owner~~ Owner and such ~~owner's~~ Owner's heirs, personal representatives, successors and assigns and shall be deemed a personal covenant to, with and for the benefit of the ~~association~~ Association and not to, with or for the benefit of any other non-aggrieved ~~owner~~ Owner;

(3) be deemed a real covenant by ~~Declarant~~ the Owners, for ~~itself, it/themselves, their~~ successors and assigns and also an equitable servitude running, in each case, as a burden with and on the title to the ~~project~~ Project and each ~~condominium unit~~ Condominium Unit and, as a real covenant and also as an equitable servitude, shall be deemed a covenant and servitude for the benefit of the ~~project~~ Project and each ~~condominium unit~~ Condominium Unit; and

(4) be deemed a covenant, obligation and restriction secured by a lien in favor of the ~~association~~Association burdening and encumbering the title to the ~~project~~Project and each ~~condominium unit~~Condominium Unit in favor of the ~~association~~Association.

d. Protection of Encumbrancer. Subject to the provisions of paragraph ~~twenty-seven~~(27)25 above, no violation or breach of or failure to comply with any provision shall affect, defeat, render invalid or impair the lien of any first mortgage or other lien on any ~~condominium unit~~Condominium Unit taken in good faith and for value and perfected by recording in the office of the Clerk and Recorder of the County of San Miguel, Colorado, prior to the time of recording in such office an instrument describing the ~~condominium unit~~Condominium Unit and listing the name or names of the ~~owner~~Owner or ~~owners~~Owners of fee simple title to the ~~condominium unit~~Condominium Unit and giving notice of such violation, breach or failure to comply; nor shall such violation, breach, failure to comply or action to enforce, affect, defeat, render invalid or impair the title or interest of the holder of any such first mortgage or other lien or the title or interest acquired by any purchaser on foreclosure of any such first mortgage or other lien result in any liability, personal or otherwise, of any such holder or purchaser. Any such purchaser on foreclosure shall, however, take subject to this Declaration provided, however, that violation or breaches of or failure to comply with any provision of this Declaration which occurred prior to the vesting of fee simple title in such purchaser shall not be deemed breaches or violations hereof or failures to comply herewith with respect to such purchaser, ~~his~~such Owner's heirs, personal representatives, successors or assigns.

e. Supplemental to Law. The provisions of this Declaration shall be in addition and supplement to the ~~Condominium~~Colorado Common Interest Ownership Act ~~of the State of Colorado~~ and to all other provisions of law.

f. Numbers and Genders. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the singular and the use of any gender shall include all genders.

g. Registration by Owner of Mailing Address. ~~Each owner shall register his mailing address with the association and except for quarterly statements and other routine notices which shall be personally delivered or sent by regular mail, all other notices or demands intended to be served on an owner shall be delivered personally or sent by either registered or certified mail, postage prepaid, addressed in the name of the owner at such registered mailing address. All notices, demands or other notices intended to be served on the board of directors of the association or the association shall be sent certified mail, postage prepaid, to:~~Each Owner shall register such Owner's mailing address with the Association, and notices shall be sent as set forth in the Association Responsible Governance Policies and Colorado law.

BoRiver Corp.	Crystal Venture I, L.P.
Attn: Rosemary Spurling	c/o Julie Dillon
2091 E. Valley Pkwy., #2B	309 Laurel Street
Escondido, CA 92027	San Diego, CA 92101

~~agent for service, until such address is changed by a notice of address duly recorded with the office of the Secretary of state of Colorado.~~

h. Successors in Interest. This Declaration shall be binding on and shall inure to the benefit of the ~~Declarant, the association~~Association and each ~~owner~~Owner and the heirs, personal representatives, successors and assigns of each of them.

i. Severability. Invalidity or unenforceability of any provision of this Declaration in whole or in part shall not affect the validity or enforceability of any other provision or any valid and enforceable part of a provision of this Declaration.

j. Caption. The captions and headings in this Declaration are for convenience only and shall not be considered in construing any provision of this Declaration.

k. No Waiver. Failure to enforce any provision of this Declaration shall not operate as a waiver of any such provision or of any other provision of this Declaration.

~~l. Sales and Construction Facilities and Activities of Declarant. Notwithstanding any provision to the contrary contained herein, Declarant, its agents, employees and contractors shall be permitted to maintain during the period of any construction and/or sale of the condominium units in the project, on such portion of the project 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, including without limitation, a business office, storage area, construction yards, signs, flags, model units, sales office, construction office, parking areas and lighting and temporary parking facilities for all prospective tenants or purchasers of condominium units. In addition, Declarant, its agents, employees and contractors shall have the right to ingress and egress in and through all units during the period of the construction and/or sale of the condominium units for the purpose of any required or desired sale of the condominium units for the purpose of any required or desired refurbishment, construction, maintenance or repair to such units or the building or any part thereof.~~

~~m~~ l. Rule Against Perpetuities. If any of the options, privileges, covenants, or rights created by this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living descendants of the President of the United States, ~~Ronald Reagan~~Joseph Biden and Governor of Colorado, ~~Roy Romer~~Jared Polis.

~~32. Recreational Facilities. The recreational facilities of the project, shall be subject to any rules and regulations promulgated by the association; and same shall be available for the use of all owners and their guests.~~

~~33. New Additions of General Common Elements and Limited Common Elements. The Declarant, The Association does not intend to make any major additions of general or limited common elements other than is contemplated in paragraph 36, below, regarding expansion of the project.~~ If the ~~association~~Association subsequently would make any additions, however,



a. each ~~owner~~Owner would be responsible for ~~his~~such Owner's percentage of any increase in common expenses created thereby,

b. each ~~owner~~Owner would own, as a tenant in common with the other ~~owners~~Owners, an undivided percentage interest in the new additions in accordance with the interest set forth in paragraph 3, above,

c. each ~~owner's~~Owner's relative percentage interest in the existing general ~~and limited~~ common elements would be unaffected by such additions, and

d. each ~~owner's~~Owner's voting interest in the ~~association~~Association would be unaffected by the additions.

~~34. Certificate of Identity. There shall be recorded in the real property records of San Miguel County, Colorado from time to time a certificate of identity which shall include the addresses of the persons then comprising the management body (directors and officers) together with the identity and address of the managing agent. Such certificate shall be conclusive evidence of the information contained therein in favor of any person relying thereon in good faith regardless of the time elapsed since the date thereof.~~

~~35.~~

~~36. Expansion of Project—Reservation of Right to Expand. Declarant reserves the right to expand this condominium ownership project to include additional condominium units and or any other improvements within any area lying on lands within or adjacent to the project although unit type may be different and density may be greater or less than existing in the project. Any additional units or other improvements shall be of the same general quality or better than the units presently existing in the project. The additional units or other improvements, if constructed, may be located on all or part of said adjacent lands or within the common elements of the project.~~

~~——— a. Supplemental Declarations and Supplemental Condominium maps. The expansion may be accomplished by filing for record by Declarant in the San Miguel County, Colorado, real estate records no later than fifteen (15) years from the date of the Declaration a supplement to this Declaration describing the additional units, improvements and those matters provided for in subparagraph d. of this paragraph 36 together with a supplemental condominium map containing the same information with respect to the additional units and/or improvements as was required on the original condominium map with respect to the presently existing buildings and improvements or as otherwise required by law.~~

~~——— b. Expansion of Definitions. In the event of expansion, the definitions used in this Declaration automatically shall encompass and refer to the project as so expanded. All conveyances of condominium units after an expansion shall be effective to transfer rights in the project as expanded by use of the form of description set forth in paragraph 7 hereof. The recordation in the San Miguel County, Colorado, real estate records of a supplemental condominium map incident to any expansion shall operate automatically to grant, transfer and~~

~~convey to the owners of condominium units in the project as it existed before the expansion an undivided interest in the new common elements added to the project as the result of the expansion. The recordation shall also operate to expand the security interest of any then mortgagee of a condominium in the project as it existed before the expansion to include the undivided interest acquired by the owner of the condominium unit in the common elements so added to the project. The recordation shall also operate automatically to grant, transfer and convey to the owners of condominium units on the real property described in the supplemental declaration an undivided interest in the previously existing common elements of the project.~~

~~——— c. Declaration Operative on New Units. Any such additional units and improvements shall be subject to all the terms and conditions of this Declaration and of any supplemental declaration or declarations, and shall be subject to condominium ownership with all the incidents pertaining thereto as specified herein on placing the supplemental condominium map and supplemental condominium declaration of public record in the San Miguel County, Colorado, real estate records.~~

~~——— d. Computation of Fractional Undivided Interest in Common Elements. For the purpose of computing the undivided interest of owners in common elements, each of the condominium units has been assigned an undivided percentage interest determined by Declarant, as is set forth in paragraph 3, above, which determination has been made on an equal "per unit" basis without comparing the square foot area within a unit to the total square foot area of all units in the project. The undivided interest in common elements constituting part of any existing or newly added condominium unit shall be recomputed by comparing the square foot area within a unit to the total square foot area of all units in the project when and if the expansion provided for herein is completed. Thereupon, this Declaration shall be accordingly amended to reflect these adjusted interests and to allocate among all units these interests in common elements created as the result of the addition to the project of the new condominium units.~~

~~e. Reservation of Easement. Declarant reserves for fifteen (15) years an easement over the Real Property of the Project to the extent necessary for the construction of the additional buildings and improvements.~~

~~f. Expiration of Right to Expand. In the event the construction of the expansion is not accomplished within fifteen (15) years from the date of execution of this Declaration, this reservation of the right to expand by the Declarant shall be null and void.~~

Certification:

This First Amended and Restated Declaration is approved and executed by the Owners of Condominium Units representing an aggregate ownership interest of at least sixty-seven percent (67%) of the general common elements and approved by first mortgagees whose liens encumber an aggregate ownership interest of at least seventy-five percent (75%) of the general common elements.

IN WITNESS WHEREOF, ~~Declarant~~the Association has duly executed this First Amended and Restated Declaration ~~this 6<sup>th</sup> day of December, 1989~~on the date set forth below.

CRYSTAL VENTURE I, L.P., \_\_\_\_\_ BORIVER CORP., a Colorado  
a California Limited Partnership \_\_\_\_\_ Corporation  
By \_\_\_\_\_ By \_\_\_\_\_  
\_\_\_\_\_ General Partner \_\_\_\_\_ (President)

By \_\_\_\_\_  
\_\_\_\_\_ (Secretary)

STATE OF CALIFORNIA \_\_\_\_\_ )  
\_\_\_\_\_ ) ss.

COUNTY OF SAN DIEGO \_\_\_\_\_ )  
Crystal at the Village Homeowners' Association, a Colorado nonprofit corporation

By: \_\_\_\_\_  
Barton Prideaux, President

The foregoing instrument was acknowledged before me this 6<sup>th</sup> \_\_\_\_\_ day of December,  
1989 \_\_\_\_\_, 2023, by John Bogaert as General Partner of Barton Prideaux, President,  
Crystal Venture I, L.P. at the Village Homeowners' Association, a Colorado nonprofit corporation.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_  
\_\_\_\_\_ Notary Public

STATE OF CALIFORNIA \_\_\_\_\_ )  
\_\_\_\_\_ ) ss.  
COUNTY OF SAN DIEGO \_\_\_\_\_ )

~~The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of December, 1989,~~  
~~by John Bogaert, as President, and Rosemary Spurling, as Secretary, of BoRiver Corp., a~~  
~~Colorado Corporation.~~

~~Witness my hand and official seal.~~

My commission expires: \_\_\_\_\_  
\_\_\_\_\_ Notary Public

**EXHIBIT A**

**TO THE ~~DECLARATIONS~~DECLARATION**

**OF CRYSTAL AT THE VILLAGE, A CONDOMINIUM**

<u>Unit Number</u>	<u>Percentage Interest in the Common Elements</u>
10	12.5
12	12.5
14	12.5
16	12.5
18	12.5
20	12.5
22	12.5
24	<u>12.5</u>
TOTAL	100.0