

***FIRST AMENDED AND RESTATED
DECLARATION***

FOR

THE PLUNGE CONDOMINIUM

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FIRST AMENDED AND RESTATED DECLARATION

FOR

THE PLUNGE CONDOMINIUM

THIS FIRST AMENDED AND RESTATED DECLARATION OF THE PLUNGE CONDOMINIUM (“**Declaration**”), is made on the date hereinafter set forth, by The Plunge Condominiums Owners Association, Inc. (“**Association**”).

RECITALS:

- A. The Association, through its members, is the owner of certain real estate in San Miguel County, State of Colorado, which is more particularly described as set forth in **Exhibit A** (“**Real Estate**”) attached hereto and by reference made a part hereof; and
- B. The Association administers a common interest community on the real estate described in **Exhibit A**, and named “*THE PLUNGE CONDOMINIUM*” (also referred to herein as the “**Project**”) in which portions of the Project have been designated for separate ownership and uses of either a residential or commercial nature, and in which portions of the Project are owned in undivided percentage interests and are made available for use by the Owners; and
- C. The Association is a nonprofit corporation incorporated under the laws of the State of Colorado, for the purpose of exercising the functions as set forth in the Act and herein; and
- D. Robert James Lincoln, Jr., and Linda W. Lincoln, their successors and assigns (“**Declarant**”), as the former owners of the Real Estate and by reference made a part hereof, together with all easements, rights, and appurtenances thereto and the buildings and improvements erected, submitted all of the Real Estate to the provisions of the Colorado Condominium Ownership Act C.R.S. § 38-33-101, et seq., and to the terms and conditions of the Declaration of Condominium Ownership for the Plunge Condominium recorded in the office of the San Miguel County, Colorado Clerk and Recorder (“**Property Records**”) on December 5, 1983, at Reception No. 232152 (“**Original Declaration**”).
- E. The Association desires that this Declaration supersede, replace and restate in its entirety the Original Declaration, and all amendments and supplements thereto.

NOW THEREFOR, the Association does hereby publish and declare that all of the Real Estate comprising the Project is held and shall be held, conveyed, granted, hypothecated, encumbered, leased, rented, used, occupied and improved, subject to the following terms, covenants, uses, conditions, definitions easements, limitations, liens, assessments, privileges, rights, powers of attorney, obligations, reservations and restrictions and shall be deemed to run with the land and shall be a burden and a benefit to the Owners, and all signatories hereto, their successors, grantees, transferees and assigns, and to any person acquiring any interest in the Project, their grantees, transferees, successors, heirs, executors, administrators, devisees and assigns, all of which are hereby subjected to this Declaration.

ARTICLE 1

DEFINED TERMS

Section 1.1 Defined Terms. Each capitalized term not otherwise defined in the Declaration shall have the meaning specified or used in the Act. In case of a conflict between a definition in this Declaration and the Act, the definition in this Declaration shall control.

1.1.1 Act. The Colorado Common Interest Ownership Act. C.R.S. § 38-33.3-101, et seq., as amended from time to time. The Owners elected to accept the provisions of the Act effective as of April 1, 2024 as set forth in the Statement of Election recorded in the Property Records on such date at Reception No. 484389.

1.1.2 Allocated Interests. Collective reference to the undivided interests of the Units as shown on Exhibit B attached hereto and incorporated herein by this reference, and as determined pursuant to the provisions of this Declaration.

1.1.3 Articles of Incorporation. The Articles of Incorporation for the Association, as the same may be amended from time to time.

1.1.4. Assessments. Regular annual assessments for Common Expenses, special assessments, assessments against less than all Owners, also referred to as Common Expense Assessments as further defined in Section 1.1.9 below.

1.1.5 Building(s). The structure(s) constructed upon the Real Estate in which Units are located.

1.1.6 Bylaws. The Bylaws of the Association, as the same may be amended from time to time.

1.1.7 Common Elements. Collective term for all portions of the Project other than the Units.

1.1.8 Common Expenses. All expenditures made or liabilities incurred by the Association on its behalf or on behalf of more than one Unit Owner, including, but not limited to: (i) any allocations by the Association to reserves, (ii) expenditures made to enforce

provisions of the Governing Documents, (iii) annual costs and expenses of the Association, and (iv) large, single item expenditures of the Association (including but not limited to, capital expenditures and special Assessments).

1.1.9 Common Expense Assessment(s). In addition to the definition included in the Act, shall include all Common Expenses and those amounts levied against a particular Owner or Unit, including but not limited to: (i) late charges, attorneys' fees, fines and interest charged by the Association; (ii) charges against a particular Owner and the Unit for the purpose of reimbursing the Association for expenditures and other costs and expenses of the Association in curing any violation of the Governing Documents by the Owner or resident or invitee to the Unit; and (iii) individual purpose assessments (assessed pursuant to the Governing Documents), including insurance assessments (assessed in proportion to risk) and utility assessments (assessed in proportion to usage).

1.1.10 Covenants. Collective term for all promises, restrictions, reservations, conditions, terms, easements, and right-of-way specifically set forth in this Declaration or in the Governing Documents as the same may be adopted or amended from time to time.

1.1.11 Executive Board or Board. Means the governing body, regardless of name, designated in this Declaration and the Bylaws to act on behalf of the Association.

1.1.12 Governing Documents. Collective reference to those documents which govern the operation of the Association, including: (i) its Articles of Incorporation, (ii) its Bylaws, (iii) its Rules, (iv) the Plat, and (v) this Declaration, as one or more of the same may be amended from time to time.

1.1.13 Limited Common Elements. Those Common Elements allocated to one or more Units to the exclusion of other Units as shown on the Plat, in this Declaration or as set forth in the Act. References herein to Common Elements shall also include all Limited Common Elements unless the context would prohibit, or it is otherwise expressly provided.

1.1.14 Plat. Collectively the maps of the Project recorded in the Property Records, as may be amended and supplemented pursuant to the Act and this Declaration. The Plat is incorporated herein by this reference and made a part of this Declaration.

1.1.15 Project. The Real Estate, the Units, the Common Elements, the Buildings and all other improvements submitted to the terms of this Declaration and to the provisions of the Act.

1.1.16 Rules. Collective reference to all rules and regulations, including, but not limited to, all construction rules, conduct rules, and all policies and procedures, which shall apply to all construction and other activities within the Real Estate, and which are enacted by the Board pursuant to its rule-making authority.

1.1.17 Unit. A physical portion of the Project designated for separate ownership, shown as a Unit on the Plat, the boundaries of which are defined in the Plat and in Article 4 of this Declaration.

1.1.18 Unit Owner; Owner. Any person or entity that owns a Unit.

ARTICLE 2

NAMES/DESCRIPTION OF REAL ESTATE

Section 2.1 Name and Type. The type of this Project is a condominium common interest community. The name of this Project is “*THE PLUNGE CONDOMINIUM*.”

Section 2.2 Real Estate and Easements. The Project is located in the Town of Telluride in San Miguel County, Colorado. The Real Estate of the Project is described in **Exhibit A**. All instruments of record establishing easements and licenses to which the Project is presently subject are listed in **Exhibit A-1**. In addition, the Project is subject to other easements or licenses granted pursuant to this Declaration or established in the Act.

Section 2.3 Utility, Plat and Plat Easements. Easements for utilities and other purposes over and across the Units and Common Elements may be as shown upon a recorded plat and on the Plat, and as may be established pursuant to the provisions of this Declaration or granted by authority reserved in any recorded document.

Section 2.4 Easements for the Board and Unit Owners. Each Unit shall be subject to an easement in favor of the Board (including its agents, employees and contractors) and to each Unit Owner to allow for their performance of obligations in this Declaration. On exercising this easement right, the party exercising the right shall be responsible for any resulting damages, and a lien therefore is authorized and established against that party’s property, pursuant to this Declaration.

Section 2.5 Emergency Easements. A nonexclusive easement for ingress and egress is hereby granted to all police, sheriff, fire protection, ambulance, and other similar emergency agencies or persons, now or hereafter servicing the Project, to enter upon any part of the Project in the performance of their duties.

Section 2.6 Easements for Ingress and Egress. Each Owner shall have the right to ingress and egress over, upon and across the Common Elements as necessary for access to the Unit he or she is occupying and to any Limited Common Elements appurtenant to his or her Unit, and shall have the right to the horizontal, vertical and lateral support of his or her Unit. Such easement shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:

2.6.1 The right of the Association to promulgate (subject to Section 3.7) and publish Rules which each Unit Owner and their guests shall strictly comply with;

2.6.2 The right of the Association to suspend the voting rights and use of the Common Elements by a Unit Owner for any period during which any Assessment against their Unit remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published Rules;

2.6.3 The right, power and authority of the Association to grant any easement, right of way, license, lease dedication, transfer or conveyance or grant of any similar interest affecting the Common Elements, to the extent permitted by the Act; and

2.6.4 The right of the Association to close or limit the use of the Common Elements while building or constructing, maintaining, repairing and making replacements in the Common Elements.

ARTICLE 3

THE ASSOCIATION

Section 3.1 Membership. Every person who is a record Unit Owner of a fee interest in any Unit which is subject to this Declaration shall be a member of the Association (“**Member**”). Membership shall be appurtenant to and may not be separated from ownership of any Unit. Ownership of a Unit shall be the sole qualification for such membership. Where more than one person holds an interest in any Unit, all such persons shall be Members. Each Unit shall be allocated one vote, which shall be weighted in accordance with **Exhibit B**, as may be amended.

Section 3.2 General Purposes and Powers of the Association. The Association, through its Board, shall perform functions and manage the Project as provided in this Declaration so as to protect the value and desirability of the Project and to further the interests of the residents, occupants, tenants and guests of the Project and Members of the Association. Any purchaser of a Unit shall be deemed to have assented to, ratified and approved such designation and management. The Association shall have all power necessary or desirable to effectuate such purposes.

Section 3.3 Authority of the Association. The business affairs of the Project shall be managed by the Association. The Association shall be governed by the Act and the Governing Documents, as the same may be amended from time to time; provided however, in the event the Act is repealed, the Act on the effective date of this Declaration shall remain applicable. The Board may, by written resolution, delegate authority to a manager or managing agent for the Association, provided no such delegation shall relieve the Board of final responsibility.

Section 3.4 Specific Powers. The Association shall have the powers, authority and duties as follows and as necessary and proper to manage the business and affairs of the Project. The Association shall have all of the powers, authority and duties permitted or set forth in the Bylaws or in the Act. The Association shall have the power to assign its right to future income, including the right to assign its right to receive Common Expense Assessments, but only upon the affirmative vote of the Unit Owners to which at sixty-seven percent (67%) of the votes in the Association are allocated.

Section 3.5 Allocated Interests. Each Unit's approximate square footage, undivided ownership in the Common Elements, and allocated Common Expense liability and votes in the Association are set forth in **Exhibit B**. Such allocations are based upon the square footage of each Unit as a fraction or percentage of the square footage of all Units in the Project.

Section 3.6 Association Agreements. Any agreement for professional management of the Project must provide for termination by either party without cause and without payment of a termination fee or penalty upon thirty (30) days' written notice.

Section 3.7 Right to Notice and Comment. Pursuant to C.R.S. § 38-33.3-205(1)(o) of the Act, before the Board amends the Bylaws or adopts or amends Rules, or whenever the Governing Documents require that an action be taken after "Notice and Comment", and at any other time the Board determines, the Unit Owners shall have the right to receive notice of the proposed action and the right to comment orally or in writing. Further, any Unit Owner may give the opportunity for "Notice and Comment" to the Unit Owners upon any matter affecting the Project, and Unit Owners shall then have the right to comment, orally or in writing, on the matter. Notice shall be given to each Unit Owner in writing, delivered personally, by email or by mail to all Unit Owners at such address as appears in the records of the Association. The notice shall be given not less than fifteen (15) days before proposed action is to be taken. The notice shall invite comment to the Board or a Unit Owner, orally or in writing before the scheduled time of any meeting.

Section 3.8 Indemnification. To the full extent permitted by law, each committee member, officer and Board member of the Association shall be indemnified by the Association as set forth in Article 7 of the Bylaws.

ARTICLE 4

UNIT BOUNDARIES, COMMON ELEMENTS AND MAINTENANCE

Section 4.1 Number of Units. The number of Units is 11.

Section 4.2 Identification of Units/Unit Descriptions. The identification number of each Unit is shown on the Plat and **Exhibit B** of this Declaration. Every contract for sale, deed, lease, Mortgage, will or other legal instrument may legally describe a Unit by its identifying Unit number followed by the name of the Project, with reference to the Plat, and this Declaration. Reference to the Declaration or Plat in any instrument shall be deemed to include any supplements and amendments, without specific references thereto.

Section 4.3 Unit Boundaries. The boundaries of each Unit are as designated below and as depicted on the Plat:

(a) **Upper Boundaries.** The horizontal plane of the unfinished lower surface of the ceilings, extended to an intersection with the vertical perimeter boundaries. Space above any suspended ceilings, to which access is needed for repair and maintenance of the Units and Common

Elements above the Unit is a Limited Common Element to the Unit except as otherwise designated on the Plat or any supplement or amendment thereto.

(b) Lower Boundaries. The horizontal plane of the undecorated or unfinished upper surfaces of the floors, extended to an intersection with the vertical perimeter boundaries.

(c) Vertical Perimeter Boundaries. The planes defined by the center plane between the surfaces of the studs and framing, or the unfinished surfaces of the walls if not built with studs and framing, of all perimeter walls, the unfinished inner surfaces of poured concrete or other exterior walls, the interior unfinished surface of exterior doors, windows and skylights.

4.3.1 Inclusions. Each Unit includes the spaces and improvements lying within the boundaries referenced above as depicted on the Plat. Each Unit also includes any spaces and improvements containing special equipment, utility meters, connection structures, water heating facilities, all air conditioning and heating systems, all electrical switches, wiring, pipes, ducts, conduits, smoke detector or security systems and communications, cable, telephone and electrical receptacles and boxes, etc. serving that Unit exclusively. Such special equipment or storage portions are a part of the Unit, notwithstanding their non-contiguity with the principal portions of the Unit. Each Unit includes the spaces and improvements lying within the boundaries referenced above, and also includes the utilities and utility meters and communications, cable, telephone and electrical receptables and boxes serving that Unit exclusively, whether or not in the boundaries or contiguous to the Unit, unless the same are owned and maintained by a governmental agency or amenity.

4.3.2 Exclusions. Except when specifically included by other provisions of this Declaration or by the Plat, the following are excluded from each Unit: the spaces and improvements lying outside the boundaries described above, air conditioners and heating systems, thresholds, exterior lighting and all chutes, pipes, flues ducts, wires, conduits, and other facilities running through or within any interior wall or partition for the purpose of furnishing utility and other service to other Units and/or the Common Elements.

Section 4.4 Unit Owner Maintenance Responsibility. Unit Owners are responsible for the maintenance, repair and replacement of the improvements and properties located within their Unit boundaries, unless the Association is specifically obligated to maintain, repair or replace a portion of a Unit, as elsewhere provided in this Declaration, or the Association, without obligation assumes that responsibility. Unit Owners are also responsible for keeping Limited Common Element decks, balconies, porches, patios, exterior steps, stairs and walkways clear of snow and ice unless the Association does so.

Section 4.5 Association Maintenance. The Board of the Association shall determine the specifications, scope, extent, nature and parameters of the Association's maintenance responsibilities. The Association shall be responsible for: the maintenance, repair and replacement of the exterior of the Buildings; and, except as otherwise provided in this Declaration, the improvement, maintenance, repair and replacement of the Common Elements, including but not limited to staining, painting, repairing and/or replacing exterior decks, patios, steps, walkways, snow removal from the General Common Elements, landscape care and trash and recycling areas; trash and recycling removal; the improvement, upkeep and maintenance, repair and reconstruction of landscaped areas in dedicated public rights of way or public easements; or for the payment of

expenses which may be incurred by virtue of agreement with or requirement of any local governmental authority; and for such other maintenance and repair as set forth in this Declaration. In the event a Common Expense is associated with the maintenance, repair or replacement of a Limited Common Element, those Common Expenses may be assessed against only the Units to which the Limited Common Element is assigned, in accordance with Section 5.2 below. Further, the Board may direct such Unit Owners to arrange for such maintenance, repairs and replacements in their name(s), to pay the costs and expenses thereof, and to procure and deliver to the Board all warranties and such lien waivers and affidavits as may be required to protect the Project from liens.

Section 4.6 Common Elements. Those portions of the Real Estate which, by the definition or description in this Declaration or the Act are “Common Elements” include those portions of the Real Estate described in this Declaration, the Plat or the Act as “Common Elements,” “General Common Elements” (“GCE”) or “Limited Common Elements” (“LCE”). Improvements and additions on and to the Common Elements may be changed, from time to time, by Board of the Association. Alterations, improvements or additions (as opposed to maintenance, repair and replacement) to the Common Elements which require a Special Assessment in excess of ten percent (10%) of the annual Common Expense assessment must be approved by Unit Owners holding at least sixty-seven percent (67%) of the votes in the Association.

Section 4.7 Limited Common Elements.

4.7.1 Any chute, flue, duct, wire, conduit, bearing wall, bearing column, or other fixture that lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element allocated solely to that Unit, and any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the Common Elements.

4.7.2 Any shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, and patios and all exterior doors, windows and skylights or other fixtures designed to serve a single Unit or less than all Units, but located outside the Units’ boundaries, are Limited Common Elements allocated exclusively to that Unit or Units.

4.7.3 The Association may allocate areas which constitute a part of the Common Elements as Limited Common Elements for the exclusive use of the Owners of Units to which those specified areas shall become appurtenant. The Association may allocate or assign Common Elements or Limited Common Element areas: (a) by making such an allocation in a recorded instrument; (b) by recording an appropriate amendment or supplement to this Declaration; or (c) by recording a supplement to the Plat. Such allocations by the Association must be approved by Unit Owners holding at least sixty-seven percent (67%) of the votes in the Association.

Section 4.8 Delegation of Use. Any Unit Owner may delegate their right of enjoyment to the Common Elements and facilities to the members of their family, their tenants, guests or contract purchasers who reside at their Unit.

Section 4.9 Encroachments. In the event that any portion of the Common Elements encroaches upon any Unit or Units; or in the event that any portion of a Unit encroaches upon any other Unit or Units or upon any portion of the Common Elements; or in the event any encroachment shall occur in the future as a result of: (a) settling of a Building; (b) alteration or repair to the Common Elements; or (c) repair or restoration of one or more Building(s) and/or Units after damage by fire or other casualty, or condemnation or eminent domain proceedings, a valid easement shall exist for the encroachment and for the maintenance of the same so long as the Building stands or the encroachment exists. If any one or more of the Units or Buildings or other portion of the Common Elements is partially or totally destroyed and is subsequently rebuilt or reconstructed in substantially the same location, and as a result of such rebuilding any portion thereof shall encroach as provided in the preceding sentence, a valid easement for such encroachment shall then exist. Such encroachments and easements shall not be considered or determined to be encumbrances either on the Common Elements or on the Units for purposes of marketability of title or other purposes. Units shall be deemed conclusively to be the property shown on the Plat, notwithstanding any minor deviations, either horizontally, vertically, or laterally between the actual location of such Unit and the location indicated on the map.

ARTICLE 5

COVENANT FOR COMMON EXPENSE ASSESSMENTS

Section 5.1 Creation of Association Lien and Personal Obligation to Pay Common Expense Assessments. Each Owner of a Unit, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association Common Expense Assessments and such other Assessments as imposed by the Association. Assessments, which includes fees, charges, late charges, fines, interest and all other amounts charged by the Association, shall be the personal obligation of the Owner of such Unit at the time when the Assessment or other charges became due. The Common Expense Assessments and such other Assessments shall be a charge on each Unit and shall be a continuing lien upon the Unit against which each such Assessment is levied. If any Assessment is payable in installments, each installment is a lien from the time it becomes due. A successor in title shall be jointly and severally liable for any past due sums due the Association. No Unit Owner may become exempt from liability for payment of the Common Expense Assessments by waiver of the use or enjoyment of the Common Elements or by abandonment of the Unit against which the Common Expense Assessments are made. All Assessments shall be payable in the amounts specified in the levy thereof, and no offsets or reduction thereof shall be permitted by any reason including, without limitation, any claim that the Association or the Board is not properly exercising its duties and powers under this Declaration.

Section 5.2 Apportionment of Common Expenses. Except as otherwise provided in this Declaration, all Common Expense Assessments shall be assessed against all Units in accordance with the formula for liability for the Common Expenses, which allocation is set forth on **Exhibit B**. Any Common Expense associated with the maintenance, repair or replacement of a Limited Common Element may be assessed against the Unit(s) to which the Limited Common Element is assigned or is appurtenant, in such proportions as determined by the Association in accordance with Section 5.7 below.

Section 5.3 Purpose of Assessments. The Assessments levied by the Association through its Board shall be used exclusively for the purposes of promoting the health, safety, and welfare of the occupants and guests of the Project and the Members of the Association.

Section 5.4 Annual Assessment of Common Expense Assessments. The Common Expense Assessment shall be made on an annual basis against all Units and shall be based upon the Association's advance budget of the cash requirements needed by it to provide for the administration and performance of its duties during such Assessment year. The budget shall be submitted to the Unit Owners for consideration and ratification pursuant to the Bylaws. Common Expense Assessments shall be due and payable in monthly installments, or in any other manner, as determined by the Board. The omission or failure of the Board to levy or otherwise invoice the Assessment for any period shall not be deemed a waiver, modification or a release of the Unit Owners from their obligation to pay.

Section 5.5 Effect of Non-Payment of Assessments. Any Assessment, charge or fee provided for in this Declaration, or any monthly or other installment thereof, which is not fully paid within fifteen (15) days after the due date thereof shall bear interest at the rate of eight percent (8%) per annum from the due date or such higher rate as determined by the Board if allowed by the Act (which interest shall not be construed as a penalty) and the Association may assess a reasonable late charge thereon as determined by the Board. Failure to make payment within sixty (60) days of the due date thereof shall cause the total amount of such Unit Owner's Common Expense Assessment for the remainder of that fiscal year to become immediately due and payable at the option of the Board. Further, the Association may bring an action at law or in equity, or both, against any Unit Owner personally obligated to pay such overdue Assessments, or installment thereof, and may also proceed to foreclose its lien against such Unit Owner's Unit. An action at law or in equity by the Association against a Unit Owner to recover a money judgment for unpaid Assessments, charges or fees, or installment thereof, may be commenced and pursued by the Association without foreclosing, or in any way waiving, the Association's lien therefor. Foreclosure or attempted foreclosure by the Association of its lien shall not be deemed to estop or otherwise preclude the Association from thereafter again foreclosing or attempting to foreclose its lien for any subsequent Assessments, or monthly or other installments thereof, which are not fully paid when due. The Association shall have the power and right to bid on or purchase any Unit at foreclosure or other legal sale, and to acquire and hold, lease, mortgage, convey or otherwise deal with the same. If a foreclosure action is filed to foreclose any Assessment lien, and a Unit Owner abandons or leaves vacant his or her Unit, the Board may take possession and rent said Unit or apply for the appointment of a receiver for the Unit without prior notice to the Unit Owner. In any collection action, the Association shall recover all of its collection costs and expenses, including but not limited to reasonable attorneys' fees.

Section 5.6 Lien Priority. The lien of the Association under this Section is prior to all other liens and encumbrances on a Unit except: (a) liens and encumbrances recorded before the recordation of the Declaration; (b) a first mortgage on the Unit (except as allowed by the Act with regard to the limited lien priority allowed to the Association); and (c) liens for real estate taxes and other governmental Assessments or charges against the Unit. This Section does not affect the priority of mechanics' or materialmen's liens. The lien of the Association under this Article is not

subject to the provision of any homestead exemption as allowed under state or federal law. Sale or transfer of any Unit shall not affect the lien for said Assessments or charges except that sale or transfer of any Unit pursuant to foreclosure of any first mortgagee, or any proceeding in lieu thereof, including deed in lieu of foreclosure, or cancellation or forfeiture shall only extinguish the lien of Assessment charges as provided by applicable state law. No such sale, transfer, foreclosure, or any proceeding in lieu thereof, including deed in lieu of foreclosure, note cancellation or forfeiture shall relieve any Unit from continuing liability for any Assessment charges thereafter becoming due, nor from the lien thereof.

Section 5.7 Special Assessments. In addition to regular annual Assessments for Common Expenses, the Association may levy special Assessments, payable over such periods as the Association may determine, for the purpose of defraying, whole or in part, the costs and expenses of any construction or reconstruction, unexpected repair or replacement of the Project or parts thereof, or for any expense incurred or to be incurred as provided in this Declaration. This Section shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections hereof. Any amounts assessed pursuant hereto against all Owners shall be in proportion to their percentage interest in the Common Elements. Any amounts assessed pursuant hereto against less than all of the Owners shall be assessed to such Owners in proportion to their percentage interests computed by dividing an Owner's percentage interest in the Common Elements by the sum total of all percentage interests in Common Elements of the Owners who are not to be assessed or in other proportions as the Board determines as reasonable. Notice in writing of the amount of such special Assessments and the time for payment thereof shall be given promptly to the Owners, and no payment shall be due less than 30 days after such notice shall have been given.

Section 5.8 Owner's Negligence or Misconduct. In the event that the need for maintenance, repair, or replacement of the Common Elements, or any portion thereof, is caused through or by the negligent or willful act or omission or misconduct of any Owner, or the Owner's agents, employees, guests, contractors, or invitees, then the expenses, costs, and fees incurred by the Association for such maintenance, repair, or replacement shall be a personal obligation of such Owner, and such expenses, costs and fees shall be an Assessment determined and levied against such Unit, and the Association may proceed in accordance with the applicable provisions of the Governing Documents.

ARTICLE 6

RESTRICTIONS ON USE, ALIENATION AND OCCUPANCY

The strict application of the following limitations and restrictions in any specific case may be modified or waived, in whole or in part, by the Board or by an appropriate committee (subject to review by the Board) if such strict application would be unreasonable or unduly harsh under the circumstances. Any such modification or waiver must be in writing or must be contained in written guidelines or Rules.

Section 6.1 Use/Occupancy. All Units within the Project shall be used only for those uses and/or purposes as allowed by local zoning, controls and regulations. The use of each Unit is restricted to single-family residence and accessory uses as permitted herein, including long-term rentals, short-term rentals (i.e., rentals less than 30 days) and lodging. Timeshares shall not be permitted. Except for home professional offices or business use permitted by local zoning, no industry, business, trade or commercial activities shall be conducted, maintained or permitted in any part of a Unit. Home offices or professional pursuits are permitted in Units provided such activity is conducted without employees, other staff, public visits, nonresidential storage, or other similar uses. The Association, its officers, directors and managers shall not be liable or responsible for any property damage, personal injury, death, lost profits or any other damages or claims arising out of use or occupancy of a Unit by Owners, occupants, tenants or guests, including but not limited to use of formerly designated commercial Units for residential purposes or for sleeping areas below grade or flood levels.

Section 6.2 Leasing and Occupancy of a Unit. Any Unit Owner shall have the right to lease or allow occupancy of a Unit upon such terms and conditions as the Unit Owner may deem advisable, subject to the following, and to other restrictions regarding short-term and overnight rentals, which are or may be contained in the Rules:

6.2.1 Short term occupancies and rental (of less than 30 days) of Units for residential purposes for resort lodging to overnight and short-term guests shall be subject to reasonable regulation of the Association. Contact information for short term rental managers shall be provided in writing to and kept current with the Association's manager.

6.2.2 Any long-term lease or rental agreement (of 30 days or more) shall be in writing and shall provide that the lease or rental agreement is subject to the terms of the Governing Documents. A copy of each long-term lease together with contact information for the tenant(s) shall be provided to and kept current with the Association's manager.

6.2.3 All short and long-term occupancies, leases and rental agreements of residential Units shall state that the failure of the tenant, renter or guest to comply with the terms of the Governing Documents shall constitute a default of the occupancy, lease or rental agreement and such default shall be enforceable by either the Association or the landlord, or by both of them.

6.2.4 All occupancies of tenants or guests of Units shall be subject to the right of the Association to remove and/or evict them for failure to comply with the terms of the Governing Documents.

6.2.5 Except as restricted in this Declaration, and such Rules the Association may promulgate, the right to lease or allow occupancy of a Unit shall not be restricted.

Section 6.3 Units to be Maintained. Unit Owners are responsible for the maintenance, repair and replacement of their Unit and the properties located within their Unit boundaries. Each Unit, at all times, shall be kept well maintained in good repair, and replacement, and in a clean, sightly, and wholesome condition. Trash, recycling, litter, junk boxes, containers, bottles, cans, implements, machinery, lumber or other building materials shall not be permitted to remain

exposed upon or within any Unit or Limited Common Element so that the same are visible from any neighboring Unit, or any street, except as necessary during a reasonable period of construction. Subject to the requirements of the Association's enforcement policy, the Association, and its agents, shall have the authority to enter, replace, maintain, repair and clean up Units which do not conform to the provisions of this Section, and to charge and collect from the Unit Owners thereof all reasonable costs and expenses related thereto as an Assessment hereunder.

Section 6.4 Vehicular Parking, Storage, and Repairs.

6.4.1 Parking areas are General Common Elements restricted to use as a parking space for motor vehicles. Oversized vehicles shall not be permitted except and to the extent as may be required by the Act or as expressly permitted by the Board or the Association's manager in writing. As used herein, the term "oversized vehicle" means a vehicle that does not fit within a single designated parking space or which inhibits ingress and egress to and from the parking area or other parking spaces.

6.4.2 Bicycles and other nonmotorized vehicles may only be parked or stored in racks or areas designated for such purposes, or within a Unit.

6.4.3 No abandoned or inoperable automobiles or vehicles of any kind shall be stored or parked in the Common Elements. An "abandoned or inoperable vehicle" shall be defined as any automobile, truck, motorcycle, boat, trailer, camper, house trailer, self-contained motorized recreational vehicle, or other similar vehicle, which has not been driven under its own propulsion for a period of two (2) weeks or longer, or which does not have an operable propulsion system installed therein; provided, however, that otherwise permitted vehicles parked by Unit Owners while on vacation or during a period of illness shall not constitute abandoned or inoperable vehicles. In the event that the Association shall determine that a vehicle is an abandoned or inoperable vehicle, then a written notice describing said vehicle shall be personally delivered to the Unit Owner thereof or shall be conspicuously place upon the vehicle. If the abandoned or inoperable vehicle is not removed within seventy-two (72) hours after providing such notice, the Association shall have the right to remove the vehicle, and the owner thereof shall be solely responsible for all towing the storage charges.

6.4.4 No activity such as, but not limited to, maintenance, repair, rebuilding, dismantling, repainting, or servicing of any kind of vehicle, trailer or boat may be performed or conducted within the Project.

6.4.5 The following vehicles may not be parked or stored within the Project unless authorized in writing by the Board: a second vehicle, oversized vehicles, trailers, camping trailers, boat trailers, hauling trailers, boats or accessories thereto, trucks, self-contained motorized recreational vehicles, or other oversized types of vehicles or equipment. Any such oversized vehicle may be parked as a temporary expedience for loading, delivery of goods or services, or emergency. This restriction shall not apply to trucks or other commercial vehicles temporarily located within the Project which are necessary for construction or for the maintenance of the Common Elements, Units, or any improvement located thereon.

Section 6.5 Use of Common Elements. There shall be no obstruction of the Common Elements, nor shall anything be kept or stored on any part of the Common Elements without the prior written approval of the Association, except that outdoor specific furniture shall be permitted on Limited Common Element decks and balconies. Nothing shall be altered on, constructed in, or removed from the Common Elements without the prior written approval of the Association.

Section 6.6 Nuisances. No nuisance shall be permitted within the Project, nor any use, activity or practice which is the source of unreasonable annoyance or embarrassment to, or which unreasonably offends or disturbs, any Unit Owner or which may unreasonably interfere with the peaceful enjoyment or possession of the proper use of a Unit or Common Element, or any portion of the Project by Unit Owners. Further, no immoral, improper, offensive or unlawful use shall be permitted within the Project or any portion thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction over the Project or a portion thereof shall be observed. As used herein, the term nuisance shall not include any activities of Association which are reasonably necessary for the maintenance, repair and replacement of Common Elements within this Project; provided, however, that such activities shall not reasonably interfere with any Unit Owner's use and enjoyment of their Unit, or any Unit Owner's ingress and egress to or from their Unit and a public way.

Section 6.7 No Annoying Lights, Sounds or Odors. No light shall be emitted from any portion of the Project which is unreasonably bright or causes unreasonable glare, and no sound or odor shall be emitted from any portion of the Project which would reasonably be found by others to be noxious or offensive. Without limiting the generality of the foregoing, no exterior spotlights, searchlights, speakers, horns, whistles, bells or other light or sound devices shall be located or used on any portion of the Project except with the prior written approval of the Board.

Section 6.8 No Hazardous Activities. No activity shall be conducted on any portion of the Project which is or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any portion of the Project and no wood burning fires, smokers or charcoal barbeques shall be lighted or permitted on any portion of the Project or in any Unit, proper use of gas grills, heat lamps and similar gas burning apparatus shall not be prohibited but may not be left unattended while in use. Propane fireplaces shall not be permitted outside of a Unit.

Section 6.9 Compliance with Insurance Requirements. Except as may be approved in writing by the Board, nothing shall be done or kept on the Project which may result in a material increase in the rates of insurance or would result in the cancellation of any insurance maintained by the Association.

Section 6.10 No Unsightliness. All unsightly conditions, structures, facilities, equipment, objects and conditions shall be kept in the Unit when not in use.

Section 6.11 Restriction on signs and Advertising Devices. No for rent or for sale signs may be displayed in any window. Business signs identifying businesses located in commercial Units shall require written approval of the Association, which shall not be unreasonably withheld, and shall meet the requirements of the Town of Telluride. No other sign, poster, billboard,

advertising device or display of any kind shall be erected or maintained anywhere within the Project except such sign or signs as may be approved in writing by the Board. Notwithstanding the foregoing, certain small political signs are permitted for a limited amount of time, and certain flags and displays are permitted as set forth in Section 38-33.3-106.5(1) of the Act.

Section 6.12 No Restrictions on Sale of a Unit Except Association Right of First Refusal. The right of a Unit Owner to sell, transfer or otherwise convey their Unit may be subject to a right of first refusal or similar restriction, which must be contained in a separate written instrument approved by the Board, executed by the President of the Association and recorded in the Property Records, and which must be exercised upon no less than fifteen (15) days written notice from the Association, but a Unit shall otherwise be sold free of any such restriction.

Section 6.13 No Restrictions on Mortgaging of a Unit. There are no restrictions on the right of the Unit Owners to mortgage or otherwise encumber their Unit. There is no requirement for the use of a specific lending institution or particular type of lender.

Section 6.14 Restrictions on Structural Alterations and Exterior Improvements. No structural alterations to any Unit or any Common, including but not limited to Limited Common Elements, shall be done by any Owner without the prior written approval of the Association. No improvement to the exterior of a Building or to any landscaping shall be constructed, erected, placed or installed within the Project, unless complete plans and specifications therefor shall have been first submitted to and approved in writing by the Board. No Owner may perform any plumbing or electrical work on or which affects the Common Elements (including but not limited to temporary water, gas or power shut offs) without the prior written authorization of the Board.

Section 6.15 No Alteration or Modification of Common Elements. Unit Owners may not alter, amend, lease, license or reassign Common Elements or Common Element areas without the prior written authorization of the Board.

Section 6.16 Animals. The raising, breeding or keeping of animals, birds and reptiles (“animals”) for any commercial purpose is prohibited. The Board may otherwise allow domestic cats and dogs as household pets subject to Rules of the Association and local ordinances. Service animals shall be permitted as required by law.

Section 6.17 Rules. In furtherance of the provisions of this Declaration, and the general plan, Rules concerning and governing all areas within the Project or any portion thereof may be adopted, amended or repealed, from time to time by the Board, or its successors and assigns. The Board may establish and enforce penalties for the infraction thereof.

ARTICLE 7

INSURANCE/CONDEMNATION

Section 7.1 Insurance Carried. The Association shall obtain and maintain in full force and effect to the extent reasonably available, and at all times, the insurance coverage set forth herein and as set forth in the Act, which insurance coverage shall be provided by financially

responsible and able companies duly authorized to do business in the State of Colorado. The Association shall maintain, to the extent reasonably available, policies with the following terms or provisions:

7.1.1 All policies of insurance shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a Unit Owner and shall provide that such policies may not be canceled or modified without at least thirty (30) days' prior written notice to all of the Unit Owners and the Association;

7.1.2 All liability insurance shall be carried in blanket form naming the Association, the Board, the manager or managing agent, if any, the officers of the Association and the Unit Owners as insureds;

7.1.3 Prior to obtaining any policy of casualty insurance or renewal thereof, pursuant to the provisions hereof, the Board may obtain an appraisal from a duly qualified real estate or insurance appraiser, which appraiser shall reasonably estimate the full replacement value of the Units, excluding interior drywall, plaster, finishes, flooring, fixtures, equipment, appliances, furnishings and contents, and the Common Elements, without deduction for depreciation, review any increases in the cost of living, and/or consider other factors, for the purpose of determining the amount of the insurance to be effected pursuant to the provisions hereof. In no event shall any casualty insurance policy contain a co-insurance clause for less than one hundred percent (100%) of the full insurable replacement cost;

7.1.4 The Association's insurance coverage does not cover lost rent, lost profits or any loss of or damage to personal property not owned by the Association. Owners shall carry other insurance, including but not limited to contents insurance, "loss assessment" insurance, lost rents insurance, business insurance, general liability insurance, umbrella insurance, etc., for their benefit and at their expense, provided that the liability of the carriers issuing insurance obtained by the Association shall not be affected or diminished by reason of any insurance carried by Unit Owners and provided, further, that the policies of insurance carried by the Association shall be primary, even if a Unit Owner has other insurance that covers the same loss or losses as covered by policies of the Association. The Association's insurance coverage, as specified hereunder and under the Act, does not obviate the need for Unit Owners to obtain insurance for their own benefit. Nothing herein shall require the Association to verify that the Unit Owner(s) have their own insurance in place or the adequacy of such insurance; and

7.1.6 All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular Unit Owner guilty of a breach of warranty, act, omission, negligence or non-compliance of any provision of such policy, including payment of the insurance premium applicable to the Unit Owner's interest, or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy, but the insurance under any such policy, as to the interests of all other insured Unit Owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

Section 7.2 Hazard Insurance on the Units and Common Elements. The Association shall obtain adequate hazard insurance covering loss, damage or destruction by fire, flood or other casualty to the Units, to the Common Elements and the other property of the Association. The insurance obtained on the Units shall not include interior drywall, plaster, finishes, flooring, fixtures, equipment, appliances, furnishings or contents. All policies shall contain a standard noncontributory mortgage clause in favor of each first mortgagee, and their successors and assigns, which shall provide that the loss, if any thereunder, shall be payable to the Association for the use and benefit of first mortgagees, and their successors and assigns, as their interests may appear in the Property Records. If obtainable, the Association shall also obtain the following and any additional endorsements deemed advisable by the Board: (a) an inflation guard endorsement, (b) a construction code endorsement, (c) a demolition cost endorsement, (d) a contingent liability from operation of building laws endorsement, (e) an increased cost of construction endorsement, and/or (f) any special PUD endorsements.

Section 7.3 Liability Insurance. The Association shall obtain an adequate comprehensive policy of public liability and property damage liability insurance covering all of the Units and the Common Elements, including structural coverage of the Units, in such limits as the Board may from time to time determine, but not in any amount less than One Million Dollars (\$1,000,000.00) per injury, per person, and per occurrence, and in all cases covering all claims for bodily injury or property damage. Coverage shall not include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other uses of the Project. The foregoing liability insurance shall name the Association as the insured.

Section 7.4 Fidelity Insurance. The Association shall obtain adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the parts of its officers, directors, trustees and employees and on the part of all others who handle or are responsible for handling the funds of the Association, including persons who serve the Association with or without compensation. The clause “officers, directors, trustees and employees” shall not include any officer, director, agent or employee of any independent, professional manager or managing agent heretofore or hereafter employed by the Association. The fidelity coverage or bonds should be in an amount sufficient to cover the maximum funds that will be in the control of the Association, its officers, directors, trustees and employees.

Section 7.5 Workers’ Compensation and Employers’ Liability Insurance. The Association shall obtain workers’ compensation and employer’s liability insurance and all other similar insurance with respect to its employees, if any, in the amounts and forms as may now or hereafter be required by law.

Section 7.6 Officers and Directors Personal Liability Insurance. The Association shall obtain officers’ and directors’ personal liability insurance to protect the officers and directors from personal liability in relation to their duties and responsibilities in acting as officers and directors on behalf of the Association. Neither the term “officers” nor the term “directors” shall include any officer, director, employee or agent of any professional manager or managing agent heretofore or hereafter employed by the Association.

Section 7.7 Other Insurance. The Association may obtain insurance against such other risks, of similar or dissimilar nature, including flood insurance, as it shall deem appropriate with respect to the Association responsibilities and duties.

Section 7.8 Insurance Premium. Except as assessed in proportion to risk, if permitted under the terms of this Declaration, insurance premiums for the above provided insurance shall be a Common Expense to be included as a part of the annual Assessments levied by the Association.

Section 7.9 Managing Agent Insurance. The manager or managing agent, if any shall be adequately insured for the benefit of the Association and shall maintain and submit evidence of such coverage to the Association.

Section 7.10 Waiver of Claims Against Association. As to all policies of insurance maintained by or for the benefit of the Association and Unit Owners, the Association and the Unit Owners hereby waive and release all claims against one another and the Board to the extent of the insurance proceeds available, whether or not the insurance damage or injury is caused by the negligence of or breach of any agreement by and of said persons.

Section 7.11 Annual Insurance Review. The Board shall review the insurance carried by and on behalf of the Association annually, for the purpose of determining the amount of insurance required. If the insurance described in Sections 7.2 and 7.3 above is not reasonably available, or if any policy of such insurance is canceled or not renewed without a replacement policy therefore having been obtained, the Association promptly shall cause notice of that fact to be hand delivered or sent postage prepaid by United States mail to all Unit Owner.

Section 7.12 Adjustments by the Association. Any loss covered by an insurance policy described above shall be adjusted by the Association, and the insurance proceeds for that loss shall be payable to the Association, and not to any mortgagee. The Association shall hold any insurance proceeds in trust for the Association, Unit Owners and first mortgagees as their interests may appear. The proceeds must be distributed first for the repair or restoration of the damaged property, and the Association, Unit Owners and first mortgagees are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the damaged property has been completely repaired or restored.

Section 7.13 Duty to Repair. Any portion of the Project for which insurance is required under this Article which is damaged or destroyed must be repaired or replaced promptly by the Association or Unit Owner, at the Unit Owner's option on whether the repair is done by the Association or the Unit Owner, except as provided in the Act.

Section 7.14 Condemnation and Hazard Insurance Allocations and Distributions. In the event of a distribution of condemnation proceeds or hazard insurance proceeds to the Unit Owners, the distribution shall be as the parties with interests and rights are determined or allocated by record, and pursuant to the Act.

Section 7.15 Apportionment of Deductible Expense. In the event that the Association pays a deductible to settle an insurance claim for damages to real property, the Executive Board

may levy an Assessment the amount of the insurance deductible against the Owner(s) causing the loss if the loss arises directly or indirectly out of their negligence, recklessness or willful and wanton conduct; and/or the Owner(s) benefitting from the repair or restoration.

Section 7.16 Owner Claims. An Owner may file a claim against an Association property insurance policy only if all of the following conditions are met: (a) the Owner has, within a reasonable period of time following discovery, contacted the Board and the Association's manager in writing about the claim's subject matter; (b) the Owner has given the Association at least ten (10) business days to respond in writing and, if requested, has given the Association a reasonable opportunity to inspect the damage; and (c) the subject matter of the claim falls within the Association's insurance responsibilities.

ARTICLE 8

GENERAL PROVISIONS

Section 8.1 Enforcement; Disputes; Jury Trial Waiver; Venue. The Association or an Owner or Owners of any of the Units may enforce the covenants imposed by the provisions of this Declaration by proceedings at law or in equity against any person or persons, either to recover damages for such violation, including all costs and expenses including reasonable attorneys' fees incurred in enforcing these covenants, or to restrain such violation or attempted violation. Failure of the Association or of any Unit Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. In general, Owners are encouraged to utilize means other than litigation, such as mediation or arbitration, in the event of any dispute with the Association. In the event of litigation, the Association and the Owners waive their right to a trial by jury and expressly agree to submit to the jurisdiction of the San Miguel County combined courts. From time to time the Association may have in effect additional rules, regulations and policies governing enforcement and disputes.

Section 8.2 Severability. Each of the provisions of this Declaration shall be deemed independent and severable. If any provision of this Declaration or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of this Declaration which can be given effect without the invalid provisions or applications.

Section 8.3 Term of Declaration. The Covenants of this Declaration shall run with and bind the Real Estate in perpetuity.

Section 8.4 Technical, Clerical Typographical or Clarification Amendment by Association. If the Board shall determine that any amendments to this Declaration or Plat shall be necessary in order to make non-material changes, such as for the correction of the technical, clerical or typographical error or clarification of a statement, then, subject to the following sentence of this Section, the Board shall have the right and power to make and execute any such amendments without obtaining the approval of any Unit Owners. In furtherance of the foregoing, a power coupled with an interest is hereby reserved granted to the Association, acting through its Board, to make or consent to an amendment under this Section on behalf of each Unit Owner. Each deed,

Mortgage, other evidence of obligation or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of the power of the Board to make, execute and record an amendment under this Section.

Section 8.5 Amendment of Declaration by Unit Owners. Except as otherwise provided in this Declaration or the Act, any provision, covenant, condition, restriction or equitable servitude contained in this Declaration may be amended or repealed at any time and from time to time upon approval of at least sixty-seven percent (67%) of the votes in the Association and with the written consent of the Association. The amendment or repeal shall be effective upon recording in the Property Records, a certificate, setting forth the amendment in full and certifying that the amendment has been approved as set forth above, and containing the written consent and approval of the Association.

Section 8.6 Interpretation; Conflicting Terms or Documents. The provisions of this Declaration shall be liberally construed to effectuate their purposes of creating a uniform plan for the development of the Units and of promoting and effectuating the fundamental concepts as set forth in the recitals of this Declaration. This Declaration shall be construed and governed under the laws of the State of Colorado. In the case of any conflict between the Articles of Incorporation and the Bylaws, the Articles shall control; in the case of any conflict between the Declaration and the Bylaws, the Declaration shall control; in the case of any conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.

Section 8.7 Singular Includes the Plural. Unless the context otherwise requires, the singular shall include the plural, and the plural shall include the singular, and each gender referral shall be deemed to include the masculine, feminine and neuter.

Section 8.8 Captions. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise affect that which is set forth in any paragraph, section or article hereof.

The foregoing First Amended and Restated Declaration was approved pursuant to the requirements of Sections 38-33.3-120(1) and 38-33.3-217 of the Act by a vote of at least 67% of the votes in the Association and by 100% of the first mortgagees.

IN WITNESS WHEREOF, the Association has caused this Declaration to be executed this _____ day of July 9, 2024.

[signature appears on following page]

Mortgage, other evidence of obligation or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of the power of the Board to make, execute and record an amendment under this Section.

Section 8.5 Amendment of Declaration by Unit Owners. Except as otherwise provided in this Declaration or the Act, any provision, covenant, condition, restriction or equitable servitude contained in this Declaration may be amended or repealed at any time and from time to time upon approval of at least sixty-seven percent (67%) of the votes in the Association and with the written consent of the Association. The amendment or repeal shall be effective upon recording in the Property Records, a certificate, setting forth the amendment in full and certifying that the amendment has been approved as set forth above, and containing the written consent and approval of the Association.

Section 8.6 Interpretation; Conflicting Terms or Documents. The provisions of this Declaration shall be liberally construed to effectuate their purposes of creating a uniform plan for the development of the Units and of promoting and effectuating the fundamental concepts as set forth in the recitals of this Declaration. This Declaration shall be construed and governed under the laws of the State of Colorado. In the case of any conflict between the Articles of Incorporation and the Bylaws, the Articles shall control; in the case of any conflict between the Declaration and the Bylaws, the Declaration shall control; in the case of any conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.

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The foregoing First Amended and Restated Declaration was approved pursuant to the requirements of Sections 38-33.3-120(1) and 38-33.3-217 of the Act by a vote of at least 67% of the votes in the Association and by 100% of the first mortgagees.

IN WITNESS WHEREOF, the Association has caused this Declaration to be executed this _____ day of July 9, 2024.

[signature appears on following page]

The Plunge Condominiums Owners Association, Inc.

By: Michael Barron
Michael Barron, President

STATE OF Arizona)

COUNTY OF Maricopa)

The foregoing Declaration was acknowledged before me by Michael Barron, President of The Plunge Condominiums Owners Association, Inc., a Colorado nonprofit corporation on the 9th day of July, 2024. Witness my hand and official seal.

My commission expires: 06-16-2027

Jillian Stephens
Notary Public



JILLIAN STEPHENS
Notary Public - Arizona
Maricopa County
Commission # 203413212
My Comm. Expires 06-16-2027

EXHIBIT A

DESCRIPTION OF REAL ESTATE

For all of the Plunge Condominiums (Phases I, II and III)

Lot 46, Backman Village Subdivision, Telluride, San Miguel County, Colorado, according to the plat filed of record in the Office of the San Miguel County Clerk and Recorder in Plat File No. 2, under Reception No. 212301.

EXHIBIT A-1

CONDITIONS AND STIPULATIONS IN PATENT FROM THE UNITED STATES RECORDED DECEMBER 6, 1888 IN BOOK 21 AT PAGE 441 AS FOLLOWS: FIRST, THAT THE GRANT HEREBY MADE IS RESTRICTED IN ITS EXTERIOR LIMITS TO THE BOUNDARIES OF THE SAID MINING PREMISES, AND TO ANY VEINS OR LODES OF QUARTZ OR OTHER ROCK IN PLACE BEARING GOLD, SILVER, CINNABAR, LEAD, TIN, COPPER OR OTHER VALUABLE DEPOSITS, WHICH MAY HAVE BEEN DISCOVERED WITHIN SAID LIMITS SUBSEQUENT TO AND WHICH WERE NOT KNOWN TO EXIST ON JUNE 30, 1882 SECOND, THAT SHOULD ANY VEIN OR LODE OF QUARTZ OR OTHER ROCK IN PLACE BEARING GOLD, SILVER, CINNABAR, LEAD, TIN, COPPER OR OTHER VALUABLE DEPOSITS, BE CLAIMED OR KNOWN TO EXIST WITHIN THE ABOVE DESCRIBED PREMISES AT SAID LAST NAMED DATE, THE SAME IS EXPRESSLY EXCEPTED AND EXCLUDED FROM THESE PRESENTS. THIRD, THAT THE PREMISES HEREBY CONVEYED MAY BE ENTERED BY THE PROPRIETOR OF ANY VEIN OR LODE OF QUARTZ OR OTHER ROCK IN PLACE BEARING GOLD, SILVER, CINNABAR, LEAD, TIN, COPPER OR OTHER VALUABLE DEPOSITS FOR THE PURPOSE OF EXTRACTING AND REMOVING THE ORE FROM SUCH VEIN OR LODE SHOULD THE SAME OR ANY PART THEREOF BE FOUND TO PENETRATE, INTERSECT, PASS THROUGH OR DIP INTO THE MINING GROUND OR PREMISES GRANTED.

EASEMENTS, CONDITIONS, COVENANTS, RESTRICTIONS, RESERVATIONS AND NOTES ON THE FOLLOWING PLATS:

#1 - WEST TELLURIDE ADDITION TO THE TOWN OF TELLURIDE RECORDED JUNE 20, 1891 IN PLAT BOOK 28 AT PAGE 7; AND

#2 - BACKMAN VILLAGE SUBDIVISION RECORDED JUNE 29, 1979 UNDER RECEPTION NO. 212301.

RESTRICTIVE COVENANTS, WHICH DO NOT CONTAIN A FORFEITURE OR REVERTER CLAUSE, BUT OMITTING ANY COVENANTS OR RESTRICTIONS, IF ANY, BASED UPON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, HANDICAP, NATIONAL ORIGIN, ANCESTRY, OR SOURCE OF INCOME, AS SET FORTH IN APPLICABLE STATE OR FEDERAL LAWS, EXCEPT TO THE EXTENT THAT SAID COVENANT OR RESTRICTION IS PERMITTED BY APPLICABLE LAW AS CONTAINED IN INSTRUMENT RECORDED JUNE 29, 1979, IN BOOK 380 AT PAGE 377 AND AS AMENDED IN INSTRUMENT RECORDED SEPTEMBER 11, 1980, IN BOOK 388 AT PAGE 838 AND AS AMENDED IN INSTRUMENT RECORDED FEBRUARY 12, 1997, IN BOOK 576 AT PAGE 502 AND AS AMENDED IN INSTRUMENT RECORDED MARCH 4, 2005 UNDER RECEPTION NO. 372944.

RESTRICTIVE COVENANTS, WHICH DO NOT CONTAIN A FORFEITURE OR REVERTER CLAUSE, BUT OMITTING ANY COVENANTS OR RESTRICTIONS, IF ANY, BASED UPON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, HANDICAP, NATIONAL ORIGIN, ANCESTRY, OR SOURCE OF INCOME, AS SET FORTH IN APPLICABLE STATE OR FEDERAL LAWS, EXCEPT TO THE EXTENT THAT SAID COVENANT OR RESTRICTION IS PERMITTED BY APPLICABLE LAW AS CONTAINED IN INSTRUMENT RECORDED DECEMBER 05, 1983, IN BOOK 408 AT PAGE 140 AND AS AMENDED IN INSTRUMENT RECORDED DECEMBER 20, 1984, IN BOOK 416 AT PAGE 237 AND AS AMENDED IN INSTRUMENT RECORDED MAY 01, 1986, IN BOOK 426 AT PAGE 940.

AMENDMENT NO. 1 TO THE BY-LAWS OF THE PLUNGE CONDOMINIUM ASSOCIATION RECORDED NOVEMBER 16, 2004 UNDER RECEPTION NO. 370489.

EASEMENTS, CONDITIONS, COVENANTS, RESTRICTIONS, RESERVATIONS AND NOTES ON FOLLOWING CONDOMINIUM MAPS:

#1 - THE PLUNGE CONDOMINIUMS RECORDED DECEMBER 5, 1983 IN PLAT BOOK 1 AT PAGE 464;

#2 - PHASE II, THE PLUNGE CONDOMINIUM RECORDED DECEMBER 20, 1984 IN PLAT BOOK 1 AT PAGE 540;

#3 - THE PLUNGE CONDOMINIUMS, PHASE III RECORDED MAY 1, 1986 IN PLAT BOOK 1 AT PAGE 640; AND

#4 - AMENDMENT TO THE CONDOMINIUM MAP OF THE PLUNGE CONDOMINIUMS, PHASE 2 FOR UNITS E AND F RECORDED JULY 26, 2016 IN PLAT BOOK 1 AT PAGE 4809.

TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN LICENSE AGREEMENT FOR THE MAINTENANCE, DISASTER AND EMERGENCY ACCESS TO PRIVATE PROPERTY ALONG CORNET CREEK RECORDED MAY 22, 2008 UNDER RECEPTION NO. 401777 AND RECORDED MAY 17, 2019 UNDER RECEPTION NO. 458562.

TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN TOWN OF TELLURIDE PERMIT NO. 2017-07 RECORDED AUGUST 29, 2018 UNDER RECEPTION NO. 454559.

MATTERS DISCLOSED ON MONUMENTED LAND SURVEY DEPOSITED AUGUST 6, 2019 IN SURVEYORS PLAT BOOK S1 AT PAGE 905.

EXHIBIT B

UNIT	SQUARE FOOTAGE	COMMON EXPENSE LIABILITY AND VOTES
A	912.25	.07423
B	900.22	.07372
C	912.25	.07471
D	1025.72	.08400
E	916.57	.07506
F	935.98	.07665
G	1020.62	.08359
H	1294	.10597
I	1319	.10802
J	1265	.10360
K**	1715	.14045

* Unit percentages total slightly MORE than 100% due to rounding.

** Unit K is hereby redesignated as a “**residential Unit**,” which is consistent with how it is being used.