



Cheri Brunvand-Summit County Recorder 2/13/2007 15:53 DF:



**DECLARATION
OF
COVENANTS, CONDITIONS
RESTRICTIONS, AND
EASEMENTS
FOR
LA RIVA DEL LAGO
CONDOMINIUMS**

**DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, AND
EASEMENTS FOR
LA RIVA DEL LAGO CONDOMINIUMS**

TABLE OF CONTENTS

ARTICLE 1 - IMPOSITION OF COVENANTS	1
1.1 <u>Purpose</u>	1
1.2 <u>Intention of Declarant</u>	1
1.3 <u>Development and Use</u>	1
1.4 <u>Mixed Use</u>	1
1.5 <u>Declaration</u>	1
1.6 <u>Covenants Running With the Land</u>	1
ARTICLE 2 - DEFINITIONS.....	2
ARTICLE 3 - DIVISION OF PROJECT INTO CONDOMINIUM OWNERSHIP..	7
3.1 <u>Division Into Condominium Units</u>	7
3.2 <u>Delineation of Unit Boundaries</u>	7
3.3 <u>Inseparability of Condominium Unit</u>	8
3.4 <u>Nonpartitionability of Common Elements</u>	8
ARTICLE 4 - CONDOMINIUM MAP.....	8
4.1 <u>Condominium Map</u>	8
4.2 <u>Amendment</u>	9
ARTICLE 5 - OWNERS' PROPERTY RIGHTS IN COMMON ELEMENTS	9
5.1 <u>General Common Elements</u>	9
5.2 <u>Limited Common Elements</u>	9
5.2.1 <u>Use and Enjoyment</u>	9
5.2.2 <u>Parking</u>	9
5.2.3 <u>Re-designation of Limited and General Common Elements</u>	10
ARTICLE 6 - MEMBERSHIP AND VOTING RIGHTS IN ASSOCIATION	11
6.1 <u>Association Membership</u>	11
6.2 <u>Classes of Membership</u>	11
6.2.1 <u>Residential Unit Members</u>	11
6.2.2 <u>Commercial Unit Members</u>	11
6.3 <u>Voting Rights</u>	11
6.3.1 <u>Election of Directors</u>	11
6.3.2 <u>Approval of Budget</u>	12
6.3.3 <u>Valid Class Interests</u>	12
6.4 <u>Declarant Control</u>	12
6.5 <u>Executive Board</u>	12
6.6 <u>Fairness Standard</u>	13
6.7 <u>Owners' and Association's Address for Notices</u>	13
ARTICLE 7 - ASSOCIATION DUTIES	14
7.1 <u>Association Management Duties</u>	14
7.2 <u>Reserve Account</u>	15
7.3 <u>Owner's Negligence</u>	15
7.4 <u>Delegation of Management and Maintenance Duties</u>	15
7.5 <u>Acquiring and Disposing of Personal Property</u>	15

7.6	<u>Cooperation with Other Associations</u>	16
7.7	<u>Issuance of Rules and Regulations</u>	16
7.8	<u>Payments to Working Capital Account</u>	16
7.9	<u>Implied Rights</u>	16
7.10	<u>Books and Records of the Association</u>	16
7.11	<u>Limitation Upon Liability of Association</u>	17
7.12	<u>Notice and Comment</u>	17
7.13	<u>Conflict of Interest</u>	17
ARTICLE 8 - ASSESSMENTS		17
8.1	<u>Covenant of Personal Obligation of Assessments</u>	17
8.2	<u>Purpose of Assessments</u>	17
8.3	<u>Commencement of Assessments</u>	18
8.4	<u>Amount of Total Annual Assessments</u>	18
8.5	<u>Apportionment of Annual Assessments</u>	18
8.6	<u>Annual Budget</u>	19
8.7	<u>Special Assessments</u>	20
8.8	<u>Due Dates for Assessment Payments</u>	21
8.9	<u>Declarant's Obligation to Pay Assessments</u>	21
8.10	<u>Default Assessments</u>	21
8.11	<u>Lien for Assessments</u>	21
8.12	<u>Effect of Nonpayment of Assessments</u>	21
8.13	<u>Successor's Liability for Assessments</u>	22
8.14	<u>Waiver of Homestead Exemption; Lien Priority</u>	22
8.15	<u>Statement of Status of Assessments</u>	23
8.16	<u>Liens</u>	23
ARTICLE 9 - MAINTENANCE RESPONSIBILITY		23
9.1	<u>Owner's Rights and Duties with Respect to Interiors</u>	23
9.2	<u>Responsibility of the Owner</u>	23
9.3	<u>Responsibility of the Association</u>	24
9.4	<u>Owner's Failure to Maintain or Repair</u>	24
ARTICLE 10 - INSURANCE AND FIDELITY BONDS		24
10.1	<u>General Insurance Provisions</u>	24
10.2	<u>Cancellation</u>	25
10.3	<u>Policy Provisions</u>	25
10.4	<u>Insurance Proceeds</u>	25
10.5	<u>Association Policies</u>	25
10.6	<u>Insurer Obligation</u>	25
10.7	<u>Repair and Replacement</u>	26
10.8	<u>Common Expenses</u>	26
10.9	<u>Fidelity Insurance</u>	26
10.10	<u>Worker's Compensation Insurance</u>	26
10.11	<u>Other Insurance</u>	26
10.12	<u>Insurance Obtained by Owners</u>	26

ARTICLE 11 - CONVEYANCES AND TAXATION OF CONDOMINIUM UNITS	27
11.1 <u>Contracts to Convey Entered into Prior to Recording of Condominium Map and Declaration</u>	27
11.2 <u>Contracts to Convey and Conveyances Subsequent to Recording of Condominium Map and Declaration</u>	27
11.3 <u>Conveyance Deemed to Describe an Undivided Interest in Common Elements</u>	27
11.4 <u>Separate Tax Assessments</u>	28
ARTICLE 12 - MECHANIC'S LIENS	28
12.1 <u>Mechanic's Liens</u>	28
12.2 <u>Enforcement by the Association</u>	28
ARTICLE 13 - USE RESTRICTIONS	28
13.1 <u>Use of Condominium Units</u>	28
13.2 <u>Commercial Uses</u>	29
13.3 <u>Residential Uses</u>	29
13.4 <u>Conveyance of Condominium Units</u>	29
13.5 <u>Use of Common Elements</u>	29
13.6 <u>Prohibition of Increases in Insurable Risks and Certain Activities</u>	29
13.7 <u>Vehicular Parking; Storage and Repairs</u>	30
13.8 <u>Restriction on Signs and Advertising Devices</u>	30
13.9 <u>Storage Restrictions</u>	30
13.10 <u>Prohibited Uses</u>	31
13.11 <u>Trash Collection</u>	31
13.12 <u>Declarant's Use</u>	31
ARTICLE 14 - EASEMENTS	31
14.1 <u>Easement of Enjoyment</u>	31
14.2 <u>Delegation of Use</u>	31
14.3 <u>Recorded Easements</u>	31
14.4 <u>Easements for Encroachments</u>	32
14.5 <u>Utility Easements</u>	32
14.6 <u>Reservation of Easements, Exceptions and Exclusions</u>	32
14.7 <u>Emergency Access Easement</u>	32
14.8 <u>Maintenance Easement</u>	32
14.9 <u>Drainage Easement</u>	32
14.10 <u>Easements of Access for Repair, Maintenance and Emergencies</u>	33
14.11 <u>Declarant's Rights Incident to Construction and Marketing</u>	33
14.12 <u>Right of Declarant and Association to Own Condominium Units and to Use Common Elements</u>	33
14.13 <u>Remodeling Easement</u>	33
14.14 <u>Easements Deemed Created</u>	33
ARTICLE 15 - ASSOCIATION AS ATTORNEY-IN-FACT	34
15.1 <u>Appointment</u>	34
15.2 <u>General Authority</u>	34

ARTICLE 16 - DAMAGE OR DESTRUCTION	34
16.1 <u>The Role of the Executive Board</u>	34
16.2 <u>Estimate of Damage or Destruction</u>	34
16.3 <u>Repair and Reconstruction</u>	34
16.4 <u>Funds for Repair and Reconstruction</u>	35
16.5 <u>Insurance Proceeds Sufficient to Repair</u>	35
16.6 <u>Insurance Proceeds Insufficient to Repair; Special Assessment; Remedies for Failure to Pay Special Assessment</u>	35
16.7 <u>Repairs</u>	36
16.8 <u>Notice of Damage or Destruction to First Mortgagees</u>	36
ARTICLE 17 - CONDEMNATION	36
17.1 <u>Consequences of Condemnation</u>	36
17.2 <u>Notice of Condemnation</u>	36
ARTICLE 18 - ALTERATIONS	37
18.1 <u>Permitted Condominium Unit Alterations</u>	37
18.2 <u>Boundary Relocation</u>	37
18.3 <u>Connection of Adjoining Condominium Units</u>	38
18.4 <u>Unit Disconnection</u>	39
18.5 <u>Construction</u>	39
18.6 <u>Alteration of Common Elements</u>	40
ARTICLE 19 - DECLARANT'S RIGHTS	40
19.1 <u>Special Declarant Rights</u>	40
19.1.1 <u>Improvements</u>	40
19.1.2 <u>Boundary Relocation</u>	40
19.1.3 <u>Marketing</u>	40
19.1.4 <u>Easements</u>	41
19.1.5 <u>Appoint Board and Officers</u>	41
19.1.6 <u>Amend Declaration</u>	41
19.1.7 <u>Development Right</u>	41
19.1.8 <u>Declarant's Personal Property</u>	41
19.1.9 <u>Dedications</u>	41
19.1.10 <u>Use Agreements</u>	41
19.1.11 <u>Prohibition of Declarant's Right to Create Timeshare Estates</u>	41
19.2 <u>Creation, Combination or Subdivision of Condominium Units / Common Elements / Use</u>	41
19.3 <u>Conversion of Condominiums and Common Areas</u>	42
19.4 <u>Leases</u>	42
19.5 <u>Limited Common Elements</u>	42
19.6 <u>Special Declarant Rights</u>	42
19.7 <u>Exercise of Rights</u>	42
ARTICLE 20 - SECURITY INTERESTS	42
20.1 <u>Approval by Members and First Mortgagees</u>	42
20.2 <u>Termination of Legal Status</u>	43
20.3 <u>Notice of Action</u>	43
20.4 <u>Additional Mortgagee Protection Provisions</u>	43
20.4.1 <u>Notice and Cure Rights</u>	43

20.4.2	<u>No Invalidity of Mortgage Lien</u>	44
20.4.3	<u>Enforceability of Declaration</u>	44
20.4.4	<u>Mortgagee Requirements</u>	44
20.4.5	<u>Binding Effect of Declaration</u>	44
ARTICLE 21 – OTHER ASSOCIATION MATTERS		44
21.1	<u>General Reservation</u>	44
21.2	<u>Prohibition of Timeshare Estates</u>	44
21.3	<u>Acknowledgments</u>	44
ARTICLE 22 - DECLARANT’S RIGHTS REGARDING TRANSFER		45
ARTICLE 23 - MISCELLANEOUS		45
23.1	<u>Restriction on Declarant Powers</u>	45
23.2	<u>Term</u>	45
23.3	<u>Amendment</u>	45
23.4	<u>Unilateral Amendment Rights Reserved by Declarant; Technical Amendment; Special Amendment</u>	46
23.5	<u>Recording of Amendments</u>	46
23.6	<u>Enforcement and Arbitration</u>	46
23.7	<u>Severability</u>	48
23.8	<u>Conflict of Provisions</u>	48
23.9	<u>Nonwaiver</u>	49
23.10	<u>Number and Gender</u>	49
23.11	<u>Captions</u>	49
23.12	<u>Exhibits</u>	49
 EXHIBIT A - LEGAL DESCRIPTION OF PROPERTY		
 EXHIBIT B - UNITS / OWNERS’ INTERESTS IN COMMON ELEMENTS AND LIMITED COMMON ELEMENTS		
 EXHIBIT C - EASEMENTS, LICENSES AND OTHER TITLE MATTERS		
 EXHIBIT D - REDUCED COPY OF CONDOMINIUM MAP (PROVIDED BY WAY OF CONVENIENCE ONLY)		
 EXHIBIT E - JOINDER OF LIENOR		

**DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS
FOR
LA RIVA DEL LAGO CONDOMINIUMS**

THIS DECLARATION OF LA RIVA DEL LAGO CONDOMINIUMS (this "Declaration") dated as of January 25, 2007, shall be effective upon recordation and is made by D.C. Roberts, LLC, a Colorado limited liability company ("Declarant"). Declarant is the owner of certain real property in the Town of Dillon, Summit County, State of Colorado, more particularly described on Exhibit A attached hereto and by this reference made a part of this Declaration (the "Property"). This Declaration supersedes all prior recorded declarations related to the Property. Declarant hereby makes the following grants, submissions and declarations:

**ARTICLE 1
IMPOSITION OF COVENANTS**

1.1 Purpose. The purpose of this Declaration is to create a mixed-use condominium project pursuant to the Act (as hereinafter defined) within the Building (as hereinafter defined) and other improvements located on the Property, which Project shall contain both residential and commercial uses.

1.2 Intention of Declarant. Declarant desires to (a) protect the value and desirability of the Project as a whole while respecting the separate and distinct interests of the owner of Condominium Units (as hereinafter defined) within each of the Residential Project and Commercial Project; (b) further a plan for the improvement, sales and condominium ownership of both the Residential Project and the Commercial Project; (c) create a harmonious and attractive mixed-use development within the Project; and (d) promote and safeguard the health, comfort, safety, convenience and welfare of the owners of Condominium Units within each of the Residential Project and Commercial Project.

1.3 Development and Use. The initial Condominium Units in the Project which have been designated for residential or for commercial use are identified on Exhibit B. Declarant reserves the right to create and add additional Condominium Units up to a total, in the aggregate, of forty (30) Commercial Units, forty (40) Residential Units, eighty (80) Garage Units, and eighty (80) Storage Units or to the maximum number of Condominium Units for the Property as allowed by the governmental entity having jurisdiction over the Project.

1.4 Mixed Use. The Residential Project and the Commercial Project together shall comprise the condominium project, the name of which is **La Riva del Lago Condominiums**. The functions, activities, physical appearance and other features commonly associated with commercial businesses permitted hereunder and residential uses shall be expressly permitted on the Property and within the Building and other improvements, all as more particularly described and governed herein.

1.5 Declaration. To accomplish the purposes and intentions recited above, Declarant hereby submits the Property, together with all improvements, appurtenances and facilities relating to or located on the Property now and in the future to the provisions of the Act and hereby imposes upon all of the Property the covenants, conditions, restrictions, easements, reservations, rights-of-way and other provisions of this Declaration below, and Declarant hereby declares that all of the Property shall be held, sold, conveyed, encumbered, leased, rented, occupied and improved subject to the provisions of this Declaration.

1.6 Covenants Running With the Land. All provisions of this Declaration shall be deemed to be covenants running with the land or equitable servitudes, as the case may be. The benefits, burdens and other provisions contained in this Declaration shall be binding upon and shall inure to the benefit of the Property, Declarant, the Association, all Owners and their respective heirs, executors, administrators, personal representatives, successors and assigns.

ARTICLE 2 DEFINITIONS

The following words, when used in this Declaration, shall have the meanings designated below unless the context shall expressly provide otherwise:

2.1 “Act” means the Colorado Common Interest Ownership Act, as set forth in Article 33.3, Title 38, Colorado Revised Statutes, as such Act exists on the date hereof, except to the extent that the applicability of future amendments to the Act are mandatory.

2.2 “Assessments” means the Annual, Special and Default Assessments levied pursuant to Article 8 below. Assessments are also referred to as a Common Expense Liability under the Act.

2.3 “Association” means La Riva del Lago Condominium Association, Inc., a Colorado nonprofit corporation, and its successors and assigns.

2.4 “Association Documents” means the basic documents creating and governing the Project, including but not limited to this Declaration, the Articles of Incorporation and Bylaws of the Association, the Condominium Map and any procedures, rules, regulations or policies relating to the Project adopted under such documents by the Association or the Executive Board.

2.5 “Building” means the building (including all fixtures and improvements contained within it) in which Condominium Units and certain Common Elements are located.

2.6 “Commercial” means any part of the Project to be used for commercial purposes, specifically including, but not limited to, the areas marked with the suffix “C” on the Map.

2.7 “Commercial Director” means a member of the Executive Board elected exclusively by the Commercial Owners in accordance with the procedures set forth in Article 6 below and in the Bylaws of the Association.

2.8 “Commercial Owners” means those Owners of Commercial Units within the Project.

2.9 “Commercial Project” means that part of the Project to be used for commercial purposes including all parts of the Project designated as Commercial by this Declaration, as amended and supplemented, including the Commercial Units and Limited Common Elements-Commercial, but not the Residential Project.

2.10 “Commercial Unit” means a Condominium Unit designated Commercial by this Declaration, as amended and supplemented, and which is for commercial, office, retail and other non-residential uses, and not the Residential Units, Garage Units or Storage Units. A Commercial Unit may be labeled with the suffix “C” on the Map. Any Condominium Unit designated as Commercial by this Declaration shall be subject to the reserved right of Declarant to re-designate the type of use allowed.

2.11 “Common Elements” means all of the Project, except the Individual Air Space Units, and including, without limiting the generality of the foregoing, the following components:

2.11.1 The Property, excluding improvements on the Property unless specifically described in this subsection;

2.11.2 The Building (including, but not by way of limitation, the foundations, columns, girders, beams, supports, perimeter and supporting walls, chimneys, flues, chimney chases, roofs, patios, decks, balconies, corridors, lobbies, vestibules, entrances and exits; and the mechanical installations of the Building consisting of the equipment and material making up any central services such as power, light, gas, hot and cold water, sewer and heating, ventilation and central air conditioning which exist for use by one or more of the Owners, including the pipes, vents, ducts, flues, cable conduits, wires, telephone wires and other similar utility installations used in

connection therewith and the areas designated on the Map as including those installations; trash rooms and storage rooms; elevator and stairs), except for the Individual Air Space Units;

2.11.3 The yards, sidewalks, walkways, parking areas, paths, grass, shrubbery, trees, plants, driveways, roadways, landscaping, gardens and related facilities upon the Property;

2.11.4 The pumps, tanks, motors, fans, storm drainage structures, compressors, ducts, and in general, all apparatus, installations and equipment of the Building existing for use of one or more of the Owners; and

2.11.5 In general, all other parts of the Project designated by Declarant as Common Elements and existing for the use of one or more of the Owners. The Common Elements shall be owned by the Owners of the separate Condominium Units, each Owner of a Condominium Unit having an undivided interest in the Common Elements as provided below.

2.12 “Common Expense(s)” means and includes the following:

2.12.1 Expenses of administration, insurance, operation and management, improvement, repair or replacement of the Common Elements, except to the extent such repairs and replacements are responsibilities of an Owner, as delineated in Section 9.2 below;

2.12.2 Expenses declared Common Expenses by the provisions of this Declaration or the Bylaws of the Association;

2.12.3 All sums lawfully assessed against the Condominium Units by the Executive Board;

2.12.4 Expenses agreed upon as Common Expenses by the members of the Association; and

2.12.5 Expenses provided to be paid by the Residential Owners and / or Commercial Owners in accordance with the terms of this Declaration pursuant to their joint or respective Management Agreements, as the case may be, for the maintenance of the General Common Elements, the Limited Common Elements-Residential and / or the Limited Common Elements-Commercial.

2.13 “Condominium Map” or “Map” means the Condominium Map of La Riva del Lago Condominiums which is an engineering survey or surveys of the Property locating the Condominium Units in the Building and the Building on the Property, and depicting the floor plans of the Condominium Units, together with other drawings or diagrammatic plans and information regarding the Property as may be included in the discretion of the Declarant, as recorded by Declarant in the Office of the Clerk and Recorder of Summit County, Colorado.

2.14 “Condominium” or “Unit” or “Condominium Unit” means (1) with respect to either a Residential Unit or a Commercial Unit, the fee simple interest in and to an Individual Air Space Unit, together with the undivided interests in the Common Elements appurtenant to the Individual Air Space Unit, as specified in Exhibit B attached hereto and incorporated herein by this reference; (2) with respect to a Garage Unit, any Garage Unit designated for the exclusive use of an Owner by this Declaration or designated on the Map as a Garage Unit, the boundaries of which are defined on the Map and in this Declaration, which interest shall not be a fee simple ownership interest in and to the Garage Unit, but shall entitle the Owner thereof solely to the exclusive use of such Garage Unit; and (3) with respect to a Storage Unit, any unit designated for the exclusive use of an Owner by this Declaration or designated on the Map as a Storage Unit, the boundaries of which are defined on the Map and in this Declaration, which interest shall not be a fee simple interest in and to the Storage Unit, but shall entitle the Owner thereof solely to the exclusive use of such Storage Unit. Condominium Unit is also referred to as a “Unit” under the Act. Notwithstanding that the interests in the Garage Units and Storage Units are solely for the exclusive use thereof, such Garage Units and Storage Units for voting and assessment purposes shall be allocated an interest in the Common Elements as designated in Exhibit B attached hereto and incorporated herein by reference, and the Owner entitled to the exclusive use of such Garage Unit or Storage Unit shall have the rights and obligations associated with such an allocated interest in the Common Elements as further defined herein, including the obligation to pay assessments and the right to vote said interest.

2.15 “Declarant” means D.C. Roberts, LLC, a Colorado limited liability company, and its successors and assigns. No party other than Declarant shall exercise the rights and privileges reserved herein to Declarant unless such party shall receive and record in the Office of the Clerk and Recorder of Summit County, Colorado, a written assignment from Declarant of all or a portion of such rights and privileges.

2.16 “Declarant Control Period” means a length of time expiring ten (10) years after initial recording of this Declaration in the County in which the Community is located; provided, that the Period of Declarant Control shall terminate no later than either sixty (60) days after conveyance of seventy-five percent (75 %) of the Condominium Units that may be created to Owners other than a Declarant or Declarant’s members, two (2) years after the last conveyance of a Condominium Unit by the Declarant in the ordinary course of business, or two (2) years after any right to add new Condominium Units to the Declaration was last exercised.

2.17 “Declaration” means this Condominium Declaration of La Riva del Lago Condominium Association, together with any supplement or amendment to this Declaration recorded in the Office of the Clerk and Recorder of the Summit County, Colorado.

2.18 “Director” means a member of the Executive Board.

2.19 “Director at Large” means the Director chosen by all of the Owners collectively in accordance with the procedures set forth in Article 6 below and the Bylaws of the Association.

2.20 “Executive Board,” “Board” or “Board of Directors” means the governing body of the Association, as provided in this Declaration and in the Articles of Incorporation and Bylaws of the Association.

2.21 “First Mortgage” means a Mortgage that has priority of record over all other recorded liens, except those governmental liens made superior by statute (such as general ad valorem tax liens and special assessments).

2.22 “First Mortgagee” means the Mortgagee under a First Mortgage.

2.23 “Garage Unit” means any of the parking spaces located within the Parking Garage designated as a “Garage Unit” by this Declaration or on the Map (initially label as “PARKING SPACES” [fully capitalized] on the Map, as distinguished from the defined term “Parking Spaces”). The following are designated as the boundaries of each Garage Unit, as set forth below and depicted in the Map: the Upper Boundary is the horizontal plane of the unfinished lower surface of the ceilings, extended to an intersection with the vertical perimeter boundaries; the Lower Boundary is the horizontal plane of the undecorated finished upper surfaces of the garage floor extended to an intersection with the vertical perimeter boundaries; the Vertical Perimeter Boundaries are the planes defined by the boundary lines shown on the Map between or as a part of each garage parking space, including perimeter walls or areas depicted on the Map as finished inner surfaces of poured concrete or other exterior wall or an outside unfinished surface of a wall. References in the Association Documents to the “ownership” of a Garage Unit by an Owner shall refer to the ownership of the exclusive right to use such Garage Unit and shall not indicate fee-simple ownership of such Garage Unit.

2.24 “General Common Elements” means the Common Elements, except for Limited Common Elements. The roof of the Project shall be considered a General Common Element.

2.25 “Individual Air Space Unit” means, with respect to a Residential Unit or a Commercial Unit, that portion of a single Condominium Unit designated for separate ownership by an Owner as depicted on the Map and consisting of enclosed rooms and bounded by the interior surfaces of the Unfinished Perimeter Walls, Unfinished Ceiling and Unfinished Floor, and the doors and windows thereof; provided, however, Commercial Units may not be bounded on all sides by walls, in which case, the boundaries on such sides of an Individual Air Space Unit shall be those boundaries as are designated on the Map. For the purposes of defining an Individual Air Space Unit, the terms set forth below shall be defined as follows:

2.25.1 “Unfinished Perimeter Wall” means the studs, supports and other wooden, rental or similar structural materials which constitute the interior face of a wall of an Individual Air Space Unit;

2.25.2 “Unfinished Ceiling” means the beams, joists and wooden or other structural materials which constitute the ceiling of an Individual Air Space Unit; and

2.25.3 “Unfinished Floor” means the beams, floor joists, floor deck material and concrete which constitute the floor of an Individual Air Space Unit.

An Individual Air Space Unit shall include any drywall, wall paneling, wood, tile, paint, paper, carpeting or any other wall, ceiling or floor covering, windows and window frames, shutters, awnings, doorsteps, stoops, doors and door frames. An Individual Air Space Unit shall also include any fireplace (but excluding any chimney and / or flue). An Individual Air Space Unit shall further include fixtures and hardware and all improvements contained within the unfinished perimeter walls, ceilings and floors. An Individual Air Space Unit shall include any heating and refrigerating elements or related equipment, utility lines and outlets, electrical and plumbing fixtures, pipes and all other related equipment required to provide heating, air conditioning, hot and cold water, electrical or other utility services to the Individual Air Space Unit and located within the unfinished walls, ceilings and floors; provided, however, that an Individual Air Space Unit shall not include any of the structural components of the Building or utility or service lines located within the Individual Air Space Unit but serving more than one Individual Air Space Unit.

2.26 “Limited Common Elements” means those parts of the Common Elements which are limited to and reserved for the use of the Owners of one or more, but fewer than all, of the Condominium Units, including both the Limited Common Elements-Residential and Limited Common Elements-Commercial. Limited Common Elements which are reserved for the exclusive use of all or certain Residential Owner(s) are defined as “Limited Common Elements-Residential” or “L.C.E.-R.” on the Map, and Limited Common Elements which are reserved for the exclusive use of all or certain Commercial Owner(s) are defined as “Limited Common Elements-Commercial” or “L.C.E.-C.” on the Map. The snow melt system, plaza deck, and fire valve and system located in the Residential Project shall be considered a Limited Common Element-Residential. The fire valve and system located in the Commercial Project shall be considered a Limited Common Element-Commercial.

Without limiting the foregoing, the Limited Common Elements shall include: any balcony, deck, patio, entryway or porch adjacent to an Individual Air Space Unit; Storage Units designated for the exclusive use of a Condominium Unit or Condominium Units, storage spaces which may be designated as Limited Common Elements on the Map or otherwise designated as such by the Association; Parking Spaces or Garage Units which may be designated as Limited Common Elements on the Map or as otherwise provided herein, or Garage Units which are assigned to or appurtenant to a particular Condominium Unit or Condominium Units, or to which the right to the exclusive use of which is conveyed by the Declarant to a third party (in the case of excess Garage Units) or to the Owner of a Condominium Unit or Condominium Units as provided herein; and any individual chimneys and flues, individual heating, ventilation and air conditioning units and fixtures, and individual water and sewer service lines, water heaters and any plumbing or other installation servicing an Individual Air Space Unit, and other areas and improvements designated as Limited Common Elements on the Map. The deck, balcony or patio and the fireplace chimneys which are accessible from, associated with and which adjoin a particular Individual Air Space Unit, without further reference thereto, shall be used in connection with such Individual Air Space Unit to the exclusion of the use thereof by the other Owners, except by invitation of such Owner. No reference thereto need be made in any instrument of conveyance, encumbrance or other instrument.

2.27 “Management Agreement” means any contract(s) or arrangement(s) entered into for purposes of discharging the responsibilities of the Executive Board, the Residential Directors or the Commercial Directors, as the case may be, relative to the operation, maintenance and management of the Project or of the Residential Project and / or Commercial Project.

2.28 “Managing Agent” means a person, firm, corporation or other entity employed or engaged as an independent contractor pursuant to a Management Agreement to perform management services for the Project, Residential Project and / or the Commercial Project.

2.29 “Maximum Rate” shall mean simple interest at the rate of eighteen percent (18 %) per annum or such other lawful amount designated by the Executive Board not to exceed the maximum rate allowed by law.

2.30 “Mortgage” means any unpaid and outstanding mortgage, deed of trust or other security instrument recorded in the Office of the Clerk and Recorder of Summit County, Colorado, which secures financing for the construction or development of the Project or which encumbers a Condominium Unit.

2.31 “Mortgagee” means any person or entity named as a mortgagee or beneficiary under any Mortgage, or any successor to the interest of any such person under such Mortgage.

2.32 “Owner” means any record owner (including Declarant, and including a contract seller, but excluding a contract purchaser), whether a natural person or persons, or an entity, of a fee simple interest in and to any Condominium Unit; excluding, however, any record owner with an interest therein merely as a Mortgagee (unless such Mortgagee has acquired fee simple title interest in the Condominium Unit pursuant to foreclosure or any proceedings in lieu of foreclosure). Provided, however, that, in the case of Garage Units and Storage Units, references in the Association Documents to the “ownership” or Owner of a Garage Unit or Storage Unit shall refer solely to the ownership of the exclusive right to use such Garage Unit or Storage Unit and shall not indicate fee-simple ownership of such Garage Unit or Storage Unit.

2.33 “Parking Garage” means the enclosed parking structure located within the Project containing seventy five (75) parking spaces, each such parking space located within the Parking Garage designated a Garage Unit (as defined herein and distinguished from Parking Spaces as defined herein).

2.34 “Parking Spaces” means parking spaces located within the Project, but not located within the Parking Garage. Parking spaces located within the Parking Garage shall not be considered Parking Spaces even if labeled as a parking space or “PARKING SPACE” on the Map, such parking spaces located within the Parking Garage shall each be considered Garage Units (as defined herein).

2.35 “Project” means the whole of the mixed-use condominium project, consisting of the Residential Project, Commercial Project, and General Common Elements located in the Town of Dillon, Summit County, State of Colorado having a street address of 135 Main Street, Dillon, Colorado 80435.

2.36 “Property” means the real property described in the attached Exhibit A.

2.37 “Residential” means any part of the Project to be used for residential purposes, specifically including, but not limited to, the areas marked with the suffix “R” on the Map.

2.38 “Residential Director” mean any member of the Executive Board elected by exclusively the Residential Owners in accordance with the procedures set forth in Article 6 below and in the Bylaws of the Association.

2.39 “Residential Owners” means those Owners of Residential Units within the Project.

2.40 “Residential Project” means that part of the Project to be used for residential purposes including all parts of the Project designated as Residential by this Declaration, as amended and supplemented, including the Residential Units and Limited Common Elements-Residential, but not the Commercial Project.

2.41 “Residential Unit” means a Condominium Unit designated as Residential by this Declaration, as amended and supplemented, including the Garage Units and Storage Units, but not the Commercial Units. A Residential Unit may be labeled with the suffix “R” on the Map. Any Condominium Unit designated as Residential by this Declaration shall be subject to the reserved right of Declarant to re-designate the type of use allowed.

2.42 “Rules and Regulations” means the rules and regulations of the La Riva del Lago Condominiums, as amended and supplemented.

2.43 “Special Declarant Rights” means those rights reserved by Declarant in Article 19 hereof or described elsewhere in this Declaration. All of such Special Declarant Rights may be exercised by Declarant with respect to any portion of the Property now or hereafter within the Project. Declarant may exercise any or all Special Declarant Rights at any time and from time to time. Such Special Declarant Rights shall terminate automatically on

the earlier of the following events: (a) conveyance of the last Condominium Unit by Declarant to an Owner other than Declarant; or (b) twenty (20) years from the date of recordation of this Declaration, except that such Special Declarant Rights shall not terminate automatically with respect to the appointment of officers and Directors, which may only be exercised in accordance with Article 6 hereof, and such Special Declarant Right's to change undivided interests to all Condominium Units due to the addition of Condominium Units shall expire seven (7) years after this Declaration is recorded.

2.44 “Storage Unit” means any of the Units designated as a “Storage Unit” by this Declaration or on the Map. The following are designated as the boundaries of each Storage Unit, as set forth below and depicted in the Map: the Upper Boundary is the horizontal plane of the unfinished lower surface of the ceilings, extended to an intersection with the vertical perimeter boundaries; the Lower Boundary is the horizontal plane of the undecorated finished upper surfaces of the storage floor extended to an intersection with the vertical perimeter boundaries; the Vertical Perimeter Boundaries are the planes defined by the boundary lines shown on the Map between or as a part of each Storage Unit, including perimeter walls or areas depicted on the Map as finished inner surfaces or other exterior wall or an outside unfinished surface of a wall. References in the Association Documents to the “ownership” of a Storage Unit by an Owner shall refer to the ownership solely of the exclusive right to use such Storage Unit and shall not indicate fee-simple ownership of such Storage Unit.

2.45 “Successor Declarant” means any party or entity to whom Declarant assigns any or all of its rights, obligations or interest as Declarant, as evidenced by an assignment or deed of record executed by both Declarant and the transferee or assignee and recorded in the Office of the Clerk and Recorder of Summit County, Colorado, designating such party as a Successor Declarant. Upon such recording, Declarant’s rights and obligations under this Declaration shall cease and terminate to the extent provided in such document.

Each capitalized term not otherwise defined in this Declaration or in the Map shall have the same meanings specified or used in the Act.

ARTICLE 3

DIVISION OF PROJECT INTO CONDOMINIUM OWNERSHIP

3.1 Division Into Condominium Units. Each of the initial Condominium Units identified on Exhibit B and each Condominium Unit that is created or added to the Project pursuant to the exercise of Declarant’s reserved rights, shall consist of a fee simple interest in an Individual Air Space Unit and an undivided fee simple interest in the Common Elements in accordance with the respective undivided interests in the Common Elements as set forth and allocated in Exhibit B attached hereto. The allocations are based on an initial percentage allocation to each area of the Project based on value as determined in the sole and absolute discretion of the Declarant (i.e. Commercial Units, Residential Units, Garage Units, and Storage Units, provided that interests in Garage Units and Storage Units are solely for the exclusive use of such Garage Units and Storage Units, respectively, and not designations of fee-simple ownership interests thereto notwithstanding that the Owners of such Garage Unit(s) or Storage Unit(s) shall be entitled to vote the allocated interest designated in Exhibit B); each such Project area allocation is then pro-rated, as applicable, based on either square footage of each Condominium Unit to the total square footage for such area of the Project or, in the case of Garage Units and Storage Units, pro-rated based on the number of Garage Units or Storage Units owned to the number of total Garage Units or Storage Units, respectively, available for such Project area. The final values are stated as a percentage ownership of G.C.E., L.C.E.-R, and L.C.E.-C. Such undivided interests in the Common Elements are hereby declared to be appurtenant to the respective Condominium Units. Declarant has reserved the right (but not the obligation) to create and add Condominium Units as set forth in Article 19 hereof, provided that the maximum number of Condominium Units shall not exceed the number set forth in Section 1.3 hereof. The value allocations contained in Exhibit B, while made in good faith by Declarant, are of subjective nature and may be considered arbitrary. By acceptance of a Unit, Owners expressly waives any right to object to such allocation as well as claims against Declarant or Declarant’s members that such allocation is improper.

3.2 Delineation of Condominium Unit Boundaries. The boundaries of each Individual Air Space Unit are delineated and designated by an identifying number on the Map, and those numbers are set forth in Exhibit B.

3.3 Inseparability of Condominium Unit. No part of a Condominium Unit or of the legal rights comprising ownership of a Condominium Unit may be partitioned or separated from any other part thereof during the period of condominium ownership prescribed in this Declaration. Subject to Section 3.1 above and the provisions contained herein providing for the transfer of Garage Units and Storage Units, each Condominium Unit shall always be conveyed, transferred, devised, bequeathed, encumbered and otherwise affected only as a complete Condominium Unit. Every conveyance, transfer, gift, devise, bequest, encumbrance or other disposition of a Condominium Unit or any part thereof shall be presumed to be a disposition of the entire Condominium Unit, together with all appurtenant rights and interests created by law or by this Declaration, provided that Garage Units and Storage Units may be independently transferred in accordance with the provisions contained herein subject to the specified limitations and restrictions.

3.4 Nonpartitionability of Common Elements. Subject to the provisions of this Article 3 and Article 5 below, the Common Elements shall be owned in common by all of the Owners and shall remain physically undivided; provided, however (a) the Limited Common Elements-Residential shall be for the exclusive use, enjoyment and control by all of the Residential Owners (unless it is a Limited Common Element appurtenant to a particular Residential Unit or Residential Units or otherwise designated for the exclusive use of an Owner as provided herein); and (b) the Limited Common Elements-Commercial shall be for the exclusive use, enjoyment and control by all of the Commercial Owners (unless it is a Limited Common element appurtenant to a particular Commercial Unit or Commercial Units or otherwise designated for the exclusive use of an Owner as provided herein). No Owner shall bring any action for partition or division of the Common Elements. By acceptance of a deed or other instrument of conveyance or assignment to a Condominium Unit, each Owner of the Condominium Unit shall be deemed to have specifically waived such Owner's right to institute or maintain a partition action or any other cause of action designed to cause a division of the General Common Elements, the Limited Common Elements-Residential or Limited Common Elements-Commercial; provided, however, the sale or conveyance of a Condominium Unit (including the appurtenant share of the Common Elements) as an undivided property, in association with an action for partition, shall be permitted, and except as so provided, this Section 3.4 may be pleaded as a bar to the maintenance of such an action. Any Owner who shall institute or maintain any such action shall be liable to the Association and hereby agrees to reimburse the Association for the Association's costs, expenses and reasonable attorneys' fees in defending any such action. Such amounts shall automatically become a default Assessment determined and levied against such Owner's Condominium Unit and enforced by the Association in accordance with Sections 8.10, 8.11 and 8.12 below.

Notwithstanding the foregoing, the Association shall have the right to dedicate, sell or otherwise transfer all or any part of the Common Elements to the fullest extent permitted under the Act. The granting of easements by a majority of voting Directors of the Executive Board, including the approval of at least one (1) Residential Director and one (1) Commercial Director, for public utilities, for access by pedestrians or for other public purposes not inconsistent with the intended use of the Common Elements shall not be deemed a transfer requiring any consent of the Owners.

ARTICLE 4 CONDOMINIUM MAP

4.1 Condominium Map. The Map shall be filed for record in the Office of the Clerk and Recorder of Summit County, Colorado. Any Map filed subsequent to the first Map shall be termed a supplement or an amendment to such Map, and the numerical sequence of such supplements shall be shown thereon. The Map shall be filed for record following substantial completion of those portions of the Building subject to this Declaration and prior to the conveyance of any Condominium Unit depicted on the Map to a purchaser. The Map shall show the location of the Building on the Property; the floor and elevation plans; the location of the Condominium Units within the Building, both horizontally and vertically; the thickness of the common walls, if any, between or separating the Condominium Units one from the other or from Common Elements, as applicable; the Condominium Unit designations; designation of General Common Elements and Limited Common Elements; and such other information as Declarant may require in its discretion. The Map shall contain a certificate of a registered professional engineer, licensed architect or a licensed land surveyor certifying that the Map substantially depicts the location and the horizontal and vertical measurements of the Building and the Condominium Units, the dimensions of the Condominium Units and the elevations of the unfinished floors and ceilings, as constructed, and certifying that such Map is prepared subsequent to the substantial completion of the improvements. Each supplement or

amendment shall set forth a like certificate when appropriate. The Map shall further contain such other information, certifications and depictions as may be required under C.R.S. § 38-33.3-209 of the Act.

4.2 Amendment. Declarant reserves the right to amend the Map, from time to time, to the fullest extent permitted under the Act.

ARTICLE 5 OWNERS' PROPERTY RIGHTS IN COMMON ELEMENTS

5.1 General Common Elements. Every Owner and the family members, guests, invitees, tenants, permittees and licensees of each Owner shall have a perpetual right and easement of access over, across and upon the General Common Elements and, as necessary, the Limited Common Elements, for the purpose of entering and exiting such Owner's Condominium Unit, Garage Unit, or Storage Unit and the public ways for both pedestrian and vehicular travel, which right and easement shall be appurtenant to and pass with the transfer of title to such Condominium Unit; provided, however, that such right and easement shall be subject to the following:

5.1.1 The covenants, conditions, restrictions, easements, reservations, rights-of-way and other provisions contained in this Declaration and the Condominium Map;

5.1.2 The right of the Association to regulate on an equitable basis the use of unassigned Parking Spaces (as defined herein), which may be designated as General Common Elements, Limited Common Elements-Residential or Limited Common Elements-Commercial from time to time, but shall initially all be designated as Limited Common Elements-Commercial. Following the period of Declarant control, re-designation of such Parking Spaces to other than Limited Common Elements-Commercial shall require, in addition to an affirmative vote of a majority of the Executive Board, the affirmative vote of at least sixty-seven percent (67 %) of the Commercial Owners. Notwithstanding any other provision of this Declaration, during the period of Declarant control, Declarant shall be permitted to sell, transfer or other convey the right to the exclusive use of any Parking Space to an Owner;

5.1.3 The right of the Association to adopt, from time to time, rules and regulations concerning vehicular traffic and travel upon, in, under and across the Project; and

5.1.4 The right of the Association to adopt, from time to time, any and all rules and regulations concerning the Common Elements as the Association may determine are necessary or prudent, subject to the terms of Section 7.7 and Article 13 hereof.

Notwithstanding the foregoing, the Association shall take no action which unreasonably restricts any Owner's or Owner's family members', guests', invitees', tenants', permittees' and licensees' right and easement of access over, across and upon the Common Elements to such Owner's Condominium Unit(s).

5.2 Limited Common Elements.

5.2.1 Use and Enjoyment. Subject to the provisions of this Declaration, every Owner shall have the exclusive right to use and enjoy the Limited Common Elements appurtenant to such Owner's Condominium Unit or otherwise designated for the exclusive use of an Owner as provided herein. The Map shall designate Limited Common Elements as may be required by the Act and may specify to which Condominium Unit or Condominium Units each Limited Common Element is allocated. All Limited Common Elements-Residential are appurtenant to all Residential Units and all Limited Common Elements-Commercial are appurtenant to all Commercial Units unless the Map specifies to which Condominium Unit or Condominium Units the Limited Common Element is allocated, or the right to the exclusive use of such Limited Common Element has been conveyed to an Owner or otherwise made appurtenant to a particular Condominium Unit or Condominium Units, or the right to the exclusive use of such Limited Common Element is otherwise set forth in a recorded supplement or amendment to this Declaration.

5.2.2 Parking. Parking Spaces (as defined herein and distinguished from Garage Units) may be designated on the Map as General Common Elements or Limited Common Elements, but shall initially be

designated Limited Common Elements-Commercial, subject to reasonable regulation by the Association, including, by way of example and not by way of limitation, restrictions on the use of Parking Spaces to a certain class of Owners, guests, commercial patrons, or certain other designated or specified third parties. Following the period of Declarant control, re-designation of such Parking Spaces to other than Limited Common Elements-Commercial shall require, in addition to an affirmative vote of a majority of the Executive Board, the affirmative vote of at least sixty-seven percent (67 %) of the Commercial Owners. Notwithstanding any other provision of this Declaration, during the period of Declarant control, Declarant shall be permitted to sell, transfer or other convey the right to the exclusive use of any Parking Space to an Owner.

Garage Units (as defined herein and distinguished from the defined term "Parking Spaces") shall be designated as Limited Common Elements-Residential on the map and shall be deemed appurtenant to the Condominium Unit(s) to which such Garage Unit is assigned and shall be reserved for the exclusive use the Owner(s) of such Condominium Unit and the family members, tenants, guests, lessees, licensees, permittees and invitees of the Owners of such Condominium Unit(s), or in the case of the excess Garage Units, the exclusive right to use such Garage Unit shall be permitted to be freely transferred as otherwise provided herein and shall not be considered appurtenant to any Condominium Unit unless expressly designated as such in the instrument of transfer. Any such designation of a Parking Space or Garage Unit as an exclusive Limited Common Element shall not be construed as granting any Owner of a Condominium Unit a fee-simple ownership interest in such Parking Space or Garage Unit.

All remaining Parking Spaces (as defined herein and distinguished from Garage Units) that are not expressly designated as Limited Common Elements shall be designated as Limited Common Elements-Commercial and subject to regulation by the Executive Board of the Association and subject to Declarant's reserved rights.

Residential Units are permitted to have no less than a combined total of one (1) designated Parking Space or Garage Unit for a one bedroom Residential Unit; and no less than a combined total of two (2) designated Parking Spaces or Garage Units for a two (2) or three (3) bedroom Residential Unit. Designated Parking Spaces or Garage Units may only be transferred to other Commercial or Residential Unit Owners, provided the above minimum requirements are still satisfied after the transfer of such designated Parking Space or Garage Unit and the transfer otherwise complies with the provisions of the governing documents. Transfers of Parking Spaces or Garage Units in violation of this provision shall be void. A "transfer" of a Garage Unit under this Section shall mean the transfer of the exclusive right to use such designated Parking Space or Garage Unit and shall not constitute a transfer of a fee-simple ownership interest. The Association shall be notified within thirty (30) days of any such transfer. Notwithstanding any other provision of this Declaration, the exclusive right to use an initially unassigned, excess Garage Unit numbered in the "400" range of the Map may be freely transferred to any party, whether or not an Owner, by the Owner of such excess Garage Unit unless such transfer will cause a Residential Unit to which such excess Garage Unit is designated to in the future, if any, to be in violation of the first sentence of this paragraph following the transfer of the exclusive right to use.

5.2.3 Re-designation of Limited and General Common Elements. The Declarant reserves, for itself, during the Declarant Control Period, the right to allocate areas as Common Elements, and further, to allocate areas which constitute a part of any Common Elements as Limited Common Elements for the exclusive use of the Owners of Units to which those specified areas shall become appurtenant. This reserved right of the Declarant shall be deemed transferred to the Association upon the sale of all Condominium Units, upon the expiration of the Declarant Control Period or assignment by the Declarant to the Association, whichever occurs first. The Declarant or the Association may allocate or assign General Common Elements or Limited Common Elements (i) in a recorded instrument; (ii) by recording an appropriate amendment or supplement to this Declaration; or (iii) by recording a supplement to the Map. The Declarant further reserves, for itself, during the Declarant Control Period, and thereafter, to the Association, the right to lease, license or permit areas designated as Common Elements, for exclusive parking of an Owner or class of Owners. The allocations by the Declarant or the Association, as provided for by this paragraph, may be made as a matter of reserved right by the Declarant or the Association. Specifically, Declarant or the Association may assign certain improved Common Elements for parking by an Owner or class of Owners.

ARTICLE 6
MEMBERSHIP AND VOTING RIGHTS IN ASSOCIATION

6.1 Association Membership. Every Owner shall be a member of the Association and shall remain a member for the period of the Owner's ownership of a Condominium Unit. No Owner, whether one or more persons, shall have more than one membership per Condominium Unit owned, but all of the persons owning a Condominium Unit shall be entitled to rights of membership and of use and enjoyment appurtenant to ownership of a Condominium Unit. Membership in the Association shall be appurtenant to, and may not be separated from, ownership of a Condominium Unit. However, any Owner may appoint, in a written instrument furnished to the secretary of the Association, a delegate to exercise the rights of such Owner as a member of the Association, and in the event of such appointment, the delegate shall have the power to cast votes on behalf of the Owner as a member of the Association, subject to the provisions of and in accordance with the procedures more fully described in the Bylaws of the Association.

6.2 Classes of Membership. There shall be two (2) classes of membership in the Association as follows:

6.2.1 Residential Unit Members. All Owners of Residential Units or Owners of the exclusive right to use a Garage Unit or Storage Unit, including Declarant, so long as Declarant continues to own an interest in a Residential Unit or the right to the exclusive use of a Garage Unit or Storage Unit; and

6.2.2 Commercial Unit Members. All Owners of Commercial Units, including Declarant, so long as Declarant continues to own an interest in a Commercial Unit.

6.3 Voting Rights. Each Condominium Unit shall be allocated a number of votes for the purpose of matters relating to the General Common Elements or the Project as a whole equal to the same number which is described as a percentage interest in the General Common Elements allocated to each Condominium Unit as set forth in Exhibit B attached hereto. In addition, each Residential Unit shall be allocated the number of votes for the purpose of matters relating to the Limited Common Elements-Residential or the Residential Project equal to the percentage interest in such Limited Common Elements-Residential allocated to such Condominium Unit as set forth in Exhibit B attached hereto. Each Commercial Unit shall be allocated the number of votes for the purpose of matters relating to the Limited Common Elements-Commercial or the Commercial Project equal to the percentage interest in such Limited Common Elements-Commercial allocated to such Condominium Unit as set forth in Exhibit B. The Association shall not have a vote with respect to any Condominium Unit which may be owned by it. Declarant shall be entitled to vote with respect to Units owned by it. All members of the Association shall be entitled to vote on all matters affecting the Project which are required by this Declaration or the Act to be submitted to the vote of the Owners; provided, however, certain issues relating to the operation and maintenance of the Project do and may affect only the valid interest of either the Residential Owners or the Commercial Owners, such as the operation and maintenance solely of the Limited Common Elements-Residential or solely the Limited Common Elements-Commercial, as the case may be. In such cases, the voting of each class of Residential Owners and Commercial Owners shall be subject to the provisions of Sections 6.3.1, 6.3.2 and 6.3.3. In addition, it is hereby determined that in order to protect the valid interests of the two (2) classes Owners, comprised of the Residential Owners and the Commercial Owners, each class requires representation on the Executive Board and is hereby entitled to elect certain Directors thereto. The Association shall use secret ballots for voting if requested by twenty percent (20 %) of Owners present at the meeting or represented by proxy. Ballots must be counted by a neutral third party or by a committee of volunteers comprised of Owners who are fairly selected at an open meeting, provided that such volunteers may not be Board members.

In order to protect the legitimate, distinct interests of both the Residential Owners and the Commercial Owners, the following matters shall be voted by each class of Residential Owners and Commercial Owners:

6.3.1 Election of Directors. During the Declarant Control Period, as more particularly described in Section 6.4 below and in the Bylaws of the Association, the Directors shall be appointed by the Declarant without regard to the classes of Directors or the election thereof by certain classes of members as described in this subsection below. The initial Executive Board shall consist of one (1) to three (3) person(s); the exact number of Directors to be determined in the Declarant's sole and absolute discretion. After expiration of the

Declarant Control Period, the Executive Board shall consist of five (5) Directors, of which the Residential Owners shall be entitled to nominate and elect by majority vote two (2) of the five (5) Directors, the Commercial Owners shall be entitled to nominate and elect by majority vote two (2) of the five (5) Directors and the Owners collectively shall be entitled to nominate and elect one (1) Director at Large. The Association shall use secret ballots in contested Board member elections and in other matters if requested by twenty percent (20 %) of Owners present at the meeting or represented by proxy. Ballots must be counted by a neutral third party or by a committee of volunteers comprised of Owners who are fairly selected at an open meeting. Volunteers may not be Board members or, in contested elections, candidates.

6.3.2 Approval of Budget. Each class of Owners shall have the exclusive right of approval of that portion of the budget pertaining to the Limited Common Elements related to such class and each class may operate independently of the other in the approval thereof. The Commercial Owners shall have the exclusive right of approval of that portion of the budget pertaining to the General Common Elements.

6.3.3 Valid Class Interests. In addition to the foregoing, should the Executive Board deem a particular matter which is required by this Declaration or the Act to be submitted to the vote of the Owners to affect exclusively one class of membership of the Association, the Executive Board may give notice of a meeting of either the Residential Owners or the Commercial Owners exclusively and conduct a vote on the matter affecting only that class in order to protect the legitimate, valid interest of such class. Any determination by the Executive Board that a matter should be for the consideration of all Owners and not solely for the independent consideration of either the Residential Owners or the Commercial Owners, shall require, in addition to the affirmative vote of a majority of voting Directors of the Executive Board, the affirmative vote of at least one (1) Residential Director and one (1) Commercial Director. If (a) a vote by the Executive Board to determine whether a matter should be for the consideration of all Owners results in an affirmative vote of a majority of voting Directors, but fails to result in the affirmative vote of at least one (1) Residential Director and one (1) Commercial Director; and (b) a majority of all Directors' votes within fifteen (15) days thereafter to submit such issue to arbitration, then the issue of whether a matter should be considered by all Owners shall be submitted to binding arbitration in the City and County of Denver, Colorado, in accordance with the rules of the American Arbitration Association then in effect. The decision of the arbitration shall be final and binding on the parties and judgment may be entered thereon in a court having jurisdiction over the Association. The arbitrator shall be appointed by the Executive Board, which appointment shall require, in addition to the affirmative vote of a majority of voting Directors, the affirmative vote of at least one (1) Residential Director and one (1) Commercial Director. In the event the Executive Board is unable to do so within ten (10) days of submitting this matter to arbitration, the arbitrator shall be designated by the chief judge in the District Court of the City and County of Denver, Colorado. The costs and expenses of the arbitrator shall be deemed an expense of the Association.

Where a vote by a class of membership is called as set forth herein, only those votes attributable to the class eligible to vote on the particular issue will be counted in determining whether the vote will constitute an act of the members of such class.

Notwithstanding any provision in this Declaration or in the Bylaws of the Association, no term pertaining to voting requirements in this Declaration or in the Bylaws shall be construed so as to violate the Act.

6.4 Declarant Control. Declarant shall be entitled to appoint and remove the members of the Executive Board and officers of the Association to the fullest extent permitted by the Act. The specific restrictions and procedures governing the exercise of Declarant's right to so appoint and remove Directors and officers shall be set out in the Bylaws of the Association. Declarant may voluntarily relinquish such power evidenced by a notice recorded in the Office of the Clerk and Recorder for Summit County, Colorado. In such event, Declarant may at its option require that specified actions of the Association or the Executive Board, as described in the recorded notice, during the period Declarant would otherwise be entitled to appoint and remove Directors and officers, be approved by Declarant before they become effective.

6.5 Executive Board. During the Declarant Control Period, all members of the Executive Board shall be authorized to participate in all Association affairs without regard to the provisions of this Section 6.5 and any specific responsibilities of any class of Directors may be undertaken by the entire Executive Board, and the entire Executive Board shall be entitled to so act.

After expiration of the Declarant Control Period, all members of the Executive Board shall be entitled to participate in Association affairs which affect the Project in its entirety, the General Common Elements (except that the G.C.E. budget shall be subject solely to approval of the Commercial Owners), both the Residential Project and the Commercial Project, both the Residential Owners and the Commercial Owners, or the Common Expenses affecting both the Residential Project and the Commercial Project, which matters are the only matters in which the Director at Large shall participate except as provided below in this Section 6.5 in regard to breaking tie votes of either the Residential or Commercial Directors.

The Residential Directors shall have the sole and exclusive authority on all matters which relate solely to the Limited Common Elements-Residential or to the Residential Units; provided, however, in the case of a tie vote of the Residential Directors on such matters, the Director at Large shall cast the deciding vote.

The Commercial Directors shall have the sole and exclusive authority on all matters which relate solely to the Limited Common Elements-Commercial or to the Commercial Units; provided, however, in the case of a tie vote of the Commercial Directors on such matters, the Director at Large shall cast the deciding vote. Any determination by the Directors that a matter should be for consideration of the entire Executive Board, and not for the independent consideration of either or both groups of the Residential Directors and / or the Commercial Directors, shall require, in addition to the affirmative vote of a majority of the voting Directors of the Executive Board, the affirmative vote of at least one (1) Residential Director and one (1) Commercial Director.

If (a) a vote by the Executive Board to determine whether a matter should be for the consideration of the entire Executive Board results in an affirmative vote of a majority of voting Directors, but fails to result in the affirmative vote of at least one (1) Residential Director and one (1) Commercial Director; and (b) a majority of all Directors votes within fifteen (15) days thereafter to submit such issue to arbitration, then the issue of whether a matter should be considered by the entire Executive Board shall be submitted to binding arbitration in the City and County of Denver, Colorado, in accordance with the rules of the American Arbitration Association then in effect. The decision of the arbitration shall be final and binding on the parties and judgment may be entered thereon in a court having jurisdiction over the Association. The arbitration shall be conducted in the same manner as set forth in Section 6.3 hereof, the cost and expense of which shall be deemed an expense of the Association.

Notwithstanding any other term in this Declaration to the contrary, to the extent the provisions of this Declaration require an issue to be submitted to arbitration, and the issue involves an emergency requiring immediate action by the Executive Board, the entire Executive Board shall participate in the decision to take such action as is necessary to advance the interest of the Project as a whole pending the outcome of the arbitration proceeding, at which time such Directors as are determined to be entitled to participate in the decision shall resolve the issue. With respect to matters within the exclusive authority of either the Residential Directors or the Commercial Directors, such action may be taken independently.

6.6 Fairness Standard. The Executive Board, the officers of the Association and the Association shall have the duty to represent the interest of both the Residential Owners and the Commercial Owners in a fair and just manner on all matters that may affect either or both classes of the Residential Owners and the Commercial Owners. In upholding their duties, the Executive Board, the officers and the Association shall be held in their decisions, including without limitation the determination of whether a matter should be for the consideration of all Owners as described in Section 6.3 above or for the consideration of the entire Executive Board as described in Section 6.5 above, to the standards of good faith and reasonableness with respect to such matters, taking into account the effect, if any, of the matter on the Project as a whole.

6.7 Owners' and Association's Address for Notices. All Owners of each Condominium Unit shall have one and the same mailing address to be registered with the Association and used by the Association or other Owners for notices, demands and all other communications regarding Association matters. The Owner or Owners of a Commercial Unit shall furnish such address to the Secretary-Commercial of the Association within five (5) days after transfer of title to the Condominium Unit to such Owner or Owners or within five (5) days after a change in address. The Owner or Owners of a Residential Unit shall furnish such address to the Secretary-Residential of the Association with five (5) days after transfer of title to the Condominium Unit to such Owner or Owners or within five (5) days after a change in address. Such registration shall be in written form and signed by all of the Owners of

the Condominium Unit or by such persons as are authorized by law to represent the interests of all Owners of the Condominium Unit. Notwithstanding the foregoing, the Association shall be entitled to rely upon any such registration or other notice of a change in address of the Owners of a Condominium Unit which is signed by less than all of the Owners of such Condominium Unit.

If no address is registered or if all of the Owners cannot agree, then the address set forth in the deed to the Condominium Unit shall be deemed their registered address until another registered address is furnished as required under this Section 6.7.

If the address of the Condominium Unit is the registered address of the Owners, then any notice shall be deemed duly given if delivered to any person occupying the Condominium Unit or, if the Condominium Unit is unoccupied, if the notice is held and available for the Owners at the principal office of the Association.

Any notice delivered to a First Mortgagee in accordance with the terms of this Declaration shall be sent to the address for such party specified in the First Mortgage unless the First Mortgagee notifies the Association in writing of a different address.

All notices and demands intended to be served upon the Association or the Executive Board shall be sent to the office of the appropriate Managing Agent, or if there is no Managing Agent, to the office of the Association or such other address as the Executive Board may designate from time to time by notice to all of the Owners.

All notices given in accordance with this Section 6.7 shall be given by personal delivery, which shall be effective upon receipt; by overnight courier service, which shall be effective one (1) business day following timely deposit with the courier service, charge prepaid; or by regular, registered or certified mail, postage prepaid, which shall be effective three (3) days after deposit in the U.S. Mail.

ARTICLE 7 ASSOCIATION DUTIES

7.1 Association Management Duties.

7.1.1 Subject to the rights and obligations of Declarant and other Owners as set forth in this Declaration, the Association shall be responsible for the administration and operation of the Project and for the exclusive management, control, maintenance, repair, replacement and improvement of the General Common Elements (including facilities, furnishings and equipment related thereto) and shall keep the same in good, clean, attractive and sanitary condition, order and repair. The expenses, costs and fees of such management, operation, maintenance, improvement and repair by the Association shall be part of the Assessments, and subject to the budget approval procedures of Section 8.6 below, prior approval of the Owners shall not be required in order for the Association to pay any such expenses, costs and fees.

7.1.2 Except as otherwise provided, the Residential Owners, by and through the Association, shall be responsible for the exclusive management, control, maintenance, repair, replacement and improvement of the Limited Common Elements-Residential. The expenses, costs and fees of such management, operation, maintenance and repair of the Limited Common Elements-Residential shall be part of the Assessments to be paid by the Residential Owners for such Limited Common Elements-Residential and, subject to the budget approval procedures of Section 8.6 below, prior approval of the Residential Owners shall not be required in order for the Association to pay any such expenses, costs and fees.

7.1.3 Except as otherwise provided, the Commercial Owners, by and through the Association, shall be responsible for the exclusive management, control, maintenance, repair, replacement and improvement of the Limited Common Elements-Commercial. The expenses, costs and fees of such management, operation, maintenance and repair of the Limited Common Elements-Commercial shall be part of the Assessments to be paid by the Commercial Owners for such Limited Common Elements-Commercial and, subject to the budget approval procedures of Section 8.6 below, prior approval of the Commercial Owners shall not be required in order for the Association to pay any such expenses, costs and fees.

7.1.4 Notwithstanding the foregoing, if any Limited Common Elements-Residential or Limited Common Elements-Commercial are exclusively allocated for the use of one or more Condominium Units, the Owners of such Residential Unit(s) or Commercial Unit(s), as the case may be, such Condominium Unit(s) shall be responsible for any Limited Common Elements-Residential or Limited Common Elements-Commercial assessments, expenses or charges related to such allocated Limited Common Elements; however, the Garage Units and any exterior Limited Common Elements (including, by way of example and not by way of limitation, balconies, decks and patios) shall be maintained by the Association in the same manner as the other Limited Common Elements and shall be assessed against all Owners of such Garage Units or the applicable class of Owners as whole, as the case may be (such charges include, but are not limited to, maintenance, installation, removal, and potential replacement). The Owner(s) of such Garage Unit or Owner(s) entitled to the exclusive use of such exterior Limited Common Element shall, at the Owner's sole expense, also be responsible for keeping the same in a good, clean, sanitary and attractive condition (including, as necessary, keeping such exclusive balconies, decks, and patios free from snow).

7.2 Reserve Account. The Association shall establish and maintain, as part of its budget and out of the installments of the annual Assessments, adequate reserve accounts for maintenance, repair or replacement of those Common Elements that must be replaced on a periodic basis, the reserve funds to be designated for the use of either the General Common Elements, Limited Common Elements-Residential or Limited Common Elements-Commercial and segregated by account in these categories. The Association shall be permitted to invest such reserve funds in low risk investment accounts, money market accounts, savings accounts or similar institutional accounts as determined in good faith to be in the best interests of the Owners by the Association.

7.3 Owner's Negligence. In the event that the need for maintenance, repair or replacement of all or any portion of the Common Elements is caused through or by the negligent or willful act or omission of an Owner, or by any member of an Owner's family, or by an Owner's guests, invitees or tenants, then the expenses incurred by the Association for such maintenance, repair or replacement shall be a personal obligation of such Owner, and if the Owner fails to repay the expenses incurred by the Association within seven (7) days after notice to the Owner of the amount owed, then the failure to so repay shall be a default by the Owner under the provisions of this Section 7.3 and such expenses shall automatically become a default Assessment determined and levied against such Condominium Unit, enforceable by the Association in accordance with Sections 8.10, 8.11 and 8.12 below.

7.4 Delegation of Management and Maintenance Duties. The Residential Directors and the Commercial Directors may delegate all or any part of their powers and duties to one or more Managing Agents, including Declarant. The Residential Directors shall have the exclusive right to determine the Managing Agent for the Residential Project, and the Commercial Directors shall have the exclusive right to determine the Managing Agent for the Commercial Project and the General Common Elements. Notwithstanding the delegation by the Residential Directors or the Commercial Directors to one or more Managing Agents, such Directors shall not be relieved of their responsibilities under this Declaration. The General Common Elements shall be managed by the Managing Agent chosen to manage the Commercial Project. Any agreement for professional management of the Association's business or other contract providing for services of the Declarant shall have a maximum term of three (3) years and any such agreement shall provide for termination by either party thereto, with or without cause and without payment of a termination fee, upon not more than ninety (90) days' prior written notice.

7.5 Acquiring and Disposing of Personal Property. The Association may acquire, own and hold tangible and intangible personal property for the use and benefit of all Owners, exclusively the Commercial Owners, exclusively the Residential Owners, or certain other designated Owners, as the case may be, and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the Owners in the same undivided proportion as their respective undivided interests in the relevant Common Elements. Such interests shall not be transferable except with the transfer of a Condominium Unit. A conveyance of a Condominium Unit shall transfer ownership of the transferor's beneficial interest in such personal property without any reference thereto. Each Owner may use such personal property in accordance with the purposes for which it is intended, without hindering or encroaching upon the lawful rights of other Owners. The transfer of title to a Condominium Unit under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosed Condominium Unit.

7.6 Cooperation with Other Associations. The Association may contract or cooperate with other unit owner associations or entities as convenient or necessary to provide services and privileges, and to fairly allocate costs among the parties utilizing such services and privileges which may be administered by the Association or such other organizations for the benefit of Owners and their family members, guests, tenants and invitees. The costs associated with such efforts by the Association (to the extent not chargeable to other organizations) shall be a Common Expense.

7.7 Issuance of Rules and Regulations. The Residential Directors may make and amend reasonable rules and regulations governing the use and rental of the Residential Units and the use of the Limited Common Elements-Residential, including penalties or fines for the infraction thereof. The Commercial Directors may make and amend reasonable rules and regulations governing the use and rental of the Commercial Units and the use of the Limited Common Elements-Commercial, including penalties or fines for the infraction thereof. The Executive Board may, by a majority of the voting Directors, including the approval of at least one (1) Residential Director and one (1) Commercial Director, make and amend reasonable rules and regulations governing the use and operation of the General Common Elements or the Project as a whole applicable to all Condominium Units, and those rules and regulations which have an effect on a group or one or more individuals within a group of either Commercial Unit Owners or Residential Unit Owners must have the approval of the Directors elected by such group of Owners affected. Notwithstanding the foregoing, any such rules and regulations shall not be inconsistent with the terms of this Declaration, including but not limited to Article 13 hereof. In addition, such rules and regulations shall, when applied to each of the Condominium Units considering the use of such Condominium Unit, be equitable and reasonable as applied to the Condominium Unit with respect to the use thereof.

7.8 Payments to Working Capital Account. The Association or Declarant shall require the first Owner of each Condominium Unit (other than Declarant) to make a nonrefundable payment to the Association in an amount equal to three (3) months installments of annual Assessments at the rate in effect at the time of the sale for the purposes of establishing a working capital fund ("Working Capital Fund"). The Working Capital Fund payment shall be collected and transferred to the Association at the time of closing of the initial sale by Declarant of each Condominium Unit. The Association shall maintain the Working Capital Fund to meet unforeseen expenditures or to acquire additional equipment or services in connection with the General Common Elements or applicable Limited Common Elements and for the benefit of the members of the Association. Such payments to this fund shall not be considered advance payments of annual Assessments and shall not relieve an Owner from making regular payments of Assessments as the same become due. The contribution to the Working Capital Fund shall be non-refundable. Upon transfer of an Owner's Condominium Unit, an Owner shall be entitled to a credit from Owner's transferee (but not from the Association) for the aforesaid contribution to the Working Capital Fund. The Declarant shall not use the Working Capital Fund to defray any of its expenses, reserve contributions, or construction costs while it is in control of the Association.

7.9 Implied Rights. The Association may exercise any and all other rights or privileges given to it by this Declaration, or by the other Association Documents, or as may otherwise be given to it by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to the Association in the Association Documents or reasonably necessary to effectuate any such right or privilege.

7.10 Books and Records of the Association. The Managing Agent or the Executive Board, as the case may be, shall keep detailed, accurate records of the receipts and expenditures affecting the Common Elements and shall maintain such other books and records as may be required under the Act. In the event of multiple Managing Agents, the Managing Agent charged with maintaining the General Common Elements maintain a comprehensive set of books and records affecting both the Commercial and Residential Project, provided that the expense of generating and maintaining such books and records shall be a General Common Expense. The Owners and Mortgagees may inspect the records of receipts and expenditures of the Managing Agent or the Executive Board on reasonable notice during convenient weekday business hours. In addition, the other books, records and papers of the Association, including this Declaration, the Articles of Incorporation and the Bylaws of the Association, as well as any Management Agreement and any rules and regulations of the Association, shall be available for inspection on reasonable notice by any Owner or Mortgagee during convenient weekday business hours.

7.11 Limitation Upon Liability of Association. NOTWITHSTANDING THE DUTY OF THE ASSOCIATION TO MAINTAIN AND REPAIR PORTIONS OF THE PROJECT, AND EXCEPT TO THE EXTENT COVERED BY ASSOCIATION INSURANCE AS DESCRIBED IN ARTICLE 10, THE ASSOCIATION SHALL NOT BE LIABLE TO OWNERS FOR INJURY OR DAMAGE, OTHER THAN FOR THE COST OF MAINTENANCE AND REPAIR, CAUSED BY ANY LATENT CONDITION OF THOSE PORTIONS OF THE PROJECT TO BE MAINTAINED AND REPAIRED BY THE ASSOCIATION, OR CAUSED BY THE ELEMENTS OR OTHER OWNERS OR PERSONS.

7.12 Notice and Comment. Whenever the provisions of this Declaration or of the other governing documents of the Association or the Act require that an action be taken after “Notice and Comment” or “Notice and Hearing,” and at any other time the Board determines, the affected Owners have the right to receive notice of the proposed action and the right to comment orally or in writing. Notice shall be given to each affected Owner in writing delivered personally or by mail to all affected Owners at such address as appears in the records of the Association, or notice shall be published in a newsletter or similar publication which is routinely circulated to all Owners. The notice shall be given not less than three (3) days before proposed action is to be taken. The notice shall invite comment (orally or in writing) to the Board before or at the scheduled time of any meeting or hearing.

7.13 Conflict of Interest. Following the period of Declarant control, Directors shall notify the Members of the Board in all matters that would be a conflict of interest. A Director will not participate in the formation of policy in which a personal or business interest exists or vote to approve a contract in which there is or may be a conflict of interest unless such conflict is announced in an open meeting and is entered into the official records of the Board. Following disclosure of such conflict of interest, the conflicted Director may vote on such policy or contract as otherwise provided under the Association Documents.

ARTICLE 8 ASSESSMENTS

8.1 Covenant of Personal Obligation of Assessments. Declarant, by creating the Condominium Units pursuant to this Declaration, and every other Owner, by acceptance of the deed or other instrument of transfer of Owner’s Condominium Unit (whether or not it shall be so expressed in such deed or other instrument of transfer), is deemed to personally covenant and agree with the Association, and hereby does so covenant and agree to pay to the Association the (a) Annual Assessments; (b) Special Assessments; and (c) Default Assessments applicable to the Owner’s Condominium Unit. No Owner may waive or otherwise escape personal liability for the payment of the Assessments provided for in this Declaration by not using the Common Elements or the facilities contained in the Common Elements or by abandoning or leasing Owner’s Condominium Unit.

8.2 Purpose of Assessments. The Assessments levied by the Association shall be used for the purpose of promoting the health, safety, convenience and general welfare of the Owners, including the improvement and maintenance of the Property and of the services and facilities located on the Property. Proper uses of the Assessments shall include but are not limited to the following:

8.2.1 Repairing, replacing, renovating, improving and maintaining any of the Common Elements not made the responsibility of the Owners by Section 7.1 or Section 7.3 above, Section 9.2 below or other provisions of this Declaration;

8.2.2 Installing, maintaining and repairing underground utilities upon, across, over and under any part of the Project which are not conveyed to and accepted by utility companies;

8.2.3 Furnishing garbage and trash pickup and water, sewer and other common utility services to the Project;

8.2.4 Obtaining and maintaining insurance in accordance with the provisions of Article 10 below;

8.2.5 Establishing and maintaining reserves for repairs, replacement, maintenance, taxes, capital improvements and other purposes;

8.2.6 Carrying out all other powers, rights and duties of the Association specified in the Association Documents;

8.2.7 Providing or making available to some or all of the Condominium Unit Owners the use of recreational amenities, if any, located within the Project; and

8.2.8 Generally addressing any other expenses necessary to meet the primary purposes of the Association.

8.3 Commencement of Assessments. All of the Condominium Units shall be allocated full Assessments, subject to the provisions of Section 8.6 and Section 8.9 below, no later than sixty (60) days after Declarant conveys the first Condominium Unit in the Project to a purchaser.

8.4 Amount of Total Annual Assessments. The total Annual Assessments against all Condominium Units 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 fiscal year, as approved by the Owners pursuant to Section 8.6 below, which estimates may include, among other things, the costs associated with the items enumerated in Section 8.2 above, together with any other costs and fees which may reasonably be expected to be incurred by the Association for the benefit of the Owners under or by reason of the Association Documents. In the event of surplus funds remaining after payment of or provision for Common Expenses and any prepayment of or provision for reserves, the Executive Board may, within its discretion, apply the surplus funds (a) into reserves; (b) toward the following year's Common Expenses; (c) toward a credit to Owners against future assessments or in the form of a distribution; or (d) any combination of the foregoing.

8.5 Apportionment of Annual Assessments. The total Annual Assessments for any fiscal year of the Association shall be assessed to each Condominium Unit as follows:

8.5.1 The Annual Assessment for each Residential Unit, each Garage Unit and each Storage Unit shall be in an amount equal to (a) the percentage interest in the General Common Elements allocated to such Condominium Unit as shown on Exhibit B attached hereto multiplied by the G.C.E. Budget (as defined hereinafter; plus (b) the percentage interest in the Limited Common Elements-Residential allocated to such Unit as shown on Exhibit B attached hereto multiplied by the L.C.E.-R Budget (as defined hereinafter).

8.5.2 The Annual Assessment for each Commercial Unit shall be an amount equal to (a) the percentage interest in the General Common Elements allocated to such Condominium Unit as shown on Exhibit B attached hereto multiplied by the G.C.E. Budget; plus (b) the percentage interest in the Limited Common Elements-Commercial allocated to such Condominium Unit as shown on Exhibit B attached hereto multiplied by the L.C.E.-C Budget (as defined hereinafter).

8.5.3 Any Common Expense associated with the maintenance, repair, or replacement of a Limited Common Element-Residential shall be assessed exclusively against the Residential Units, such assessment to be proportional to such Condominium Unit's percentage interest in the Limited Common Element-Residential to the sum of the percentage interest of all Residential Units to which that Limited Common Element-Residential is assigned.

Any Common Expense associated with the maintenance, repair, or replacement of a Limited Common Element-Commercial shall be assessed exclusively against the Commercial Units, such assessment to be proportional to such Condominium Unit's percentage interest in the Limited Common Element-Commercial to the sum of the percentage interest of all Commercial Units to which that Limited Common Element-Commercial is assigned.

Except as otherwise provided herein, any Common Expense or portion thereof associated with the maintenance, repair, or replacement of a Limited Common Element which is not a

Limited Common Element-Residential or a Limited Common Element-Commercial which benefits fewer than all of the Condominium Units shall be assessed exclusively against the Condominium Units benefited.

8.5.4 Except as otherwise provided herein, any Common Expense or portion thereof benefiting fewer than all of the Condominium Units shall be assessed exclusively against the Condominium Units benefited.

8.5.5 Notwithstanding any provision of Sections 8.5.1 through 8.5.4, the Common Expense associated with the operation, management, maintenance, repair or replacement of the Parking Garage (the "Garage Common Expense") shall be allocated for Annual Assessment purposes exclusively to the Residential Units.

8.5.6 The elevator identified on the Condominium Map serving the Residential Units shall be designated as Limited Common Element-Residential and the expenses associated with operation, management, maintenance, repair and replacement shall be allocated exclusively to the Residential Units. Notwithstanding that the elevator shall be designated as a Limited Common Element-Residential, the elevator shall be made available to provide access for the entire Project and all of the Condominium Units and Common Elements therein for the purposes of fire and emergency access, ingress and egress, and for meeting the accessibility requirements of "The Americans with Disabilities Act of 1990" (42 U.S.C. § 12101 *et. seq.*), as amended, and other applicable federal, state and local laws requiring building accessibility for disabled persons.

8.5.7 To the extent any Common Expense relating to the General Common Elements disproportionately benefits any Owner or group of Owners, the Executive Board may, by a majority of the voting Directors, including the approval of at least one (1) Residential Director and one (1) Commercial Director, adjust the Assessment for such Common Expense in such proportion as may be appropriate. To the extent any Common Expense relating to the Limited Common Elements-Residential or Limited Common Elements-Commercial disproportionately benefits any Owner or group of Owners, the Directors representing the class of affected Owners may adjust the Assessment for such Common Expense in such proportion as may be appropriate. The Executive Board, with the assistance of any company providing insurance for the benefit of the Owners under Article 10, may reasonably adjust the allocation to each Owner of the cost of premiums for any insurance carried for, and to be charged to, a particular Owner, as more fully detailed in Article 10 hereof. In addition, the Executive Board, including the approval of at least one (1) Residential Director and one (1) Commercial Director, may allocate costs for consumption of common utilities (such as heating, cooling, trash removal, water and sewer charges) among the users thereof in the event of disproportionate consumption of any such common utility by an Owner, and the Executive Board may allocate such costs based upon any reasonable method of determining relative usage of such utilities, including without limitation, by engineering analysis.

At the election of the Executive Board, the cost of utility services for the Common Elements or Limited Common Elements which are Common Expenses (for example, lighting of building lobby and parking areas), including but not limited to gas and electric services, and which are billed to the Association by any utility service provider, may, in turn, be allocated and billed each month (or other periodic basis) by the Association to all Condominium Units as a separately billed utility Assessment. Each Unit Owner shall be obligated to pay to the Association the utility Assessment billed to the Owner's Condominium Unit. The total annual Assessments of the Association shall be apportioned among all Condominium Units as provided in this Section 8.5.

8.6 Annual Budget.

8.6.1 Within thirty (30) days after the adoption of any proposed budgets for the Association in accordance with the procedures described below, the Executive Board shall deliver by ordinary first-class mail, in person, or electronically a summary of the budget information relative to each of the Residential Owners and the Commercial Owners to such parties. The Executive Board shall also set a date for the meeting of all Owners to consider ratification of the budgets not less than fourteen (14) days nor more than sixty (60) days after mailing or other delivery of the budgets.

8.6.2 In connection with formulating the foregoing annual budgets for the entire Project, the Association shall adhere to the following procedures: the Residential Directors shall submit to the Executive Board a

proposed budget for the Limited Common Elements-Residential (the "L.C.E.-R Budget"), the Commercial Directors shall submit to the Executive Board a proposed budget for the Limited Common Elements-Commercial (the "L.C.E.-C Budget"), and the Executive Board as a whole shall formulate the remainder of the budget pertaining to the General Common Elements (the "G.C.E. Budget").

The L.C.E.-R Budget, together with the G.C.E. Budget, shall within thirty (30) days after the adoption thereof be delivered by the Executive Board to the Residential Owners, and the L.C.E.-C Budget, together with the G.C.E. Budget, shall on the same date be delivered by the Executive Board to the Commercial Owners. At the meeting set by the Executive Board (a) unless sixty percent (60 %) of the Residential Owners reject the L.C.E.-R Budget such proposed L.C.E.-R Budget shall be deemed ratified, whether or not a quorum is present; (b) unless sixty percent (60 %) of the Commercial Owners reject the L.C.E.-C Budget such proposed L.C.E.-C Budget shall be deemed ratified whether or not a quorum is present; and (c) unless sixty percent (60 %) of the Commercial Owners reject the G.C.E. Budget such proposed G.C.E. Budget shall be deemed ratified, whether or not a quorum is present. In the event the G.C.E. Budget is rejected by the Owners in the foregoing manner, the G.C.E. Budget last ratified must be continued until such time as the Owners ratify a subsequent G.C.E. Budget proposed by the Executive Board.

In the event either the L.C.E.-R Budget or the L.C.E.-C Budget is rejected by the respective class of Owners, the L.C.E.-R Budget and / or L.C.E.-C Budget (as applicable) last ratified by the respective class of Owners must be continued until such class of Owners ratifies a subsequent L.C.E.-R Budget and / or L.C.E.-C Budget proposed by the Executive Board.

8.6.3 The Executive Board shall adopt budgets and submit the budgets to a vote of the Owners, as provided herein, no less frequently than annually. The Executive Board shall levy and assess the Association's annual Assessments in accordance with the annual budgets.

8.6.4 Notwithstanding any provision of this Section 8.6 to the contrary, the Executive Board may, by unanimous vote of the Directors, simplify the budgeting procedures provided in Section 8.6.2 hereof.

8.7 Special Assessments. In addition to the Annual Assessments authorized above, the Executive Board may at any time and from time to time determine, levy and assess in any fiscal year (without the vote of the members of the Association, except as provided in the Act and in this Section 8.7 below) a Special Assessment applicable to that particular fiscal year (and for any such longer period as the Executive Board may determine) against all of the Owners with respect to the General Common Elements or one or more of the classes of Owners with respect to their respective Limited Common Elements for the purpose of defraying, in whole or in part, the unbudgeted costs, fees and expenses of any construction, reconstruction, repair, demolishing, replacement, renovation, improvement or maintenance of the Project or of any facilities located on the Project, specifically including any fixtures and personal property related to it. Any amounts determined, levied and assessed in connection with the General Common Elements pursuant to this Declaration shall be assessed by a majority of the voting Directors of the Executive Board, including the approval of at least one (1) Residential Director and one (1) Commercial Director, to the Condominium Units in proportion to the respective undivided interests in the General Common Elements allocated to the Condominium Units as shown in Exhibit B attached hereto (except to the extent the Assessment is made to less than an entire class of Owners based on the interest of one or more Owners in Limited Common Elements which exclusively serve the Unit(s) of such Owner or Owners); provided, however, that any extraordinary insurance costs incurred as a result of the value of a particular Owner's Condominium Unit or the actions of a particular Owner (or Owner's agents, servants, guests, tenants or invitees) shall be borne by that Owner.

Any amounts determined, levied and assessed in connection with either the Limited Common Elements-Residential or the Limited Common Elements-Commercial pursuant to this Declaration shall be assessed by the Directors of the relevant class of Owners to such class of Owners in proportion to the respective undivided interests in either the Limited Common Elements-Residential or the Limited Common Elements-Commercial appurtenant to the Units as shown in Exhibit B attached hereto; provided, however, that any extraordinary insurance costs incurred as a result of the value of a particular Owner's Condominium Unit or the actions of a particular Owner (or Owner's agents, servants, guests, tenants or invitees) shall be borne by that Owner. Special Assessments shall be based on a budget adopted in accordance with and in

the manner set forth in Section 8.6 above (e.g., unless sixty percent (60 %) of the relevant class of Owners reject the budget for the Special Assessment, such proposed budget shall be deemed ratified), provided that, if necessary, the Association may adopt a new budget pursuant to Section 8.6 above prior to levying a special Assessment. Such Special Assessments shall be due and payable as determined by the Executive Board.

8.8 Due Dates for Assessment Payments. Unless a different periodic payment schedule is adopted by the Executive Board, the Annual Assessments and any Special Assessments which are to be paid in installments shall be paid monthly in advance and shall be due and payable to the Association at its office or as the Executive Board may otherwise direct in any Management Agreement, without notice (except for the notices required by this Article 8), on the first day of each month. If any such installment shall not be paid within ten (10) days after it shall have become due and payable, then the Board may assess a "late charge" on the installment in an amount of Fifty Dollars (\$50.00) or such other charge as the Executive Board may fix by rule from time to time as provided in the Bylaws of the Association to cover the extra expenses involved in handling such delinquent Assessment installment. An Owner's Assessment shall be prorated if the ownership of a Condominium Unit commences or terminates on a day other than the first day or last day, respectively, of a month or other applicable payment period.

8.9 Declarant's Obligation to Pay Assessments. Declarant shall be obligated to pay the Annual Assessments and Special Assessments (including installments thereof) on each Condominium Unit owned by it following conveyance of at least seventy-five percent (75 %) of the Residential Units and conveyance of at least seventy-five percent (75 %) of the Commercial Units.

8.10 Default Assessments. All monetary fines assessed against an Owner pursuant to the Association Documents, or any expense of the Association which is the obligation of an Owner shall become liens against such Owner's Condominium Unit which may be foreclosed or otherwise collected as provided in this Declaration. Notice of the amount and due date of such Default Assessment shall be sent to the Owner subject to the Assessment at least thirty (30) days prior to the due date.

8.11 Lien for Assessments. The Annual Assessments, Special Assessments and Default Assessments (including installments of such assessments) arising under the provisions of this Declaration (together with any and all interest, costs, late charges, expenses and reasonable attorneys' fees, including legal assistants' fees, which may arise under the provisions of Section 8.12 below) shall be burdens running with, and a perpetual lien in favor of the Association upon, the specific Condominium Unit to which such Assessments apply. To further evidence such lien upon a specific Condominium Unit, the Association may, but shall not be obligated to, prepare a written lien notice setting forth the description of the Condominium Unit, the amount of Assessments on the Condominium Unit unpaid as of the date of such lien notice, the rate of default interest as set by the Bylaws of the Association and Section 8.12 below, the name of the Owner or Owners of the Condominium Unit, and any and all other information that the Association may deem proper. Any such lien notice shall be signed by a member of the Executive Board, an officer of the Association or the Managing Agent and shall be recorded in the Office of the Clerk and Recorder of Summit County, Colorado. Any such lien notice shall not constitute a condition precedent or delay the attachment of the lien, but such lien is a perpetual lien upon the Condominium Unit and attaches without notice at the beginning of the first day of any period for which any Assessment is levied.

8.12 Effect of Nonpayment of Assessments. If any Annual Assessment, Special Assessment or Default Assessment (or any installment of the such assessment) is not fully paid within thirty (30) days after the same becomes due and payable, then as often as the same may happen (a) interest shall accrue at the Maximum Rate on any amount of the Assessment which was not paid within such thirty (30) day period or on the amount of Assessment in default, whichever shall be applicable, accruing from the due date until date of payment; (b) the Association may declare due and payable all unpaid monthly or other installments of the Annual Assessment or any Special Assessment otherwise due during the fiscal year during which such default occurred; (c) the Association may thereafter bring an action at law or in equity, or both, against any Owner personally obligated to pay the same; and (d) the Association may proceed to foreclose its lien against the particular Condominium Unit in the manner and form provided by Colorado law for foreclosure of real estate mortgages.

An action at law or in equity by the Association against an Owner to recover a money judgment for unpaid Assessments (or any installment thereof) may be commenced and pursued by the Association without foreclosing or in any way waiving the Association's lien for the Assessments. If any such Assessment (or installment thereof) is

not fully paid when due and if the Association commences such an action (or counterclaims or cross-claims for such relief in any action) against any Owner personally obligated to pay the same, or proceeds to foreclose its lien against the particular Condominium Unit, then all unpaid installments of Annual and Special Assessments and all Default Assessments (including any such installments or Assessments arising during the proceedings of such action or foreclosure proceedings), any late charges under Section 8.8 above or as otherwise provided in the Association Documents, any accrued interest under this Section 8.12 the Association's costs, expenses and reasonable attorneys' fees (including legal assistants' fees) incurred for any such action and / or foreclosure proceedings shall be taxed by the court a part of the costs of any such action or foreclosure proceedings and shall be recoverable by the Association from any Owner personally obligated to pay the same and from the proceeds from the foreclosure sale of the particular Condominium Unit in satisfaction of the Association's lien.

Foreclosure or attempted foreclosure by the Association of its lien shall not be deemed to estop or otherwise preclude the Association from again foreclosing or attempting to foreclose its lien for any subsequent Assessments (or installments thereof) which are not fully paid when due or for any subsequent Default Assessments. The Association shall have the power and right to bid in or purchase any Condominium Unit at foreclosure or other legal sale and to acquire and hold, lease or mortgage the Condominium Unit, and to convey or otherwise deal with the Condominium Unit acquired in such proceedings.

First Mortgagees shall be entitled to cure any delinquency in the payment of Assessments of the Owner of a Condominium Unit encumbered by the First Mortgagee. In that event, the First Mortgagee shall be entitled to obtain a release from the lien imposed or perfected by reason of such delinquency.

8.13 Successor's Liability for Assessments. With respect to the personal obligation of each Owner of a Condominium Unit to pay all Assessments on the Condominium Unit, the personal obligation for delinquent assessments shall not pass to such Owner's successors in title unless expressly assumed by them. The sale or transfer of the Condominium Unit shall not affect the Association's lien of the Condominium Unit for such Assessments, except as provided in Section 8.14 and Section 8.15 below.

8.14 Waiver of Homestead Exemption; Lien Priority. By acceptance of the deed or other instrument of transfer of a Condominium Unit, each Owner irrevocably waives the homestead exemption provided by Part 2, Article 41, Title 38, Colorado Revised Statutes (C.R.S. § 38-41-201 et. seq.), as amended. The Association's perpetual lien on a Condominium Unit for Assessments shall be superior to all other liens and encumbrances except the following:

8.14.1 Real property ad valorem taxes and special assessment lien duly imposed by a Colorado governmental or political subdivision or special taxing district, or any other liens made superior by statute;

8.14.2 To the extent permitted under the Act, the lien of any First Mortgage, including any and all advances made by the First Mortgagee and notwithstanding that any of such advances may have been made subsequent to the date of the attachment of the Association's liens, and liens and encumbrances recorded before the recordation of this Declaration; and

8.14.3 Liens and encumbrances recorded before the recordation of this Declaration.

With respect to the foregoing Section 8.14.2, to the extent permitted under the Act, any First Mortgagee who acquires title to a Condominium Unit by virtue of foreclosing the First Mortgage or by virtue of a deed or assignment in lieu of such a foreclosure, or any purchaser at a foreclosure sale of the First Mortgage, will take the Condominium Unit free of any claims for unpaid Association Assessments, interest, late charges, costs, expenses and attorneys' fees against the Condominium Unit which accrue prior to the time such First Mortgagee or purchaser acquires title to the Condominium Unit, and the amount of the extinguished lien may be reallocated and assessed to all Condominium Units as a Common Expense at the direction of the Executive Board.

All other persons not holding liens described in Sections 8.14.1 through 8.14.3 above and obtaining a lien or encumbrance on any Condominium Unit after the recording of this Declaration shall be deemed to consent that any such lien or encumbrance shall be subordinate and inferior to the Association's future liens for Assessments,

interest, late charges, costs, expenses and attorneys' fees, as provided in this Article 8, whether or not such consent is specifically set forth in the instrument creating any such lien or encumbrance.

A sale or other transfer of any Condominium Unit, including but not limited to a foreclosure sale, except as provided in Sections 8.14 above and except as provided in Section 8.15 below, shall not affect the Association's lien on such Condominium Unit for Assessments, interest, late charges, costs, expenses and attorneys' fees due and owing prior to the time such purchaser acquires title and shall not affect the personal liability of each Owner who shall have been responsible for the payment thereof. Further, no such sale or transfer shall relieve the purchaser or transferee of a Condominium Unit from liability for, or the Condominium from the lien of, any Assessments made after the sale or transfer.

8.15 Statement of Status of Assessments. Upon fourteen (14) calendar days written request (furnished in the manner described below for the response to such request) to the Managing Agent, Executive Board or the Association's registered agent and payment of a reasonable fee set from time to time by the Executive Board, any Owner, prospective purchaser of a Condominium Unit, or Mortgagee shall be furnished by personal delivery or by certified mail, first class postage prepaid, return receipt requested, to the inquiring party (in which event the date of posting shall be deemed the date of delivery) a statement of the Owner's account setting forth:

8.15.1 The amount of any unpaid Assessments, interest, late charges, costs, expenses and attorneys' fees then existing against a particular Condominium Unit;

8.15.2 The amount of the payment of any installments of any Special Assessments then existing against the Condominium Unit; and

8.15.3 Any other information deemed proper by the Association.

Upon the issuance of such a certificate signed by a member of the Executive Board, by an officer of the Association or by a Managing Agent, the information contained therein shall be conclusive upon the Association as to the person or persons to whom such certificate is addressed and who rely on the certificate in good faith. Unless such a statement of status of Assessments is delivered as described above within said fourteen (14) calendar day period, the Association shall have no right to assert a priority lien upon the Condominium Unit over the inquiring party's interest for unpaid Assessments which were due as of the date of the request.

8.16 Liens. Except for Annual Assessment, Special Assessment and Default Assessment liens as provided in this Declaration, mechanic's liens (except as provided in Article 12 below), tax liens and judgment liens and other liens validly arising by operation of law and liens arising under Mortgages, there shall be no other liens obtainable against the Common Elements or against the interest of the Owner of any Condominium Unit in the Common Elements.

ARTICLE 9 MAINTENANCE RESPONSIBILITY

9.1 Owner's Rights and Duties with Respect to Interiors. Except as may be provided in the purchase and sale agreement or other conveyancing documents executed by Declarant in connection with sales or transfers to initial purchasers or transferees of the Condominium Units, each Owner shall maintain, repair and replace the improvements and properties within their Condominium Unit boundaries, including the interior surfaces of the walls, floors, ceilings and the doors forming the boundaries of such Owner's Condominium Unit, and all walls, floors, ceilings and doors within such boundaries. In the event that any maintenance, repair or decoration of any wall within a Condominium Unit that forms the exterior boundary of such Condominium Unit shall alter the drywall or other wall covering attached to such wall, the Owner shall restore such wall to its previous structural condition, which specifically includes the previous sound transmission coefficient and fire rating.

9.2 Responsibility of the Owner. The Owner at the Owner's expense shall maintain and keep in repair the interior of the Condominium Unit, including the fixtures and utilities located in the Condominium Unit to the extent current repair shall be necessary in order to avoid damaging other Condominium Units or the Common Elements. All fixtures, equipment and utilities installed and included in an Individual Air Space Unit

serving only that Condominium Unit, commencing at a point where the fixtures, equipment and utilities enter the Individual Air Space Unit shall be maintained and kept in good repair by the Owner of that Condominium Unit. An Owner shall also maintain and keep in good repair all windows and other glass items related to such Owner's Condominium Unit and any entry door or doors serving such Condominium Unit. An Owner shall not allow any action or work that will impair the structural soundness of the improvements, impair the proper functioning of the utilities, heating, ventilation or plumbing systems or integrity of the Building, or impair any easement or hereditament. Except as otherwise provided in Section 7.1 above, an Owner or class of Owners shall also have the obligation to maintain and keep in good repair all appurtenant Limited Common Elements at such Owner's or class of Owners' expense.

9.3 Responsibility of the Association. The Association, without the requirement of approval of the Owners but subject to Section 8.6 above, shall, as necessary, maintain and keep in good repair, replace and improve as a Common Expense, the General Common Elements and all other aspects of the Project not required in this Declaration to be maintained and kept in good repair by an Owner, a class or group of Owners or Declarant. In connection with the reserve accounts established as part of the Association budget, and the Association's duty to maintain the Common Elements, the Association shall establish a maintenance schedule for the Project, to include a schedule for the periodic maintenance of the Common Elements and other improvements maintained by the Association.

9.4 Owner's Failure to Maintain or Repair. In the event that portions of a Condominium Unit or other improvements are not properly maintained and repaired, and if the maintenance responsibility for the unmaintained improvement lies with the Owner of the Condominium Unit, or in the event that such improvements are damaged or destroyed by an event of casualty and the Owner does not take reasonable measures to diligently pursue the repair and reconstruction of the damaged or destroyed improvements to substantially the same condition in which they existed prior to the damage or destruction, then the Association, after written notice to the Owner and the expiration of a thirty (30) day cure period, and with the approval of the Executive Board, shall have the right to enter upon the Condominium Unit to perform such work as is reasonably required to restore the Condominium Unit and other improvements to a condition of good order and repair; provided, however, if such repair and reconstruction due to an event of casualty cannot be reasonably performed within such thirty (30) day cure period, the Owner shall have such time as is reasonably required to perform such repair and reconstruction so long as the work has been commenced within such cure period and is diligently pursued to completion. All costs incurred by the Association in connection with the restoration shall be reimbursed to the Association by the Owner of the Condominium Unit upon demand. All unreimbursed costs shall be a lien upon the Condominium Unit until reimbursement is made. The lien may be enforced in the same manner as a lien for an unpaid Assessment levied in accordance with Article 8 of this Declaration.

ARTICLE 10 INSURANCE AND FIDELITY BONDS

10.1 General Insurance Provisions. The Association shall maintain, to the extent reasonably available, the insurance coverage set forth herein and as set forth in the Act:

10.1.1 Property insurance on the Common Elements and the Condominium Units (but not the finished interior surfaces of the walls, floors and ceilings of the Condominium Units) for broad form covered causes of loss, except that the total amount of insurance must be not less than the full insurable replacement costs of the insured property, less applicable deductibles at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, paving areas, landscaping, personal property and other items normally excluded from property policies, and the insurance need not include improvements and betterments installed by Condominium Unit Owners; and

10.1.2 Commercial general liability insurance (with separate policies being obtained, unless the Residential Directors and Commercial Directors each independently determine on behalf of their respective class of Owners to participate in a collective policy for the Project (a) by the Residential Owners, through the Residential Directors, for the Limited Common Elements-Residential; (b) by the Commercial Owners, through the Commercial Directors, for the Limited Common Elements-Commercial; and (c) by the Association, through the Executive Board, for the General Common Elements) against claims and liabilities arising in connection with the

ownership, existence, use or management of the General Common Elements, the Limited Common Elements-Residential and the Limited Common Elements-Commercial and the Association, in an amount, if any, deemed sufficient in the judgment of the Executive Board, the Residential Directors and the Commercial Directors, respectively, insuring the Executive Board, the Association, the Managing Agent and their respective employees, agents and all persons acting as agents. Declarant shall be included as an additional insured in Declarant's capacity as an Owner and Executive Board member. The 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 Common Elements. The insurance shall cover claims of one or more insured parties against other insured parties; and

10.1.3 Such other and further insurance that the Executive Board considers appropriate, including insurance on Condominium Units that the Association is not obligated to insure, to protect the Association or the Owners.

10.2 Cancellation. If the insurance described in Section 10.1 above is not reasonably available, or if any policy of such insurance is cancelled or not renewed without a replacement policy therefor having been obtained, the Association promptly shall cause notice of that fact to be given to all Owners.

10.3 Policy Provisions. Insurance policies carried pursuant to Section 10.1 above must provide that:

10.3.1 Each Owner is an insured person under the policy with respect to liabilities arising out of such Owner's interest in the Common Elements or membership in the Association;

10.3.2 The insurer waives its rights to subordinations under the policy against any Owner or member of Owner's household;

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

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

10.4 Insurance Proceeds. Any loss covered by the property insurance policy described in Section 10.1 above 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 Owners and First Mortgagees as their interests may appear. Subject to the provisions of Section 10.7 below, the proceeds must be disbursed first for the repair or restoration of the damaged property, and the Association, 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 or the regime created by this Declaration is terminated.

10.5 Association Policies. 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. To the extent the Association settles claims for damages to the property, it shall have the authority to assess negligent Owners causing such loss or benefiting from such repair or restoration all or any equitable portion of the deductibles paid by the Association.

10.6 Insurer Obligation. An insurer that has issued an insurance policy for the insurance described in Section 10.1 above shall issue certificates or memoranda of insurance to the Association and upon request to any Owner or Mortgagee. Unless otherwise provided by statute, the insurer issuing the policy may not cancel or refuse to renew it until thirty (30) days after notice of the proposed cancellation or nonrenewal has been mailed to the Association and to each Owner and Mortgagee to whom a certificate or memorandum of insurance has been issued at their respective last known addresses.

10.7 Repair and Replacement.

10.7.1 Any portion of the Common Elements for which insurance is required under this Article 10 which is damaged or destroyed must be repaired or replaced promptly by the Association unless:

10.7.1.1 The regime created by this Declaration is terminated;

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

10.7.1.3 Eighty-five percent (85 %) of the votes of the Owners, including a majority of all votes allocated to Residential Owners and a majority of all votes allocated to Commercial Owners, and all directly adversely affected Owners agree in writing not to rebuild; or

10.7.1.4 Prior to the conveyance of any Condominium Unit to a person other than Declarant, the Mortgagee holding a Mortgage on the damaged portion of the Common Elements rightfully demands all or a substantial part of the insurance proceeds.

10.7.2 The cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense. If all damaged Common Elements are not repaired or replaced, the insurance proceeds attributable to the damaged 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 all the Owners or Mortgagees, as their interests may appear, in proportion to their respective ownership interests in the Common Elements.

10.8 Common Expenses. Premiums for insurance that the Association acquires and other expenses connected with acquiring such insurance are Common Expenses.

10.9 Fidelity Insurance. Fidelity bonds shall be maintained by the Association to protect against dishonest acts on the part of its officers, directors, trustees and employees and on the part of all others who handle or are responsible for handling the funds belonging to or administered by the Association in an amount not less than two (2) months current Assessments, plus reserves as calculated from the current budget of the Association. In addition, if responsibility for handling funds is delegated to a Managing Agent, such bond may be obtained for the Managing Agent and its officers, employees and agents, as applicable. Any such fidelity coverage shall name the Association as an obligee and such bonds shall contain waivers by the issuers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions.

10.10 Worker's Compensation Insurance. If the Association has employees, the Association shall obtain Worker's Compensation or similar insurance with respect to its employees in the amounts and forms as may now or hereafter be required by law.

10.11 Other Insurance. The Association shall also maintain insurance to the extent reasonably available and in such amounts as the Executive Board may deem appropriate on behalf of Directors and officers against any liability asserted against a Director or officer or incurred by him in his or her capacity of or arising out of his or her status as a Director or officer. The Association may obtain insurance against such other risks, of a similar or dissimilar nature, as it shall deem appropriate with respect to its responsibilities and duties.

10.12 Insurance Obtained by Owners. It shall be the responsibility of each Owner, at such Owner's expense, to maintain physical damage insurance on such Owner's personal property and furnishings and public liability insurance covering such Owner's Individual Air Space Unit, Garage Unit, or Storage Unit. In addition, an Owner may obtain such other and additional insurance coverage on and in relation to the Owner's Condominium Unit as the Owner in the Owner's sole discretion shall conclude to be desirable. However, none of such insurance coverages obtained by such Owner shall affect any insurance coverage obtained by the Association or cause the diminution or termination of that insurance coverage, nor shall such insurance coverage of an Owner result in apportionment of insurance proceeds as between policies of insurance of the Association and the Owner. An Owner

shall be liable to the Association for the amount of any such diminution of insurance proceeds to the Association as a result of insurance coverage maintained by the Owner, and the Association shall be entitled to collect the amount of the diminution from the Owner as if the amount were a default Assessment, with the understanding that the Association may impose and foreclose a lien for the payment due. Any insurance obtained by an Owner shall include a provision waiving the particular insurance company's right of subrogation against the Association and the Owners. Each Owner shall be responsible to provide insurance coverage for the amount of any additional value to any Condominium Unit caused by any improvement to the Condominium Unit made by such Owner and not initially made by Declarant, including but not limited to the value of structural upgrades or fixtures supplied by the Owner, or if the applicable insurance is to be provided by the Association, for any additional insurance costs associated with such increased value due to the improvements.

The Executive Board may require an Owner who purchases additional insurance coverage for the Owner's Condominium Unit (other than coverage for the Owner's personal property) to file copies of such policies with the Association within thirty (30) days after purchase of the coverage to eliminate potential conflicts with any master policy carried by the Association.

ARTICLE 11 CONVEYANCES AND TAXATION OF CONDOMINIUM UNITS

11.1 Contracts to Convey Entered into Prior to Recording of Condominium Map and Declaration. A contract or other agreement for the sale of a Condominium Unit entered into prior to the filing for record of the Condominium Map and this Declaration in the Office of the Clerk and Recorder of Summit County, Colorado, may legally describe such Condominium Unit in substantially the manner set forth in Section 11.2 below and may indicate that the Condominium Map and this Declaration are to be recorded.

11.2 Contracts to Convey and Conveyances Subsequent to Recording of Condominium Map and Declaration. Subsequent to the recording of the Condominium Map and this Declaration, contracts to convey, instruments of conveyance and every other instrument affecting title to a Condominium Unit shall be in substantially the following form, with such omissions, insertions, recitals of fact or other provisions as may be required under the Act or by the circumstances or appropriate to confirm to the requirements of any governmental authority or any usage or requirement of law with respect thereto:

Condominium Unit _____, according to the Condominium Map recorded _____, under Reception No. _____, and as defined and described in the Declaration of La Riva del Lago Condominium Association, recorded under Reception No. _____ in the Office of the Clerk and Recorder of Summit County, Colorado (with applicable recording information inserted herein).

[Where applicable]

The exclusive right to use the following limited common elements located within the La Riva del Lago Project: Garage Unit(s) _____ and Storage Unit(s) _____ according to the Condominium Map recorded _____, under Reception No. _____, and as defined and described in the Declaration of La Riva del Lago Condominium Association, recorded under Reception No. _____ in the Office of the Clerk and Recorder of Summit County, Colorado (with applicable recording information inserted herein).

11.3 Conveyance Deemed to Describe an Undivided Interest in Common Elements. Every instrument of conveyance, Mortgage or other instrument affecting the title to a Condominium Unit which legally describes the Condominium Unit substantially in the manner set forth in Section 11.2 above shall be construed to describe the Individual Air Space Unit, together with the undivided interest in the Common Elements appurtenant to it, and together with all fixtures and improvements contained in it (unless any such fixtures or improvements shall be Common Elements), and to incorporate all the rights incident to ownership of a Condominium Unit and all the limitations of ownership, as described in the covenants, conditions, restrictions, easements, reservations, rights-of-way and other provisions contained in this Declaration, including the easement of enjoyment to use the Common Elements, provided that in the case of Garage Units and Storage Units such instrument of conveyance

shall be deemed transfer solely of the exclusive right to use such Limited Common Element as otherwise set forth herein.

11.4 Separate Tax Assessments. Upon the recording of this Declaration and the filing of the Condominium Map for record in Summit County, Colorado, Declarant shall deliver a recorded copy of this Declaration and the Map to the Assessor of Summit County, Colorado, as provided by law, which notice shall set forth the descriptions of the Condominium Units, including the interest in the Common Elements appurtenant to the Condominium Units, so that thereafter, all taxes, assessments and other charges by the State of Colorado or any governmental or political subdivision or any special improvement district or any other taxing agent or assessing authority shall be assessed against and collected on each Condominium Unit, each of which shall be carried on the tax records as a separate and distinct parcel for that purpose. For the purpose of such assessment against the Condominium Units, valuation of the Common Elements shall be apportioned among the Condominium Units in proportion to the fractional interest in the Common Elements appurtenant to such Condominium Units. Accordingly, the Common Elements shall not be assessed separately but shall be assessed with the Condominium Units as provided pursuant to Colorado Revised Statutes § 38-33.3-105(2).

The lien for taxes assessed to the Owner or Owners of a Condominium Unit shall be confined to such Owner's Individual Air Space Unit and to Owner's appurtenant undivided interest in the Common Elements and respective Limited Common Elements. No forfeiture or sale of any Condominium Unit for delinquent taxes, assessments or other governmental charges shall divest or in any way affect the title to any other Condominium Unit.

ARTICLE 12 MECHANIC'S LIENS

12.1 Mechanic's Liens. Subsequent to the filing of the Map and recording of this Declaration, no labor performed or materials furnished for use and incorporated in any Condominium Unit with the consent of or at the request of the Owner of the Condominium Unit or the Owner's agent, contractor or subcontractor shall be the basis for the filing of a lien against a Condominium Unit of any other Owner not expressly consenting to or requesting the same, or against any interest in the Common Elements except as to the undivided interest therein appurtenant to the Individual Air Space Unit of the Owner for whom such labor shall have been performed or such materials shall have been furnished. Each Owner shall indemnify and hold harmless each of the other Owners and the Association from and against any liability or loss arising from the claim of any mechanic's lien for labor performed or for materials furnished in work on such Owner's Condominium Unit against the Condominium Unit of another Owner or against the Common Elements, or any part thereof.

12.2 Enforcement by the Association. At its own initiative or upon the written request of any Owner (if the Association determines that further action by the Association is proper), the Association shall enforce the indemnity provided by the provisions of Section 12.1 above by collecting from the Owner of the Condominium Unit on which the labor was performed or materials furnished the amount necessary to discharge by bond or otherwise any such mechanic's lien, including all costs and reasonable attorneys' fees incidental to the lien, and obtain a release of such lien. In the event that the Owner of the Condominium Unit on which the labor was performed or materials furnished refuses or fails to so indemnify within seven (7) days after the Association shall have given notice to such Owner of the total amount of the claim, or any portions thereof, from time to time, then the failure to so indemnify shall be a default by such Owner under the provisions of this Section 12.2, and such amount to be indemnified shall automatically become a default Assessment determined and levied against such Condominium Unit and enforceable by the Association in accordance with Sections 8.10, 8.11 and 8.12 above.

ARTICLE 13 USE RESTRICTIONS

13.1 Use of Condominium Units. Both residential and commercial uses are contemplated within the Project and any functions, activities and uses permitted under any zoning or other laws, rules or regulations applicable to the Project are expressly allowed, subject to the restrictions set forth below. No rules and regulations relating to the Project shall be adopted which unreasonably regulate or unfairly discriminate against any use permitted within either the Residential Units or the Commercial Units. All Owners will be subject to the Rules and

Regulations of the Association. The following use restrictions are also subject to the Special Declarant Rights and other development rights reserved by the Declarant.

13.2 Commercial Uses. Commercial Units may be used for commercial, office, retail and storage uses, and for residential use, to the extent permitted by local zoning, subject to the reasonable regulation of music amplification, noise, nuisance, or other matters which might cause unreasonable disturbance for occupants of the Residential Units. Owners of Commercial Units may rent or lease all or portions of such Condominium Units to others for the uses permitted herein. Notwithstanding the foregoing, Declarant may use any Commercial Unit as a Commercial Project sales office, Commercial Units' management office, rental and / or property management office, storage facility and / or other uses as may be permitted under the Act. Commercial Unit Owners, including Declarant, shall have the right to utilize and have outdoor seating on the sidewalk areas adjacent to the subject Commercial Unit, subject to compliance with all applicable laws, regulations, codes, and permit requirements of the City as well as reasonable regulation by the Association. Any Commercial Owner having an outdoor sidewalk seating area, shall keep the area in a clean, neat and attractive condition and shall be solely responsible for, at such Owner's sole cost and expense, all cleaning, maintenance, utilities, and other costs related to the use of the outdoor sidewalk seating area.

13.3 Residential Uses. All Residential Units shall be used for dwelling and lodging purposes only, in conformity with all zoning laws ordinances and regulations. Owners of Residential Units may rent or lease such Condominium Units to others on a long term or short term basis for these purposes and may use the Residential Units for home occupations which do not cause unreasonable disturbance to other Owners and which are permitted by applicable zoning codes (provided, however, that no signage shall be permitted on the Project or such Residential Units identifying such home occupations). Any such lease shall expressly state that the tenancy is subject to all of the terms and conditions of this Declaration. Notwithstanding the foregoing, Declarant may use any Residential Unit as a Residential Project sales office, Residential Units' management office, rental and / or property management office, storage facility and / or such other uses as may be permitted under the Act.

13.4 Conveyance of Condominium Units. All Condominium Units shall be subject to the covenants, conditions, restrictions, easements, reservations, rights-of-way and other provisions contained in this Declaration, as the same may be amended from time to time, regardless of whether such instrument of conveyance or assignment, shall refer to this Declaration.

13.5 Use of Common Elements. There shall be no obstruction of, nor shall anything be kept or stored by any Owner or other party on any part of (a) the General Common Elements without the prior written approval of the Association; (b) the Limited Common Elements-Residential without the prior written approval of the Residential Directors; or (c) the Limited Common Elements-Commercial without the prior written approval of the Commercial Directors. Nothing shall be altered on, constructed in or removed by any Owner or other party from (a) the General Common Elements without the prior written approval of the Association; (b) the Limited Common Elements-Residential without the prior written approval of the Residential Directors; or (c) the Limited Common Elements-Commercial without the prior written approval of the Commercial Directors.

13.6 Prohibition of Increases in Insurable Risks and Certain Activities. Nothing shall be done or kept in any Condominium Unit or in or on the Common Elements, or any part thereof, which would result in the cancellation of the insurance on all or any part of the Project or, taking into account that the Project is a mixed-use project and the particular use involved, in an increase in the rate of the insurance on all or any part of the Project over what the Association, but for such activity, would pay, without the prior written approval of the Association. Nothing shall be done or kept in any Condominium Unit or in or on the Common Elements which would be in violation of any statute, rule, ordinance, regulation, permit or other imposed requirement of any governmental body. No damage to or waste of the Common Elements shall be committed by any Owner, or by any member of the Owner's family, or by any guest, invitee or contract purchaser of any Owner, and each Owner shall promptly and fully indemnify, defend (with counsel of the Association or other Owners so affected) and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him, the members of Owner's family or Owner's guests, invitees or contract purchasers. Failure to so indemnify shall be a default by such Owner under this Section 13.6 and such amount to be indemnified shall automatically become a default Assessment determined and levied against such Condominium Unit. At its own initiative or upon the written request of any Owner (and if the Association determines that further action by the Association is proper), the

Association shall enforce the foregoing indemnity as a default Assessment as provided in Sections 8.10, 8.11 and 8.12 above.

13.7 Vehicular Parking; Storage and Repairs.

13.7.1 Vehicular parking upon the Common Elements and Limited Common Elements of the Project shall be regulated by the Executive Board.

13.7.2 Parking areas located within the Parking Garage are subject to designation as Garage Units which, except as otherwise provided herein, shall be appurtenant to the Condominium Units to which such Garage Unit is designated. Parking Spaces (as defined herein) designated as visitor or guest parking shall not be used by Owners or such Owner's family members. While the building is under construction or being completed by Declarant, use of Garage Units and Parking Spaces may be restricted to Declarant's use for construction and sales purposes.

13.7.3 Garage Units and / or Parking Spaces are restricted solely to use for vehicular parking, and, in the case of Garage Units, a wall mounted storage cabinet as may be initially installed by the Declarant or as subsequently approved by the Association, provided that no such cabinet shall prevent the parking of a vehicle in such Garage Unit.

13.7.4 No activities related to the maintenance, repair, rebuilding, dismantling, repainting or servicing of any kind of vehicle, trailer or boat (foregoing provided by way of examples and not by way of limitation) may be performed or conducted within the Project.

13.7.5 The following vehicles may not be parked or stored within the Project: oversized vehicles or other oversized types of vehicles or equipment as prohibited by rule or regulation.

13.7.6 Parking in fire lanes (as designated by the Association or as designated by local government or a local fire protection authority) shall not be permitted.

13.7.7 Parking behind or in front of garage doors, or in alleys or other ways or drive lanes is prohibited.

13.8 Restriction on Signs and Advertising Devices. Each Commercial Unit Owner shall be entitled to maintain, at their cost, signage compatible with the architecture and appearance of the exterior and interior, as applicable, of the Building. No sign, poster, billboard, advertising device or display or any land shall be erected or maintained anywhere within the Project, except such sign or signs as may be approved in writing or by rule of the Executive Board. The use of neon signs, flashing signs, bright or any other aspects of signage can be precluded and prevented by the Executive Board, and can also be subject to any conditions as the Executive Board may determine. Declarant shall be exempt from seeking or obtaining Board approval of signs or advertising devices during Declarant's ownership of any Commercial Unit.

13.9 Storage Restrictions. Balconies, deck or patio areas of Condominium Units may not be used as storage areas and no clothesline or drying areas shall be installed, allowed, kept, maintained or permitted on the balcony, patio or deck areas in the Project, unless the same, in each instance, is expressly permitted in writing by the Managing Agent, or if there is no Managing Agent, then by the Executive Board of the Association. Where such written permission is granted, such permission is revocable if the item or condition becomes obnoxious or reasonably objectionable to other Owners, in which event, the Owner or person having the item or condition complained of shall be given a written notice to correct the problem, or if not corrected, the Owner upon written notice will be required to remove the item / condition from their Condominium Unit and from the Community. The written notices provided for herein shall be issued by the Managing Agent as the authorized representative of the Association, or if there is no Managing Agent, then by one (1) or more of the members of the Executive Board of the Association. Owners shall deem to hold the Association harmless from any claim resulting from any violations of such storage restrictions.

13.10 Prohibited Uses. No building, structure, improvement, Residential Unit, Commercial Unit, Common Element or other portion of the Project shall be used or occupied for use by any of the following:

13.10.1 “Adult Book or Adult Video Stores” which shall mean an establishment having as a substantial or significant portion of its sales and / or stock in trade in: (i) books, (ii) magazines, (iii) films and / or videos for sale, rental or viewing on the premises, or (iv) other periodicals which are distinguished or characterized by their emphasis on material depicting, describing or relating to human genitals or sexual activities (collectively referred to as “Adult Material”). Adult Book or Video Stores shall also mean an establishment with a segment or section devoted to the sale or display of Adult Material, or an establishment that holds itself out to the public as a purveyor of Adult Material based on its signage, advertising, displays, actual sales or any other factor indicating that the establishment’s primary purpose is to purvey Adult Material.

13.10.2 “Adult Entertainment Cabaret” which shall mean a public or private establishment which, live or by pictorial, electronic or projected image, offers, promotes or operates entertainment, including but not limited to topless dancers, strippers or any other entertainers who, by reason of their appearance or conduct, perform in a manner which is designed primarily to appeal to the prurient interest of the patron.

13.10.3 “Adult Motion Picture Theater” which shall mean an enclosed building or an area within a building which is used regularly or routinely for presenting motion picture films, video cassettes, cable television and / or any other such visual media, which materials so presented are distinguished or characterized by an emphasis on matter depicting, describing or relating to human genitals or sexual activities for observation by patrons therein.

13.10.4 “Adult Material Retail or Service Establishment” which shall mean any establishment having as a substantial or significant portion of its sales, stock in trade and / or services in merchandise or massage or other personal services of any description or type which is designed primarily to appeal to the prurient interest of the patron or the performance of manipulative exercises upon the human body of another by rubbing, kneading, stroking or tapping with hand or the hands, or with any mechanical or bathing device, with or without supplementary aids, but not including legitimate massage therapy performed by massage therapy professionals licensed by and in good standing with the State of Colorado.

13.11 Trash Collection. The Board of Directors shall have the right and authority to designate one or more private trash collection companies to provide regular trash service and collection to the Condominium Units, and to contract with one or more private trash collection companies to provide trash service to all or a portion of the Project.

13.12 Declarant’s Use. Notwithstanding anything to the contrary contained in this Declaration, it shall be expressly permissible for Declarant, its assigns, employees and agents, to perform such reasonable activities and to maintain upon portions of the Project such facilities as deemed reasonably necessary or incidental to the construction and sale of Condominium Units in the development of the Project, specifically including, without limiting the generality of the foregoing, the maintenance of temporary business offices, construction trailers, storage areas, trash bins, construction yards and equipment, signs, model units, temporary sales offices, parking areas and lighting facilities.

ARTICLE 14 EASEMENTS

14.1 Easement of Enjoyment. Every Owner shall have a nonexclusive easement for the use and enjoyment of the General Common Elements which shall be appurtenant to and shall pass with the title to every Condominium Unit, subject to the easements set forth in this Article 14.

14.2 Delegation of Use. Any Owner may delegate, in accordance with the Association Documents, the Owner’s right of enjoyment in the Common Elements to the Owner’s tenants, employees, family, guests and invitees.

14.3 Recorded Easements. The Property shall be subject to any easements as shown on any recorded plat affecting the Property and as shown on the recorded Condominium Map. The recording data for recorded

easements and licenses appurtenant to or included in the Property or to which any parts of the Property may become subject is set forth on the attached Exhibit C.

14.4 Easements for Encroachments. The Project and all portions of it are subject to easements hereby created for encroachments between Condominium Units and the Common Elements as follows:

14.4.1 In favor of the Association so that it shall have no legal liability when any part of the Common Elements encroaches upon an Individual Air Space Unit, Garage Unit or Storage Unit;

14.4.2 In favor of each Owner of each Unit so that the Owner shall have no legal liability when any part of said Owner's Individual Air Space Unit, Garage Unit or Storage Unit encroaches upon the Common Elements or upon another Individual Air Space Unit, Garage Unit or Storage Unit; and

14.4.3 In favor of all Owners, the Association and the Owner of any encroaching Individual Air Space Unit, Garage Unit or Storage Unit for the maintenance and repair of such encroachments.

Encroachments referred to in this Section 14.4 include but are not limited to encroachments caused by error or variance from the original plans in the construction of the Building or any Condominium Unit constructed on the Property; by error in the Condominium Map, by settling, rising or shifting of the earth or by changes in position caused by repair or reconstruction of any part of the Project. Such encroachments shall not be considered to be encumbrances upon any part of the Project.

14.5 Utility Easements. There is hereby created a general easement upon, across, over, in and under all of the Property for ingress and egress and for installation, replacement, repair and maintenance of all utilities, including but not limited to water, sewer, gas, telephone, telecommunications (including, but not limited to "fiber optic" transmission infrastructure), electricity and a cable communication system. By virtue of this easement, it shall be expressly permissible and proper for the Declarant or the Association to erect and maintain the necessary equipment on the Property and to affix and maintain electrical, communications and telephone wires, pipes, meters, circuits and conduits, and other facilities on, across, over and under the Property. Any utility company using this general easement shall use its best efforts to install and maintain the utilities provided without disturbing the uses of the Owners, the Association and Declarant; shall prosecute its installation and maintenance activities as promptly as reasonably possible; and shall restore the surface to its original condition as soon as possible after completion of its work. Should any utility company furnishing a service covered by the general easement request a specific easement by separate recordable document, Declarant or the Executive Board shall have, and are hereby given, the right and authority to grant such easement upon, across, over or under any part or all of the Property without conflicting with the terms hereof. The easements provided for in this Section 11.5 shall in no way affect, avoid, extinguish or modify any other recorded easement on the Property.

14.6 Reservation of Easements, Exceptions and Exclusions. Declarant reserves for itself and its successors and specific assigns and hereby grants to the Association the concurrent right to establish from time to time by declaration or otherwise, utility and other easements within the Common Elements for purposes, including but not limited to streets, paths, walkways, drainage, recreation areas, parking areas, ducts, shafts, flues and conduit installation areas consistent with the condominium ownership of the Project for the best interest of all of the Owners and the Association, in order to serve all the Owners within the Project.

14.7 Emergency Access Easement. A general easement is hereby granted to all police, sheriff, fire protection, ambulance and all other similar emergency agencies or persons to enter upon the Property in the proper performance of their duties.

14.8 Maintenance Easement. An easement is hereby granted to the Association and any Managing Agent and their respective officers, agents, employees and assigns upon, across, over, in and under the Common Elements and a right to make such use of the Common Elements as may be necessary or appropriate to perform the duties and functions which they are obligated or permitted to perform pursuant to this Declaration.

14.9 Drainage Easement. An easement is hereby reserved to Declarant and its successors and specific assigns and granted to the Association and its officers, agents, employees, successors and assigns to enter upon,

across, over, in and under any portion of the Project for the purpose of changing, correcting or otherwise modifying the grade or drainage channels of the Property so as to improve the drainage of water on the Property.

14.10 Easements of Access for Repair, Maintenance and Emergencies. Some of the Common Elements, including certain pipes, vents, ducts, flues, cable conduits, wires, telephone wires and other similar utility installations or services, are or may be located within the Individual Air Space Units or in the determination of the Association, Declarant or Executive Board may be conveniently accessible only through the Individual Air Space Units, Garage Units, or Storage Units. The Owners of other Individual Air Space Units, Garage Units, and Storage Units, the Declarant and the Association shall have the irrevocable right, to be exercised by the Association as the Owners' agent, to have access to each Individual Air Space Unit, Garage Unit and Storage Unit and to all Common Elements from time to time during such reasonable hours as may be necessary for the maintenance, repair, removal or replacement of any of the Common Elements therein or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the Common Elements or to any Individual Air Space Unit. In addition, an easement is hereby created for such Common Elements as they currently exist within the Individual Air Space Units, Garage Units or Storage Units. Subject to the provisions of Section 7.3 above, damage to the interior of any part of a Condominium Unit resulting from the maintenance; repair, emergency repair, removal or replacement of any of the Common Elements or as a result of emergency repair within another Condominium Unit at the instance of the Association or of Owners shall be a Common Expense.

14.11 Declarant's Rights Incident to Construction and Marketing. Declarant, for itself and its successors and specific assigns, hereby retains a right and easement of ingress and egress over, in, upon, above, under and across the Property and the right to store materials on the Property and to make such other use of the Property as may be reasonably necessary or incident to the complete construction and sale of the Project, including but not limited to construction trailers, temporary construction offices, sales offices and directional and marketing signs; provided, however, that no such rights shall be exercised by Declarant in such a way as to unreasonably interfere with the occupancy, use, enjoyment or access by any Owner or family members, guests or invitees of an Owner. Declarant, for itself and its successors and specific assigns, hereby retains a right to maintain any Condominium Unit or Condominium Units as sales offices, management offices or model residences so long as Declarant or any successor to the rights of Declarant under this Declaration continues to be an Owner of a Condominium Unit. The use by Declarant of any Unit as a model residence, office or other use shall not affect the Condominium Unit's designation on the Map as a separate Condominium Unit.

14.12 Right of Declarant and Association to Own Condominium Units and to Use Common Elements. An easement is hereby reserved by Declarant for itself and its successors and specific assigns and granted to the Association and its officers, agents, employees, successors and assigns to maintain offices, storage areas, conference areas and recreational areas for use by the Association within the General Common Elements and the Limited Common Elements and subject to the Rules and Regulations established under this Declaration. The Association shall also have the right (but not the obligation) to purchase and own any Condominium Unit for the purpose of maintaining an office for the Association or for any other use which the Association determines is consistent with the operation of the Project. The costs and carrying charges incurred by the Association in purchasing and owning any such Condominium Unit shall be part of the Common Expenses.

14.13 Remodeling Easement. Declarant, for itself and its successors and specific assigns, including Owners, retains a right and easement in and about the Building for the construction and installation of any duct work, additional plumbing or other additional services or utilities in the Common Elements in connection with the improvement or alteration of any Commercial Unit or Residential Unit, including the right of access to such areas of the Common Elements as is reasonably necessary to accomplish such improvements. In the event of a dispute among Owners with respect to the scope of the easement reserved in this Section 14.13, the decision of the Executive Board shall be final.

14.14 Easements Deemed Created. All conveyances of Condominium Units hereafter made, whether by Declarant or otherwise, shall be construed to grant and reserve the easements contained in this Article 14, even though no specific reference to such easements or to this Article 14 appears in the instrument for such conveyance.

ARTICLE 15

ASSOCIATION AS ATTORNEY-IN-FACT

15.1 Appointment. Each and every Owner hereby irrevocably constitutes and appoints the Association as such Owner's true and lawful attorney-in-fact in such Owner's name, place and stead for the purpose of dealing with the Project upon its damage, destruction, condemnation or obsolescence as provided below in Articles 16, 17 and 18. In addition, the Association or any insurance trustee or substitute insurance trustee designated by the Association is hereby appointed as attorney-in-fact under this Declaration for the purpose of purchasing and maintaining insurance under Article 10 above, including: the collection and appropriate disposition of the proceeds of such insurance, the negotiation of losses and the execution of releases of liability, the execution of all documents and the performance of all other acts necessary to accomplish such purpose. The Association or any insurance trustee shall hold or otherwise properly dispose of any insurance proceeds in trust for the Owners and their Mortgagees, as their interests may appear. Acceptance by any grantee of a deed or other instrument of conveyance from Declarant or from any Owner shall constitute appointments of the attorneys-in-fact as provided above. Notwithstanding any other provision of this Declaration to the contrary, the Association may exercise its authority as attorney-in-fact for any purpose permitted pursuant to this Declaration only if, in each and every instance where such exercise is so permitted, the Executive Board approves the exercise of such authority by the affirmative vote of a majority of the voting Directors, including the affirmative vote of at least one (1) Residential Director and one (1) Commercial Director. If the Executive Board fails to so approve any exercise of authority as attorney-in-fact, the Association shall have such authority as it may have pursuant to the Act.

15.2 General Authority. As attorney-in-fact, the Association shall have full and complete authorization, right and power to make, execute, deliver and record any contract, assignment, deed, waiver or other instrument with respect to the interest of any Owner which may be necessary or appropriate to exercise the powers granted to the Association as attorney-in-fact; the designation of attorney-in-fact is "coupled with an interest" so as to vest with the Association full and complete authorization, right and power to effect the same.

ARTICLE 16

DAMAGE OR DESTRUCTION

16.1 The Role of the Executive Board. Except as provided in Section 16.6 below, in the event of damage to or destruction of all or part of the General Common Elements or other property covered by insurance written in the name of the Association under Article 10, the Executive Board shall arrange for and supervise the prompt repair and restoration of the damaged areas of the Project, including without limitation the floor coverings, fixtures and appliances initially installed therein by Declarant and replacement thereof installed by the Owners up to the value of those initially installed by Declarant, but not including any furniture, furnishings, fixtures, equipment or other personal property supplied or installed by the Owners in the Condominium Units unless covered by insurance obtained by the Association. To the extent the damage or destruction affects all or part of any Condominium Unit or the Limited Common Elements relating to an individual class of Owners, the Directors representing the Owners of the Condominium Units or Limited Common Elements damaged shall perform the foregoing functions. Notwithstanding the foregoing, each Owner shall have the right to supervise the redecorating of Owner's Condominium Unit.

16.2 Estimate of Damage or Destruction. As soon as practical after an event causing damage to or destruction of any part of the Project, the Association shall, unless such damage or destruction shall be minor, obtain an estimate or estimates that it deems reliable and complete of the costs of repair and reconstruction of that part of the Project damaged or destroyed. The term "repair and reconstruction" as used in this Article 16 shall mean restoring the damaged or destroyed part of the Project to substantially the same condition in which it existed prior to the damage or destruction, with each Individual Air Space Unit, Garage Unit, Storage Unit, Common Elements and Limited Common Elements having substantially the same vertical and horizontal boundaries as before.

16.3 Repair and Reconstruction. As soon as practical after obtaining estimates, the Association shall diligently pursue to completion the repair and reconstruction of the part of the Project damaged or destroyed. Pursuant to Article 15 above, the Association as attorney-in-fact for the Owners, the Association may take any and all necessary or appropriate action to effect repair and reconstruction, and no consent or other action by any Owner shall be necessary in connection with that action.

16.4 Funds for Repair and Reconstruction. Subject to the provisions of Section 16.6 below, the proceeds received by the Association from any hazard insurance shall be used for the purpose of repair, replacement and reconstruction.

16.5 Insurance Proceeds Sufficient to Repair. In the event of damage or destruction 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 as attorney-in-fact to cause the repair and restoration of the improvements. Assessments for Common Expenses shall not be abated during the period of insurance adjustments and repair and reconstruction.

16.6 Insurance Proceeds Insufficient to Repair; Special Assessment; Remedies for Failure to Pay Special Assessment. If the insurance proceeds are insufficient to repair and reconstruct the improvements, and if such damage is not more than seventy percent (70 %) of the total replacement cost of all of the Condominium Units in 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, if necessary, the proceeds of a Special Assessment to be made against all of the Owners and their Condominium Units. Any such Special Assessment shall be a Common Expense in accordance with Section 8.7 above and shall be due and payable within thirty (30) days after written notice as provided in Article 8 above. The Association shall have full authority, right and power as attorney-in-fact to cause the repair, replacement or restoration of the improvements using all of the insurance proceeds for such purpose, notwithstanding the failure of an Owner to pay the Assessment.

Any Assessment provided for in this Article 16 shall be a debt of each Owner and a lien on the Owner's Condominium Unit and may be enforced and collected as provided in Article 8 above. In addition, 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 pursuant to the provisions of this Section 16.6. The Assessments for the Common Expenses shall not be abated during the period of insurance adjustment and repair and reconstruction. The delinquent Owner shall be required to pay to the Association the costs and expenses for filing the notice, interest at the Maximum Rate on the amount of the Assessment and all reasonable attorneys' fees. 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:

16.6.1 For payment of real property ad valorem taxes, special assessment liens duly imposed by a governmental subdivision and customary expenses of sale;

16.6.2 For payment of the balance of the lien of any First Mortgage affecting the Condominium Unit;

16.6.3 For payment of unpaid Association Assessments, interest, costs, late charges, expenses and attorneys' (and legal assistants') fees;

16.6.4 For payment of junior Mortgages affecting the Condominium Unit in the order of and to the extent of their priority; and

16.6.5 For payment of the balance remaining, if any, to the Owner of the Condominium Unit.

If the insurance proceeds are insufficient to repair and reconstruct the improvements, and if such damage is more than seventy percent (70 %) of the total replacement cost of all of the Condominium Units in 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 if necessary, the proceeds of a special Assessment made against all of the Owners and their Condominium Units; provided, however, that Owners representing an aggregate ownership interest in the Common Elements of eighty-five percent (85 %) or more, including Owners representing an aggregate ownership in the Limited Common Elements- Residential of eighty-five percent (85 %) or more and Owners representing an aggregate ownership in the Limited Common Elements-Commercial of

eighty-five percent (85 %) or more, may elect to terminate the Project; and in such event, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's President and Secretary-Residential and Secretary-Commercial, the entire Project shall be sold pursuant to the provisions of this Section 16.6 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 of Incorporation and Bylaws of the Association. Assessments for Common Expenses shall not be abated during the period prior to sale.

In such event, 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 in the Common Elements and such divided proceeds shall be paid into separate accounts, each such account representing one 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 and designated as an agency account. 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 account to another toward the partial or full payment of the lien of any First Mortgagee encumbering the Condominium Unit represented by such separate account. Thereafter, each such account shall be supplemented by the apportioned amount of the proceeds obtained from the sale of the entire Property. Such apportionment shall be based upon each Condominium Unit Owner's interest in the Common Elements. The total funds of each account shall be used and disbursed, without contribution from one account to another, by the Association, as attorney-in-fact, for the same purposes and in the same order as is provided in Sections 16.6.1 through 16.6.5 above.

In the event that the Owners do not elect to terminate the Project as provided above, Owners representing at least eighty-five percent (85 %) of the total allocated votes in the Association (other than Declarant), including Owners representing an aggregate ownership in the Limited Common Elements-Residential of eighty-five percent (85 %) or more and Owners representing an aggregate ownership in the Limited Common Elements-Commercial of eighty-five percent (85 %) or more; and all directly adversely affected Owners may alternatively agree in writing not to repair and reconstruct improvements within the Common Elements and if no alternative improvements are authorized, then and in that event, the damaged property shall be restored to its natural state and maintained as an undeveloped portion of the Common Elements by the Association in a neat and attractive condition. Any remaining insurance proceeds shall be distributed in accordance with the Act.

16.7 Repairs. All repairs and reconstruction contemplated by this Article 16 shall be performed substantially in accordance with this Declaration, the Map and the original plans and specifications for the Project, unless other action is approved by the Association in accordance with the requirements of this Declaration and the other Association Documents.

16.8 Notice of Damage or Destruction to First Mortgagees. In the event that any portion of the Project encompassing more than one Condominium Unit is substantially damaged or destroyed by fire or other casualty, then written notice of the damage or destruction shall be given by the Association to each Owner and First Mortgagee of the affected Condominium Units within a reasonable time following the event of casualty damage.

ARTICLE 17 CONDEMNATION

17.1 Consequences of Condemnation. If at any time or times during the continuance of the project pursuant to this Declaration, all or any part of the Project shall be taken by any public authority or sold or otherwise disposed of in lieu or in avoidance of condemnation, then the distribution of all compensation, damages or other proceeds of condemnation shall be as the parties with interests and rights are determined or allocated by record and pursuant to the Act.

17.2 Notice of Condemnation. In the event that any portion of the Project shall be made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then timely written notice of such condemnation shall be given by the Association to each Owner and First Mortgagee.

ARTICLE 18 ALTERATIONS

18.1 Permitted Condominium Unit Alterations. An Owner may, subject to the terms and provisions of this Article 18, construct an alteration or improvement to its Residential Unit or Commercial Unit (a "Permitted Unit Alteration") that:

18.1.1 Does not, either during construction or after completion, impair the structural integrity, electrical systems, building systems or mechanical systems, or lessen the support of any portion of the Project;

18.1.2 Does not, during construction, substantially and unreasonably impair the use of any Common Element by any Owner (or its permittees) entitled to such use;

18.1.3 Does not, during construction, change the appearance or otherwise adversely affect the Common Elements, except for such temporary increases in the use of the Project's elevator, service entry and trash removal facilities as may be reasonable and necessary in view of the nature of the alteration or improvement;

18.1.4 Does not, after completion, change the appearance of or otherwise adversely affect the Common Elements (other than, in the case of a Boundary Relocation, a Unit Connection or a Unit Disconnection, the walls which are affected thereby);

18.1.5 Does not, after completion, affect the appearance of the Project when viewed from any area outside the altered Condominium Unit;

18.1.6 Does not, either during construction or after completion, impair or adversely affect any easement or right granted pursuant to this Declaration;

18.1.7 Does not involve the painting or alteration in any manner of the exterior of the Condominium Unit, including the doors and windows, or the painting or alteration of the exterior of the Building;

18.1.8 Does not otherwise conflict with or constitute a violation of any of the Association Documents; and

18.1.9 No structural alteration to any Condominium Unit, Common Element or Limited Common Element shall be done by any Owner without the prior written approval of the Executive Board.

Prior to the commencement of construction, an Owner intending to perform a Permitted Unit Alteration will submit an application therefor to the Executive Board, or its respective class of directors. Permitted Unit Alterations may not be commenced until the Board has approved the application. Any change, addition, alteration or improvement of any Condominium Unit that does not constitute a Permitted Unit Alteration is prohibited (unless otherwise permitted pursuant to this Article 18) and may be enjoined by the Association or any aggrieved Owner. Initial improvements to Condominium Units by the Declarant shall be exempt from the provisions of this section.

18.2 Boundary Relocation. The Owner(s) of two adjoining Condominium Units located on the same floor of the Building may make a boundary relocation affecting the Condominium Unit(s) owned by such Owner(s) in accordance with this Section 18.2 ("Boundary Relocation"). The Owner(s) of the Condominium Unit(s) directly affected by any proposed Boundary Relocation must make an application to the Executive Board for such Boundary Relocation, signed by such Owner(s), which includes the following:

18.2.1 Plans and specifications for the proposed Boundary Relocation in such level of detail as may be required by the Executive Board showing all walls, doors and other improvements that will be demolished or constructed;

18.2.2 Evidence sufficient to the Executive Board (which evidence may include, if applicable, reports of licensed architects or structural or mechanical engineers) that the proposed Boundary Relocation will comply with the requirements of Sections 18.1.1 through 18.1.8 hereof;

18.2.3 Evidence sufficient to the Executive Board that the proposed Boundary Relocation will comply with all applicable laws (including without limitation zoning and building codes) and that the proposed Boundary Relocation has been approved by the security holder(s) in each Condominium Unit;

18.2.4 The proposed reallocation of interests, if any, such as reallocation of common allocations, voting rights, Limited Common Elements or any other rights or responsibilities allocated among the Condominium Units pursuant to this Declaration (which reallocation must be based on the same formulas as set forth in this Declaration for the allocations being changed);

18.2.5 A form of proposed amendment to this Declaration (including the Map) sufficient to show the altered boundaries of the subject Condominium Unit(s) their dimensions and identifying numbers and the reallocation of interests, if any, proposed pursuant to Section 18.2.4 hereof;

18.2.6 A deposit against attorneys' fees and costs which the Executive Board will incur in reviewing and effectuating the application, in an amount reasonably estimated by the Executive Board; and

18.2.7 Such other information as may be reasonably requested by the Executive Board. At such time as the Executive Board determines that the submitted application satisfies the foregoing requirements it will prepare an amendment to this Declaration and the Executive Board will cause such amendment to be signed by the president or another authorized officer of the Association, acknowledged and recorded. The Owner(s) requesting a Boundary Relocation will pay all costs and expenses reasonably incurred by the Executive Board or the Association in connection with such Boundary Relocation.

18.3 Connection of Adjoining Condominium Units. Two adjoining Condominium Units located on the same floor of the Building may be connected without combining such Condominium Units into a single Condominium Unit, so that each connected Condominium Unit will retain its separate identity, identifying number and Unit allocations (a "Unit Connection"), provided the Board approves such Unit Connection in accordance with the following provisions. The Owner of the Condominium Units directly involved in any proposed Unit Connection must make an application to the Board for such Unit Connection, signed by such Owner, which must identify the Condominium Units involved; specify, in such detail as required by the Executive Board, all demolition or construction necessary to create the air space area (the "Shared Area") occupied by the portion(s) of the General Common Element wall(s) separating such Condominium Units which will be demolished in order to provide for opening(s) between the connected Condominium Units; and include any other information reasonably requested by the Executive Board. The Executive Board will approve an application for a Unit Connection if all of the following conditions are satisfied:

18.3.1 Each Condominium Unit directly affected by a proposed Unit Connection is owned by the same Owner;

18.3.2 Sufficient evidence has been presented to the Board that the proposed Unit Connection will comply with all applicable laws (including without limitation zoning and building codes) and that the proposed Unit Connection will not violate the terms of any security interest encumbering the subject Condominium Unit(s) or has been approved by the security holder(s) thereof; and

18.3.3 Evidence sufficient to the Executive Board (which evidence may include, if applicable, reports of licensed architects or structural or mechanical engineers) that the proposed Unit Connection will comply with the requirements of Sections 18.1.1 through 18.1.8 hereof.

If the Executive Board approves an application for a Unit Connection, then concurrently with such approval, the Executive Board will re-designate from a General Common Element to a Limited Common Element the subject Shared Area. Such Shared Area will thereupon be appurtenant to the two (2) Condominium Units that are the subject of such Unit Connection. Upon approval of a Unit Connection, the Executive Board will also cause a

statement executed by the president or another authorized officer of the Association to be recorded that identifies the two Condominium Units involved in such Unit Connection and gives notice that such Condominium Units are the subject of an approved Unit Connection pursuant to this Declaration. From and after the recording of any such statement, the Condominium Units described therein may not be conveyed apart from one another and any attempt to do so will be deemed void and of no force or effect until such time as the Executive Board has approved a Unit Disconnection with respect to such Condominium Units. The Owner requesting a Unit Connection will pay all costs and expenses reasonably incurred by the Executive Board or the Association in connection with such Unit Connection.

18.4 Unit Disconnection. The Board will, within thirty (30) days of receipt of an application from the Owner of any two (2) Condominium Units previously connected pursuant to an approved Unit Connection requesting that such connected Condominium Units be disconnected (a "Unit Disconnection"), permit the disconnection of such Condominium Units and will re-designate the Shared Area from a Limited Common Element appurtenant to such connected Condominium Units to a General Common Element, provided such Owner constructs or otherwise restores, at its sole cost and expense, the wall or walls that was or were demolished to create the Shared Area as depicted on the Map with the time period specified by the Executive Board (which time period will not exceed sixty (60) days from the date of Executive Board approval of a Unit Disconnection) so that all openings between the connected Condominium Units authorized by the approved Unit Connection are closed. An application for a Unit Disconnection will be signed by the submitting Owner and, upon approval thereof by the Executive Board, the Board will cause a statement executed by the president or another authorized officer of the Association to be recorded that identifies the two (2) Condominium Units involved in such Unit Disconnection and gives notice that such Condominium Units are no longer the subject of a Unit Connection pursuant to this Declaration (and therefore may thereafter be conveyed separately). The Owner requesting a Unit Disconnection will pay all costs and expenses reasonably incurred by the Executive Board or the Association in connection with such Unit Disconnection.

18.5 Construction. Any Owner(s) performing any construction or demolition work relating to a Permitted Unit Alteration, a Boundary Relocation, a Unit Connection or a Unit Disconnection (any of which will be referred to hereafter as an "Alteration") must comply with the following additional provisions:

18.5.1 Such Owner(s) will obtain all necessary permits and governmental authorizations for the Alteration;

18.5.2 The Alteration and the construction thereof will comply with all applicable zoning and building codes and other applicable laws, ordinances and restrictive covenants;

18.5.3 Prior to commencing any construction, such Owner(s) will provide the Executive Board with evidence sufficient to the Executive Board that the insurance required to be maintained by such Owner(s) pursuant to Section 10.12 hereof is in full force and effect and that the contractor who will perform the work maintains Worker's Compensation Insurance in the amount required by law and Contractor's Liability Insurance with such limits as the Executive Board may reasonably require;

18.5.4 Such Owner(s) will cause the Alterations to be constructed and completed diligently, in a good and workmanlike manner, and free and clear of all mechanics' and materialmen's liens and other claims;

18.5.5 During the construction process, such Owner(s) will, to the extent consistent with good construction practices, keep the area affected thereby in a safe, neat and clean condition;

18.5.6 Such Owner(s) will minimize any impact from the construction process on other Condominium Units or Common Elements;

18.5.7 Such Owner(s) will perform the Alteration work or cause such work to be performed in such a manner as to maintain harmonious labor relations and as not to interfere unreasonably with or delay the work of any other contractors then working anywhere on the Project;

18.5.8 Such Owner(s) will reimburse the Association for all costs incurred by the Association in connection with the Alterations, such as the increase in costs of trash removal due to the performance of the Alteration work; and

18.5.9 Such Owner(s) will pay or cause to be paid all costs of design and construction of the Alterations.

18.6 Alteration of Common Elements. Except to the extent permitted in connection with an approved Boundary Relocation, Unit Connection or Unit Disconnection, or as otherwise permitted in this Declaration, no Owner or Owner's permittee will construct anything upon, remove anything from or alter any of the Common Elements, or paint, decorate or landscape any portion of the Common Elements (except that changes or alterations to the interior surface of any patio, balcony or deck appurtenant to an Owner's Condominium Unit may be made with the prior consent of the Association). Owners of Condominium Units with a large patio, deck, or balcony shall be permitted, without the necessity to request or obtain approval from the Association, to install a hot tub on said patio, deck or balcony. Without limiting the generality of the foregoing, no Owner or Owner's permittee will do anything which will impair or affect (a) the structural stability or building systems of the Project; (b) any easement or right granted pursuant to this Declaration; or (c) any Common Element.

ARTICLE 19 DECLARANT'S RIGHTS

19.1 Special Declarant Rights. Declarant hereby reserves (or, where applicable, expressly waives) the following Development Rights and Special Declarant Rights:

19.1.1 Improvements. Declarant will have the right, but not the obligation, to complete any one or more of the following improvements or alterations: (a) construct improvements indicated on the Map; (b) remodel or refurbish any one or more of the Common Elements of the Project; (c) remodel or refurbish any Condominium Unit (including any model Condominium Unit) owned by Declarant; (d) install security equipment, such as cameras, monitors and video recorders on or about the Common Elements; (e) construct or install a sales or management offices and /or sales and marketing signs in the General Common Elements, Limited Common Elements or Condominium Units; (f) install such natural gas or other utility lines on the outside of any Building or on the inside of any Building and with respect to lines inside a Building, running through existing or newly created chases in the Common Elements or in any or all of the Condominium Units, as may be necessary to provide utility service sufficient to operate gas-burning fireplaces in some or all of the Condominium Units; (g) install gas-burning fireplaces in one or more of the Condominium Units owned by Declarant or in the Condominium Units of any other Owners who consent to such installation and, in connection therewith, to install such exhaust and make-up air vents on the exterior of the Building as may be necessary to vent exhaust from, and provide make-up air to such gas-burning fireplaces; (h) re-stripe or reconfigure the Parking Spaces or Garage Units to conform to those shown on the Map or as otherwise deemed necessary due to structural limitations; and (i) make some or all of the improvements to any Building necessary to meet the life-safety requirements for existing residential buildings set forth in the building code for the Town of Dillon, Summit County, Colorado or otherwise required by any governmental subdivision having jurisdiction over the Project.

19.1.2 Boundary Relocation. Declarant will have the right from time to time to make Boundary Relocations affecting any Condominium Unit(s) then owned by Declarant without the consent or joinder of the Owners or First Mortgagees; provided, however, that the consent or joinder of the primary mortgagee shall be required for any Boundary Relocation to the extent such consent is a condition of the primary mortgagee's loan documents. To effect a Boundary Relocation, Declarant will execute, acknowledge and record an amendment to this Declaration (including the Map) showing the affected Condominium Unit(s), its or their new boundaries and dimensions and any changes to its or their identifying number(s) and revising Exhibit B attached hereto to show any changes in the allocations resulting from the Boundary Relocation. The revised allocations resulting from any Boundary Relocation made by Declarant will be based on the formula set forth in this Declaration.

19.1.3 Marketing. Declarant will have the right to maintain in such number, size and location as Declarant reasonably determines, sales offices, management offices, parking areas, lighting facilities and model Condominium Unit(s) in any Condominium Unit(s) owned by Declarant or in any part of the Project not necessary

for access to any Condominium Unit, and to change the locations of and remove the same from time to time. Declarant may maintain signs on the Project advertising the Condominium Units for sale and directing prospective purchasers to such offices or model Condominium Unit(s) in such number, size and location as Declarant reasonably determines. Declarant reserves the right of access to any and all appurtenant facilities which are designated on the Condominium Map as a Limited Common Element-Residential for periodic sales and marketing promotional events.

19.1.4 Easements. Declarant will have the right to use the Easements described in Article 14 hereof for so long as such Easements remain in effect.

19.1.5 Appoint Board and Officers. Subject to the provisions of this Declaration and the Bylaws, Declarant will have the right to appoint and remove the Directors to the Executive Board and the officers of the Association during the Declarant Control Period.

19.1.6 Amend Declaration. In addition to those amendments to this Declaration which Declarant is expressly authorized to make pursuant to the provisions of this Declaration, Declarant will have the right during the Declarant ownership period to amend this Declaration (including the Map) without the consent or joinder of the Owners or First Mortgagees, to meet or comply with any requirements of FHA, VA or other governmental or quasi-governmental mortgage agency or in any manner authorized by the Act, provided that no such amendment will have a material adverse effect on the rights or obligations of any Owner or First Mortgagee. The Declarant shall also have the right to amend the Declaration and the Map in connection with the exercise of any development right or Special Declarant Right, as well as amendments to bring the Declaration into compliance with any future or prior statutory or regulatory requirement.

19.1.7 Development Right. Declarant shall have the right to exercise the development rights described herein or reserved or allowed in the Act.

19.1.8 Declarant's Personal Property. The Declarant reserves the right to retain all personal property and equipment used in the sales, management, construction and maintenance of the Common Elements that has not been expressly represented as property of the Association. The Declarant reserves the right to remove from the Project (promptly after the sale of the last Condominium Unit) any and all goods and improvements used in development, marketing and construction, regardless whether they have become fixtures.

19.1.9 Dedications. The right to establish, from time to time, by dedication or otherwise, public streets, utility and other easements for purposes, including but not limited to public access, access paths, walkways, drainage, recreation areas, parking areas, ducts, shafts, flues, conduit installation areas, and to create other reservations, exceptions and exclusions.

19.1.10 Use Agreements. The right to enter into, establish, execute, amend and otherwise deal with contracts and agreements for the use, lease, repair, maintenance or regulation of parking, recreational facilities and / or Common Elements, which may or may not be a part of the Project.

19.1.11 Prohibition of Declarant's Right to Create Timeshare Estates. Declarant shall not have the right to create timeshare estates with respect to any Condominium Unit owned by Declarant and expressly waives such right. No timeshare estates shall be created or permitted within the Project.

19.2 Creation, Combination or Subdivision of Condominium Units / Common Elements / Use. Declarant shall have and hereby reserves the right: (a) to designate and re-designate uses of Condominium Units owned by Declarant, enlarge Condominium Units, Common Elements and Limited Common Elements, reduce or diminish the size of Condominium Units not yet conveyed by Declarant, and reduce or diminish the size of the areas of the Common Elements and Limited Common Elements, (b) to create, add or construct additional Condominium Units, Common Elements and Limited Common Elements, (c) to combine or re-subdivide the space within any Condominium Unit or Condominium Units owned by Declarant to create additional Condominium Units and to designate, re-designate and reallocate Limited Common Elements in connection with any such combination or subdivision, (d) to amend the use restrictions included in the Declaration and to add new use restrictions, (e) to designate a Condominium Unit as a Commercial Unit, Residential Unit, Garage Unit, or Storage Unit, (f) to merge or consolidate the Project with another common interest community, (g) to amend the Declaration and Map in

connection with the exercise of any development right. Upon the creation, addition, combination or re-subdivision of any Condominium Unit in accordance with the terms and conditions contained herein, each Owner's allocated interests shall be reallocated. Without limiting the generality of the foregoing, Declarant specifically reserves the right create additional Condominium Units, Common Elements and / or Limited Common Elements within any Commercial Unit.

19.3 Conversion of Condominiums and Common Areas. Declarant shall have and hereby reserves the right to convert any Condominium Unit owned by it into Common Elements or Limited Common Elements, or to convert Common Elements or Limited Common Elements into Condominium Units, subject to the terms and provisions of the Act.

19.4 Leases. Declarant shall have and hereby reserves the right to lease any Condominium Unit in addition to its right as an Owner to lease a Condominium Unit.

19.5 Limited Common Elements. Declarant shall have and hereby reserves the right to create, change or reallocate General Common Elements and Limited Common Elements in connection with the overall development of the Project as provided herein, including but not limited to Section 5.2.2.

19.6 Special Declarant Rights. In addition to the foregoing reserved rights, Declarant further reserves the right to exercise all Development Rights, Special Declarant's Rights and other Declarant rights.

19.7 Exercise of Rights. The exercise of any or all of the Special Declarant Rights shall be at the sole option and discretion of Declarant. Such Declarant Rights may be exercised with respect to different portions of the Project or parcels of real estate at different times. No assurances are made with respect to the boundaries of the portions of the parcels of real estate that may be subject to such Declarant Rights, nor the order in which they may be exercised. If Declarant exercises any Special Declarant Rights, such Rights may, but need not, be exercised as to all or any other portion of the Project. Notwithstanding anything in this Declaration to the contrary, no consent or agreement of the Owners, First Mortgagees or any other person shall be required in order to allow Declarant to exercise any of its rights, provided such exercise complies with the applicable provisions of this Declaration.

ARTICLE 20 SECURITY INTERESTS

20.1 Approval by Members and First Mortgagees. Notwithstanding any provisions of this Declaration to the contrary, the Association shall not, except as provided by statute, in case of condemnation or substantial loss to the Condominium Units and / or Common Elements, unless it has obtained the prior written approval of the Owners (other than the Declarant) casting at least sixty-seven percent (67 %) of the votes in the Association and of those First Mortgagees who represent at least sixty-seven percent (67 %) of the votes in the Association that are allocated to Condominium Units that are encumbered by First Mortgages (and who have submitted a written request that the Association notify them of any proposed action requiring the consent of a specified percentage of First Mortgagees; however, this requirement will be deemed waived to the extent necessary to allow phasing, add-ons, or annexations, in accordance with this Declaration):

20.1.1 Use hazard insurance proceeds for losses to any condominium property (whether Condominium Units or Common Elements) for other than the repair, replacement, or reconstruction of such condominium property.

20.1.2 Add or amend any material provisions of this Declaration, the Articles of Incorporation or Bylaws of the Association which govern any of the following (provided that the implied approval of any First Mortgagee shall be assumed if such First Mortgagee fails to submit a response to any written proposal for an amendment within thirty (30) days after it receives proper notice of the proposal delivered by certified or registered mail with a "return receipt" requested):

20.1.2.1 Voting rights; liens;

20.1.2.2 Assessments, assessment liens or the priority of assessment liens;

20.1.2.3 Reallocation of interests in the General Common Elements, Limited Common Elements or rights to their use, including, but not limited to any act or omission which seeks to abandon, partition, subdivide, encumber, sell, or otherwise transfer Common Elements; the granting of easements for public utilities or other public purposes consistent with the intended use of the Common Elements is not a transfer within the meaning of this clause;

20.1.2.4 Redefinition of any Condominium Unit boundaries of any kind, including, but not limited to, partition or subdivision of any Residential Unit;

20.1.2.5 Convertibility of Condominium Units into Common Elements, or vice versa;

20.1.2.6 Expansion or contraction of the Project, or the addition, annexation or withdrawal of property to or from the Project (except as permitted in this Declaration or the Act);

20.1.2.7 Hazard or fidelity insurance requirements;

20.1.2.8 Imposition of any restrictions on an Owner's right to sell or transfer his or her Condominium Unit; or

20.1.2.9 Restoration or repair of the Project (after a damage or partial condemnation) in a manner other than that specified in the Declaration, the Articles of Incorporation or Bylaws of the Association;

Provided, however, the foregoing approval requirements do not apply to amendments effected by the exercise of any Special Declarant Right, including Development Rights in accordance with the provisions of this Declaration or the Act.

20.2 Termination of Legal Status. Any action to terminate the legal status of the Project after substantial destruction or condemnation occurs shall be agreed to by First Mortgagees who represent at least fifty-one percent (51 %) of the votes of Condominium Units that are encumbered by First Mortgages held by First Mortgagees.

20.3 Notice of Action. Upon written request to the Association, identifying the name and address of the First Mortgagee or insurer or guarantor of the First Mortgage, and the residence address of the Condominium Unit which is subject to such first security interest, each First Mortgagee, or insurer or guarantor, shall be entitled to timely written notice of the following:

20.3.1 any condemnation loss or casualty loss which affects either a material portion of the Project or any Condominium Unit subject to a First Mortgage held by a First Mortgagee;

20.3.2 any delinquency in the payment of assessments or charges owed to the Association by the Owner of the Condominium Unit subject to a First Mortgage held by a First Mortgagee, when such delinquency remains uncured for a period of sixty (60) days; and

20.3.3 any lapse, cancellation or material modification of any insurance policy maintained by the Association.

20.4 Additional Mortgagee Protection Provisions.

20.4.1 Notice and Cure Rights. Any mortgagee, trustee or beneficiary (each, a "Mortgagee") under a mortgage, deed of trust or similar security instrument (each, a "Mortgage") shall have the right, but not the obligation and without payment of any penalty, to do any act or thing required of any Owner; and to do any act or thing which may be necessary or proper to be done in the performance and observance of the agreements, covenants and conditions hereof. All payments so made and all things so done and performed by any Mortgagee shall be effective to prevent a default under this Declaration as the same would have been if made, done and performed by any party hereto instead of by said Mortgagee. Any event of default under this Declaration which in the nature

thereof cannot be remedied by a Mortgagee shall be deemed to be remedied if (a) within thirty (30) days after receiving written notice from the non-defaulting party setting forth the nature of such event of default, or prior thereto, the Mortgagee shall have acquired the property owned by the defaulting party (the "Defaulted Property") or shall have commenced foreclosure or other appropriate proceedings in the nature thereof, (b) the Mortgagee diligently prosecutes any such proceedings to completion, (c) the Mortgagee shall have fully cured any default in the payment of any monetary obligations owed the non-defaulting party hereunder within such thirty (30) day period and shall thereafter continue to perform faithfully all such non-monetary obligations which do not require possession of the Defaulted Property, and (d) after gaining possession of the Defaulted Property following a foreclosure or deed in lieu thereof, the Mortgagee performs all other obligations of the defaulting party hereunder as and when the same are due. The non-defaulting party shall mail or deliver to any Mortgagee who has provided its address to such non-defaulting party any and all notices of default which such non-defaulting party may from time to time give to or serve upon a defaulting party pursuant to the provisions of this Declaration and such copies shall be mailed or delivered to such Mortgagee simultaneously with the mailing or delivery of the same to the defaulting party.

20.4.2 No Invalidity of Mortgage Lien. No violation of this Declaration by, or enforcement of this Declaration against, any party shall impair, defeat or render invalid the lien of any Mortgage.

20.4.3 Enforceability of Declaration. Subject to the foregoing provisions, the parties hereto each agree that this Declaration shall be enforceable against a party whose title is acquired by foreclosure, trustee's sale, voluntary conveyance, assumption or otherwise.

20.4.4 Mortgagee Requirements. The Association and each Owner agrees to cooperate reasonably in regard to the written requests or requirements by a Mortgagee; provided, however, such cooperation shall be at the sole cost and expense of the requesting party, and provided, further, that no party shall be deemed obligated to accede to any request or requirement that materially and adversely affects its rights under this Declaration. In the event of any conflict between the provisions of this Section 20.4 and the other provisions of this Declaration, this Section 20.4 shall control.

20.4.5 Binding Effect of Declaration. No breach under this Declaration shall defeat or render invalid the lien of any Mortgage on the Property made in good faith for value, but the easements, covenants, conditions and restrictions set forth in this Declaration shall be binding upon and effective against any owner of such Property covered hereby whose title thereto is acquired by foreclosure, trustee's sale, or otherwise.

ARTICLE 21 OTHER ASSOCIATION MATTERS

21.1 General Reservation. Subject to any applicable restrictions under the Act, Declarant reserves the right to dedicate any access roads and streets serving the Property for and to public use and to allow such street or road to be used by owners of adjacent land.

21.2 Prohibition of Timeshare Estates. No Residential Unit shall be used (a) for the operation of a timesharing, fraction-sharing or similar program whereby the right to exclusive use of the Residential Unit rotates among participants in the program on a fixed or floating time schedule over a period of years; or (b) for the operation of a reservation or time-use system among co-Owners of a Residential Unit managed by a party other than the co-Owners themselves or a system whereby co-Owners are required as a condition of purchase of a fractional interest in the Residential Unit to subject the fractional interest to a pre-determined reservation or time-use system among co-Owners, regardless of whether or not the co-Owner may later opt out of such system and regardless of whether the reservation or time-use system is recorded or unrecorded, fixed or floating.

21.3 Acknowledgments. Each Owner is hereby advised of the following matters affecting the Property and the Owners' use and enjoyment thereof:

21.3.1 Private roads, drives, and garage access, if any, within the Project may be subject to restricted or gated access limitations, and may be subject to the Rules and Regulations of the Association.

21.3.2 Substantial construction-related activities relating to the development of other projects or other development within or near the Project may cause considerable noise, dust and other inconvenience to the Owners.

21.3.3 The Project is benefited by its location in the Town of Dillon, Colorado but such location may entail certain unpredictable amounts of visible, audible and odorous impacts to the Owners. Without limiting the generality of the foregoing, the Owners acknowledge and accept, without objection or protest, that noise and odors may impact the Property as a result of public, commercial and retail uses located both within the Project and in nearby areas and that the Owners may be impacted by lights, noise and traffic congestion generated thereby; Owners expressly waive any and all rights to take legal action relating to such matters.

21.3.4 All of the Garage Units are Limited Common Elements-Residential reserved for the exclusive use of the Owner of such Garage Unit (such designation of ownership indicating solely the ownership of the exclusive right to use such Garage Unit, not fee-simple ownership of such Garage Unit); Parking Spaces (as defined herein and distinguished from Garage Units) may be designated as visitor spaces for the exclusive use of the Residential Units, Commercial Units or their guests or patrons, as the case may be, on a first-come, first-serve basis, subject to the requirements of regarding re-designation under Section 5.2.2 and given that the initial designation shall be as Limited Common Elements-Commercial. In order to control access to the Parking Garage, the Owners of Garage Units may have the authority to install a system at the entries to the Parking Garage to regulate access to the Parking Garage, which system may include access control gates. Access to the Garage Units may also require passage through such controlled entries, but shall not be subject to any fee or charge by the Commercial Owners.

ARTICLE 22 DECLARANT'S RIGHTS REGARDING TRANSFER

Any right or any interest reserved or contained in this Declaration for the benefit of Declarant may be transferred or assigned by Declarant, either separately or with one or more other such rights or interests, to any person, corporation, partnership, association or other entity, only by written instrument executed by both Declarant and the transferee or assignee and recorded in the Office of the Clerk and Recorder of Summit County, Colorado. Upon such recording, Declarant's rights and obligations under this Declaration shall cease and terminate to the extent provided in such instrument.

ARTICLE 23 MISCELLANEOUS

23.1 Restriction on Declarant Powers. Notwithstanding anything to the contrary herein, no rights or powers reserved to Declarant hereunder shall exceed the time limitations or permissible extent of such rights or powers as restricted under the Act. Any provision in this Declaration in conflict with the requirements of the Act shall not be deemed to invalidate such provision as a whole but shall be adjusted only to the extent as is necessary to comply with the Act.

23.2 Term. The covenants and restrictions of this Declaration shall run with and bind the land in perpetuity, subject to the termination provisions of the Act.

23.3 Amendment. The provisions of this Declaration may be amended or terminated, in whole or in part, from time to time upon the written consent of Owners representing an aggregate ownership interest in the Common Elements of fifty-one percent (51 %) or more, including Owners representing an aggregate ownership in the Limited Common Elements-Residential of fifty-one percent (51 %) or more and Owners representing an aggregate ownership in the Limited Common Elements-Commercial of fifty-one percent (51 %) or more; provided, however, matters not requiring Owner approval as described in C.R.S. § 38-33.3-217(1) may be handled by the Executive Board, including the approval of at least one (1) Residential Director and one (1) Commercial Director (except for those matters further delegated in this Declaration to a group of the Residential or Commercial Directors) and further provided that matters herein expressly requiring a higher percentage vote shall require at least such higher percentage vote for amendment. In addition (a) a majority of the voting Directors of the Executive Board, including the approval of at least (1) Residential Director and at least one (1) Commercial Director may make,

without the approval of the Owners, changes to the Map or any other Association Documents to the extent necessary to correct a factual error; and (b) any proposed amendment to this Declaration which affects any right of Declarant shall require the prior written approval of Declarant, in addition to the approval requirements otherwise set forth herein.

23.4 Unilateral Amendment Rights Reserved by Declarant; Technical Amendment; Special Amendment. Notwithstanding any provision in the Association Documents to the contrary, Declarant, acting alone, reserves to itself the right and power to modify, amend and, where necessary record, the Association Documents to the fullest extent permitted under the Act, without the approval or consent of any Owner, First Mortgagee, or any other person or entity, technical amendments to the Association Documents, including without limitation to correct clerical, typographical, spelling, grammar, dates, and technical errors, or as may otherwise be necessary to clarify the meaning of any provisions of this Declaration, or as may be necessary to bring the Association Document into compliance with the law, or special amendments to the Association Documents to comply with the requirements, standards or guidelines of recognized secondary mortgage markets, the Colorado Housing and Finance Authority, the Department of Housing and Urban Development, the Federal Housing Administration, the Veterans Administration, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association or the Federal National Mortgage Association or any other governmental or quasi-governmental agency or any other public, quasi-public or private entity which performs (or may perform in the future) functions similar to those currently performed by any of such entities, such powers and rights to be exercised at any time prior to the conveyance of the last Condominium Unit by Declarant to the first Owner thereof (other than Declarant) or five (5) years from the date this Declaration is recorded in Summit County, Colorado, whichever occurs first.

23.5 Recording of Amendments. Any amendment to this Declaration made in accordance with this Article 23 shall be immediately effective upon recording in the Office of the Clerk and Recorder of Summit County, Colorado, a copy of the amendment, executed and acknowledged by the appropriate number of Owners, accompanied by a certificate of a licensed title insurance company as to ownership, or upon the recording of a copy of the amendment, together with a duly authenticated certificate of the Secretary of the Association stating that the required number of consents of Owners and a certificate of a licensed title company as to title to the Condominium Units were obtained and are on file in the office of the Association.

23.6 Enforcement and Arbitration.

23.6.1 Except for those claims subject to Section 23.6.3 of this Section 23.6, enforcement of the covenants, conditions, restrictions, easements, reservations, rights-of-way, liens, charges and other provisions contained in the Association Documents, as supplemented and amended, may be by any proceeding at law or in equity against any person(s) (including, without limitation, the Association) violating or attempting to violate any such provision. The Association and any aggrieved Owner shall have the right to institute, maintain and prosecute any such proceedings, and the Association shall further have the right to levy and collect fines for the violation of any provision of any of the aforesaid documents. In any action instituted or maintained under this Section 23.6, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees incurred pursuant thereto, as well as any and all other sums awarded by the court. Failure by the Association or any Owner to enforce any covenant, restriction or other provision herein contained or any other provision of any of the aforesaid documents shall in no event be deemed a waiver of the right to do so thereafter.

23.6.2 The Association shall not institute litigation or administrative proceedings for declaratory relief, injunctive relief or for claim for monetary damages in excess of One Hundred Thousand Dollars (\$100,000.00) in its own name or on behalf of itself or two (2) or more Owners against any Person, including Declarant, alleging a defect in the design, construction or physical condition or other alleged defect of the Common Elements, Condominium Units or improvements related thereto without first obtaining the affirmative vote of at least sixty-seven percent (67 %) the Commercial Owners and at least sixty-seven percent (67 %) of the Residential Owners present at a meeting called for that purpose at which a quorum is present. The amount of One Hundred Thousand Dollars (\$100,000.00) shall be increased annually for each subsequent fiscal year of the Association beginning in the year 2008, in an amount equal to the United States Department of Labor Bureau of Labor Statistics final consumer price index for the Denver-Boulder metropolitan statistical area for the preceding calendar year. The amount shall not be decreased if the final consumer price index for the preceding year decreases.

23.6.3 Any claim, controversy or dispute over or related to: (i) the design, construction or physical condition of the Common Elements, Condominium Units or improvements related thereto and made against the Declarant or the Association, which shall be deemed a "Construction Dispute"; or (ii) the enforcement of the provisions of the Declaration, or over such other matters as the Association, Declarant and / or other affected person may mutually agree (except any action by any party to seek, obtain or enforce a temporary restraining order, preliminary injunction, or similar equitable order or decree, any action by the Association to assess or collect any Assessments, or enforce or foreclose any lien for such Assessments, or any action by the Association to enforce the provisions set forth in Article 18 hereof, or any action relating to the enforcement or discharge of any mechanic's lien) shall be resolved by binding arbitration in accordance with the Uniform Arbitration Act of 1975, C.R.S. § 13-22-201, et seq., as amended (or if such Act is repealed, then such other uniform state arbitration law enacted in its place). Any such arbitration proceeding may be required by an aggrieved person upon written notice delivered to the Association, the Declarant or other person(s), as the case may be, before the date when commencement of legal or equitable proceedings based on such claim or dispute would be barred by the applicable statute of limitations and no such demand for arbitration shall be made after the date when such proceedings would be barred by the applicable statute of limitations. The American Arbitration Association ("AAA") (or other mutually agreed upon arbitration organization) shall administer all aspects of arbitrations conducted hereunder, including the selection of arbitrators, pursuant to the AAA's Commercial Arbitration Rules. Arbitration hereunder shall be before a three (3) person panel of arbitrators for any dispute involving claims and counterclaims in the aggregate of One Hundred Thousand Dollars (\$100,000.00) or more unless the parties agree to a single arbitrator, and shall be resolved before a single arbitrator for such disputes involving claims and counterclaims, in the aggregate, of less than One Hundred Thousand Dollars (\$100,000.00). Each arbitrator shall possess the requisite experience and expertise in respect to matters to which the controversy relates to enable him or her to perform his or her arbitral duties competently. The cost of the arbitrator(s) and of any hearing transcript shall be divided equally between the parties. Any and all discovery in conjunction with such arbitration shall be limited to information directly relevant to the controversy or claim in arbitration and shall be concluded within forty-five (45) days after the appointment of the arbitrator or arbitration panel.

BY TAKING TITLE TO A CONDOMINIUM UNIT OR ACQUIRING THE EXCLUSIVE RIGHT TO USE A GARAGE UNIT OR STORAGE UNIT, EACH OWNER ACKNOWLEDGES AND AGREES THAT SUCH OWNER HAS WAIVED AND SHALL BE DEEMED TO HAVE WAIVED: (I) THE RIGHT TO MAKE ANY FORMAL OR INFORMAL CLAIM FOR DAMAGES OR DEMAND FOR ARBITRATION RELATING TO THE DESIGN, CONSTRUCTION OR PHYSICAL CONDITION OF THE COMMON ELEMENTS, CONDOMINIUM UNITS OR IMPROVEMENTS RELATED THERETO MORE THAN ONE (1) YEAR FOLLOWING THE DATE OF PURCHASE OF SUCH CONDOMINIUM UNIT BY THE ORIGINAL OWNER; (II) THE RIGHT TO A TRIAL BEFORE A JUDGE OR JURY IN ALL STATE AND FEDERAL FORUMS; (III) THE RIGHT TO ANY AWARD OF DAMAGES IN CONNECTION WITH THE ARBITRATION OF A DISPUTE OTHER THAN SUCH OWNER'S DIRECT DAMAGES; (IV) THE RIGHT TO BRING ANY CLAIM FOR DAMAGES OR DEMAND FOR ARBITRATION AGAINST THE DECLARANT OR DECLARANT'S MEMBERS RELATED TO THE PRESENCE OF MOLD IN THE PROJECT OR THE CONDOMINIUM UNITS OR RELATED TO THE MOLD REMEDIATION PERFORMED ON THE PROJECT AND THE CONDOMINIUM UNITS; AND (V) ALL STATUTORY RIGHTS SUCH OWNER MAY NOW HAVE OR MAY IN THE FUTURE HAVE THAT LIMIT THE RIGHT TO A GENERAL OR SPECIFIC WAIVER OF CLAIMS RELATED TO THE PURCHASE OF REAL PROPERTY IN THE STATE OF COLORADO. THE FOREGOING LANGUAGE SHALL SERVE TO FULLY AND IRREVOCABLY RELEASE THE DECLARANT OF ANY AND ALL LIABILITY RELATED TO THE PRESENCE OF MOLD IN THE PROJECT OR CONDOMINIUM UNITS AND SHALL SERVE AS A BAR TO ANY ACTION, CLAIM OR DEMAND FOR ARBITRATION. THIS PROVISION SHALL BE BINDING ON ALL PURCHASERS ACQUIRING AN INTEREST IN A CONDOMINIUM UNIT, GARAGE UNIT OR STORAGE UNIT, WHETHER AS AN INITIAL OR SUBSEQUENT PURCHASER, TRANSFEREE OR OTHERWISE. THE ASSOCIATION SHALL ALSO BE BOUND BY THIS PROVISION AND, IN THE EVENT THE ASSOCIATION SHOULD SEEK TO TAKE ACTION CONTRARY TO THIS PROVISION, SUCH OWNER SHALL BE REQUIRED TO VOTE TO PREVENT THE ASSOCIATION FROM TAKING SUCH CONTRARY ACTION. THE TERMS OF THIS PROVISION MAY BE ENFORCED BY INJUNCTIVE RELIEF AND THE DECLARANT SHALL BE ENTITLED TO REASONABLE ATTORNEYS' FEES RELATED THERETO.

23.6.4 No party shall be entitled to receive any award of damages in connection with the arbitration of a dispute other than such party's direct damages, and Declarant, the Association and any Owner shall be deemed to have waived their right to receive any damages in a dispute other than direct damages, including without limitation, the right to receive indirect damages such as special damages and consequential damages and the right to receive punitive, exemplary or statutory damages (where necessary, claimant shall be deemed to have expressly waived the right to statutory damages).

BY TAKING TITLE TO A CONDOMINIUM UNIT OR ACQUIRING THE EXCLUSIVE RIGHT TO USE A GARAGE UNIT OR STORAGE UNIT, EACH OWNER ACKNOWLEDGES AND AGREES THAT SUCH OWNER HAS WAIVED AND SHALL BE DEEMED TO HAVE WAIVED: (I) THE RIGHT TO A TRIAL BEFORE A JUDGE OR JURY IN ALL STATE AND FEDERAL FORUMS AND (II) THE RIGHT TO ANY AWARD OF DAMAGES IN CONNECTION WITH THE ARBITRATION OF A DISPUTE OTHER THAN SUCH OWNER'S DIRECT DAMAGES. THIS PROVISION SHALL BE BINDING ON ALL PURCHASERS ACQUIRING AN INTEREST IN A CONDOMINIUM UNIT, GARAGE UNIT OR STORAGE UNIT, WHETHER AS AN INITIAL OR SUBSEQUENT PURCHASER OR TRANSFEREE, REGARDLESS OF THE NATURE OF THE CLAIM.

Each party agrees to cooperate fully with any such arbitrator(s) and to use its best efforts to respond to all reasonable requests of such arbitrator(s). Judgment upon the arbitrator's determination shall be entered and enforced by the district court for the county in which the Project is located. In the event the district court finds and determines for any reason that any judicial proceeding is allowed or had herein, in order to expedite final resolution of the dispute, each party to the dispute waives any right to a jury trial for claims and counterclaim relating to the dispute, and further agrees that damages in such action shall be limited to direct damages and shall exclude indirect damages such as special damages and consequential damages and the right to receive punitive, exemplary, or statutory damages (where necessary, claimant shall be deemed to have expressly waived the right to statutory damages).

23.6.5 Notwithstanding any provision of this Section 23.6 to the contrary, any claim, controversy or dispute over or related to the design, construction or physical condition of the Project, the Common Elements, Limited Common Elements, Condominium Units or improvements related thereto may be submitted to mediation by any party to the controversy prior to the commencement of formal legal or arbitration proceedings. In any matter submitted to mediation, the parties shall make a reasonable effort to resolve the controversy by good faith mediation. The parties shall submit the controversy to mediation under the auspices of an independent mediation service designated by the Association or such other mediator upon which the parties may agree. If the parties do not settle the controversy within thirty (30) days after submission of the matter to the mediation process, or within such time as determined reasonable or appropriate by the mediator, the mediator shall issue a written notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation notice shall set forth when and where the parties met, that the parties are at an impasse, and the date that mediation was terminated.

23.7 Severability. Invalidation of any of the covenants, restrictions or other provisions contained in this Declaration by judgment or court order shall in no way affect or limit any other provisions which shall remain in full force and effect. If any provision of this Declaration is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable and this Declaration shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof. The remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom. Furthermore, in lieu of such illegal, invalid, or unenforceable provision, there shall be added automatically, as a part of this Declaration, a provision as similar in terms and scope to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable and that shall not be more restrictive than the one severed herefrom.

23.8 Conflict of Provisions. In case of any conflict between this Declaration and the Articles of Incorporation or the Bylaws of the Association, this Declaration shall control. In case of any conflict between the Articles of Incorporation and the Bylaws, the Articles of Incorporation shall control. The foregoing to the contrary notwithstanding, in the event of any inconsistency between this Declaration or the Articles of Incorporation or the Bylaws, on the one hand, and the Act, on the other, then in all events the Act shall control.

23.9 Nonwaiver. Failure by Declarant, the Association or any Owner or First Mortgagee to enforce any covenant, condition, restriction, easement, reservation, right-of-way or other provision contained in this Declaration shall in no way or event be deemed to be a waiver of the right to do so thereafter.

23.10 Number and Gender. Unless the context provides or requires to the contrary, the use of the singular herein shall include the plural, the use of the plural shall include the singular and the use of any gender shall include all genders.

23.11 Captions. The captions to the Articles and Sections are inserted only as a matter of convenience and for reference and are in no way to be construed to define, limit or otherwise describe the scope of this Declaration or the intent of any provision of this Declaration.

23.12 Exhibits. All the Exhibits attached to and described in this Declaration are incorporated in this Declaration by this reference.

Executed as of the 25th day of January, 2007

ASSOCIATION

LA RIVA DEL LAGO CONDOMINIUM ASSOCIATION, INC., a Colorado not-for-profit corporation

By: Abbas C. Rajabi, President
Abbas C. Rajabi, President

DECLARANT

D.C. Roberts, LLC, a Colorado limited liability company

By: Abbas C. Rajabi, Manager
Abbas C. Rajabi, Manager

STATE OF COLORADO)
COUNTY OF Arapahoe) ss.

The foregoing Declaration of the LA RIVA DEL LAGO CONDOMINIUMS was acknowledged before me this 25th day of January, 2007 by Abbas C. Rajabi, President of LA RIVA DEL LAGO CONDOMINIUMS, INC., a Colorado not-for-profit corporation.

My Commission expires May 24, 2008 Jennifer R. King
Notary Public

STATE OF COLORADO)
COUNTY OF Arapahoe) ss.

JENNIFER R. KING
NOTARY PUBLIC
STATE OF COLORADO

My Commission Expires May 24, 2008

The foregoing Declaration of the LA RIVA DEL LAGO CONDOMINIUMS was acknowledged before me this 25th day of January, 2007 by Abbas C. Rajabi, Manager of D.C. Roberts, LLC, a Colorado limited liability company.

My Commission expires May 24, 2008 Jennifer R. King
Notary Public

JENNIFER R. KING
NOTARY PUBLIC
STATE OF COLORADO

My Commission Expires May 24, 2008

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

PROPERTY LOCATED IN SECTIONS 6 & 7, TOWNSHIP 6, RANGE 78 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF DILLON, COUNTY OF SUMMIT, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A TRACT OF LAND BEING ALL OF THE LOTS 9-15 AND 18-24, CENTRAL BUSINESS DISTRICT NEW TOWN OF DILLON, THE THIRD RESUBDIVISION OF BLOCK "A", ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 4, 1977 AT RECEPTION NUMBER 163118, AS WELL AS ALL REAL PROPERTY OF DILLON CENTER COMMERCIAL CONDOMINIUMS, ACCORDING TO THE CONDOMINIUM MAP RECORDED MARCH 1, 2006 AT RECEPTION NUMBER 816916, CONTAINING 59,600 SQUARE FEET OR 1.366 ACRES, MORE OR LESS.

EXHIBIT B

**CONDOMINIUM UNITS / OWNERS' INTERESTS IN
COMMON ELEMENTS AND LIMITED COMMON ELEMENTS**

See attached.

EXHIBIT B

LA RIVA DEL LAGO OWNERSHIP ALLOCATIONS - RESIDENTIAL UNITS (SUMMARY VIEW)

**TOTAL SQUARE FOOTAGE OF RESIDENTIAL UNITS (EXCLUDING EXTERIOR DECKS, GARAGE UNITS, AND STORAGE UNITS) = 46,960 SQUARE FEET
(REPRESENTING 65.4% OF THE TOTAL PROJECT [VALUE BASED, NOT SQUARE FOOTAGE BASED])**

RESIDENTIAL UNIT TYPES	RESIDENTIAL PROJECT PERCENTAGE ALLOCATION PER UNIT*[1][2]	NUMBER OF UNITS OF	
		EACH TYPE OF RESIDENTIAL UNIT	TOTAL OF EACH TYPE OF RESIDENTIAL UNIT*[1]
1BR (810 s.f.) (EXCLUDING Garage Units and Storage Units)*[2]	1.5259%	4 UNITS TOTAL	6.1035%
2BR (1240 s.f.) (EXCLUDING Garage Units and Storage Units)*[2]	2.3359%	26 UNITS TOTAL	60.7338%
3BR (1640 s.f.) (EXCLUDING Garage Units and Storage Units)*[2]	3.0894%	7 UNITS TOTAL	21.6260%
Single Garage Unit	0.1366%	76 UNITS TOTAL	10.3830%
Single Storage Unit	0.0281%	41 UNITS TOTAL	1.1537%
			100.00%
			TOTAL*[1]
1BR (810 s.f.) WITH 1 Garage Unit and 1 Storage Unit*[2]	1.6906%	4 UNITS TOTAL	6.7625%
2BR (1240 s.f.) WITH 2 Garage Units and 1 Storage Unit*[2]	2.6373%	26 UNITS TOTAL	68.5695%
3BR (1640 s.f.) WITH 2 Garage Units and 1 Storage Unit*[2]	3.3908%	7 UNITS TOTAL	23.7357%
Excess Garage Units	0.1366%	6 UNITS TOTAL	0.8197%
Excess Storage Units	0.0281%	4 UNITS TOTAL	0.1126%
			100.00%
			TOTAL*[1]

***[1] TOTAL PERCENTAGE INDICATED AS A PERCENTAGE OF THE RESIDENTIAL PROJECT AND INDICATES THE UNITS PERCENTAGE ALLOCATION INTEREST IN THE LIMITED COMMON ELEMENTS-RESIDENTIAL ("L.C.E.-R").**

***[2] EXTERIOR DECKS TO RESIDENTIAL UNITS ARE NOT CONSIDERED IN ALLOCATION OF L.C.E.-R PERCENTAGE FOR THE RELEVANT RESIDENTIAL UNIT AND ARE MAINTAINED PER THE DECLARATION WITH L.C.E.-R EXPENSE SHARED BY ALL RESIDENTIAL OWNERS.**

EXHIBIT B

LA RIVA DEL LAGO OWNERSHIP ALLOCATIONS - RESIDENTIAL UNITS (DETAILED VIEW)

RESIDENTIAL UNIT NUMBER AND UNIT TYPE	ASSIGNED GARAGE UNIT (GU)*[1]	ASSIGNED STORAGE UNIT (SU)	PERCENTAG	PERCENTAGE	PERCENTAG
			E OF L.C.E.-R	OF L.C.E.-C	E OF G.C.E.
UNIT 201: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 201B; GU 201M; (UPPER LEVEL OF PARKING GARAGE;	SU (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 202: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 202B; GU 202M; (UPPER LEVEL OF PARKING GARAGE;	SU (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 203: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 203B; GU 203M; (LOWER LEVEL OF PARKING GARAGE;	SU (LOWER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 204: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 204B; GU 204M; (UPPER LEVEL OF PARKING GARAGE;	SU (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 205: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 205B; GU 205M; (UPPER LEVEL OF PARKING GARAGE;	SU (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 206: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 206B; GU 206M; (UPPER LEVEL OF PARKING GARAGE;	SU 206 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 207: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 207B; GU 207M; (UPPER LEVEL OF PARKING GARAGE;	SU 207 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 208: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 208ME; GU 208MW; (UPPER LEVEL OF PARKING GARAGE;	SU 208 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 209: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 209B; GU 209M; (UPPER LEVEL OF PARKING GARAGE;	SU 209 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 210: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 210B; GU 210M; (UPPER LEVEL OF PARKING GARAGE;	SU 210 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 211: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 211B; GU 211M; (UPPER LEVEL OF PARKING GARAGE;	SU 211 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 212: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 212B; GU 212M; (UPPER LEVEL OF PARKING GARAGE;	SU 212 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 213: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 213B; GU 213M; (LOWER LEVEL OF PARKING GARAGE;	SU 213 (LOWER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 214: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 214B; GU 214M; (LOWER LEVEL OF PARKING GARAGE;	SU 214 (LOWER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 215: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 215B; GU 215M; (UPPER LEVEL OF PARKING GARAGE;	SU 215 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 216: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 216B; GU 216M; (UPPER LEVEL OF PARKING GARAGE;	SU 216 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 217: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 217B; GU 217M; (UPPER LEVEL OF PARKING GARAGE;	SU 217 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 218: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 218B; GU 218M; (UPPER LEVEL OF PARKING GARAGE;	SU 218 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 219: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 219B; GU 219M; (UPPER LEVEL OF PARKING GARAGE;	SU 219 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 220: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 220B; GU 220M; (UPPER LEVEL OF PARKING GARAGE;	SU 220 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 221: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 221B; GU 221M; (LOWER LEVEL OF PARKING GARAGE;	SU 221 (LOWER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 222: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 222B; GU 222M; (LOWER LEVEL OF PARKING GARAGE;	SU 222 (LOWER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 223: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 223B; GU 223M; (UPPER LEVEL OF PARKING GARAGE;	SU 223 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 224: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 224B; GU 224M; (UPPER LEVEL OF PARKING GARAGE;	SU 224 (UPPER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 225: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 225B; GU 225M; (LOWER LEVEL OF PARKING GARAGE;	SU 225 (LOWER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 226: 2BR (~1,240 S.F.) WITH 2 GUs AND 1 SU	GU 226B; GU 226M; (LOWER LEVEL OF PARKING GARAGE;	SU 226 (LOWER LEVEL OF PARKING GARAGE;	2.6373%	0.0000%	1.7248%
UNIT 227: 3BR (~1,640 S.F.) WITH 2 GUs AND 1 SU	GU 227B; GU 227M; (LOWER LEVEL OF PARKING GARAGE;	SU 227 (LOWER LEVEL OF PARKING GARAGE;	3.3908%	0.0000%	2.2176%
UNIT 228: 3BR (~1,640 S.F.) WITH 2 GUs AND 1 SU	GU 228B; GU 228M; (LOWER LEVEL OF PARKING GARAGE;	SU 228 (LOWER LEVEL OF PARKING GARAGE;	3.3908%	0.0000%	2.2176%
UNIT 229: 3BR (~1,640 S.F.) WITH 2 GUs AND 1 SU	GU 229B; GU 229M; (LOWER LEVEL OF PARKING GARAGE;	SU 229 (LOWER LEVEL OF PARKING GARAGE;	3.3908%	0.0000%	2.2176%
UNIT 230: 1BR (~810 S.F.) WITH 1 GU AND 1 SU	GU 230; (LOWER LEVEL OF PARKING GARAGE;	SU 230 (LOWER LEVEL OF PARKING GARAGE;	1.6906%	0.0000%	1.1057%
UNIT 231: 1BR (~810 S.F.) WITH 1 GU AND 1 SU	GU 231; (LOWER LEVEL OF PARKING GARAGE;	SU 231 (LOWER LEVEL OF PARKING GARAGE;	1.6906%	0.0000%	1.1057%
UNIT 232: 3BR (~1,640 S.F.) WITH 2 GUs AND 1 SU	GU 232B; GU 232M; (LOWER LEVEL OF PARKING GARAGE;	SU 232 (LOWER LEVEL OF PARKING GARAGE;	3.3908%	0.0000%	2.2176%
UNIT 233: 3BR (~1,640 S.F.) WITH 2 GUs AND 1 SU	GU 233B; GU 233M; (LOWER LEVEL OF PARKING GARAGE;	SU 233 (LOWER LEVEL OF PARKING GARAGE;	3.3908%	0.0000%	2.2176%
UNIT 234: 3BR (~1,640 S.F.) WITH 2 GUs AND 1 SU	GU 234B; GU 234M; (LOWER LEVEL OF PARKING GARAGE;	SU 234 (LOWER LEVEL OF PARKING GARAGE;	3.3908%	0.0000%	2.2176%
UNIT 235: 3BR (~1,640 S.F.) WITH 2 GUs AND 1 SU	GU 235B; GU 235M; (LOWER LEVEL OF PARKING GARAGE;	SU 235 (LOWER LEVEL OF PARKING GARAGE;	3.3908%	0.0000%	2.2176%
UNIT 301: 1BR (~810 S.F.) WITH 1 GU AND 1 SU	GU 301 (LOWER LEVEL OF PARKING GARAGE;	SU 301 (LOWER LEVEL OF PARKING GARAGE;	1.6906%	0.0000%	1.1057%
UNIT 302: 1BR (~810 S.F.) WITH 1 GU AND 1 SU	GU 302 (LOWER LEVEL OF PARKING GARAGE;	SU 302 (LOWER LEVEL OF PARKING GARAGE;	1.6906%	0.0000%	1.1057%
EXCESS GU 401 (LOWER LEVEL OF PARKING GARAGE;	NOT APPLICABLE	NOT APPLICABLE	0.1366%	0.0000%	0.0893%
EXCESS GU 402 (LOWER LEVEL OF PARKING GARAGE;	NOT APPLICABLE	NOT APPLICABLE	0.1366%	0.0000%	0.0893%
EXCESS GU 403 (LOWER LEVEL OF PARKING GARAGE;	NOT APPLICABLE	NOT APPLICABLE	0.1366%	0.0000%	0.0893%
EXCESS GU 404 (LOWER LEVEL OF PARKING GARAGE;	NOT APPLICABLE	NOT APPLICABLE	0.1366%	0.0000%	0.0893%
EXCESS GU 405 (LOWER LEVEL OF PARKING GARAGE;	NOT APPLICABLE	NOT APPLICABLE	0.1366%	0.0000%	0.0893%
EXCESS GU 406 (LOWER LEVEL OF PARKING GARAGE;	NOT APPLICABLE	NOT APPLICABLE	0.1366%	0.0000%	0.0893%
EXCESS SU 501 (LOWER LEVEL OF PARKING GARAGE;	NOT APPLICABLE	NOT APPLICABLE	0.0281%	0.0000%	0.0184%
EXCESS SU 502 (LOWER LEVEL OF PARKING GARAGE;	NOT APPLICABLE	NOT APPLICABLE	0.0281%	0.0000%	0.0184%
EXCESS SU 503 (LOWER LEVEL OF PARKING GARAGE;	NOT APPLICABLE	NOT APPLICABLE	0.0281%	0.0000%	0.0184%
EXCESS SU 504 (UPPER LEVEL OF PARKING GARAGE;	NOT APPLICABLE	NOT APPLICABLE	0.0281%	0.0000%	0.0184%
			100.0000%	0.0000%	65.4000%
			TOTAL*[2]		

*[1] B, M, ME, MW SUFFIXES ON GARAGE UNITS INDICATE A REFERENCE TO THE GARAGE UNIT CLOSER TO THE BUFFALO STREET, MAIN STREET, MAIN STREET EAST WALL OF THE PARKING GARAGE OR MAIN STREET WEST WALL SIDE OF THE PARKING GARAGE, AS APPLICABLE. GU INDICATES GARAGE UNIT. SU INDICATES STORAGE UNIT.

*[2] TOTAL PERCENTAGE INDICATED AS A PERCENTAGE OF THE RESIDENTIAL PROJECT AND INDICATES THE UNITS PERCENTAGE ALLOCATION INTEREST IN THE LIMITED COMMON ELEMENTS-RESIDENTIAL ("L.C.E.-R") AND TOTAL PERCENTAGE INDICATED AS A PERCENTAGE OF THE TOTAL PROJECT, RESPECTIVELY.

EXHIBIT B

LA RIVA DEL LAGO OWNERSHIP ALLOCATIONS - COMMERCIAL UNITS
TOTAL SQUARE FOOTAGE OF COMMERCIAL UNITS (WITHOUT EXTERIOR DECKS OR PATIO YARD)
48,995 SQUARE FEET
COMMERCIAL PROJECT REPRESENTS 34.6 % OF THE TOTAL PROJECT

UNIT NUMBER	UNIT TYPE	SQUARE FOOTAGE	PERCENTAGE SHARE OF OWNERSHIP IN G.C.E.	PERCENTAGE SHARE OF OWNERSHIP IN L.C.E.-R	PERCENTAGE SHARE OF OWNERSHIP IN L.C.E.-C	
UNIT B100	COMMERCIAL	4,177	2.9498%	0.0000%	8.5254%	
UNIT B200	COMMERCIAL	4,033	2.8479%	0.0000%	8.2309%	
UNIT B300	COMMERCIAL	2,864	2.0228%	0.0000%	5.8463%	
UNIT B400	COMMERCIAL	16,111	11.3773%	0.0000%	32.8825%	
UNIT 1	COMMERCIAL	977	0.6900%	0.0000%	1.9941%	
UNIT 2	COMMERCIAL	403	0.2846%	0.0000%	0.8225%	
UNIT 3	COMMERCIAL	1,574	1.1116%	0.0000%	3.2126%	
UNIT 4	COMMERCIAL	694	0.4899%	0.0000%	1.4159%	
UNIT 5	COMMERCIAL	1,120	0.7909%	0.0000%	2.2860%	
UNIT 6	COMMERCIAL	329	0.2323%	0.0000%	0.6715%	
UNIT 7	COMMERCIAL	372	0.2626%	0.0000%	0.7589%	
UNIT 8	COMMERCIAL	1,071	0.7563%	0.0000%	2.1860%	
UNIT 9	COMMERCIAL	278	0.1965%	0.0000%	0.5681%	
UNIT 10	COMMERCIAL	727	0.5132%	0.0000%	1.4833%	
UNIT 11	COMMERCIAL	2,400	1.6950%	0.0000%	4.8989%	
UNIT 12	COMMERCIAL	1,134	0.8008%	0.0000%	2.3145%	
UNIT 13	COMMERCIAL	240	0.1695%	0.0000%	0.4899%	
UNIT 14	COMMERCIAL	538	0.3800%	0.0000%	1.0981%	
UNIT 15	COMMERCIAL	700	0.4943%	0.0000%	1.4286%	
UNIT 16	COMMERCIAL	1,199	0.8471%	0.0000%	2.4481%	
UNIT 17 WITH ENCLOSED DECK*[1]	COMMERCIAL	1,705	1.2037%	0.0000%	3.4790%	
UNIT 18	COMMERCIAL	1,797	1.2690%	0.0000%	3.6678%	
UNIT 19	COMMERCIAL	2,144	1.5141%	0.0000%	4.3760%	
UNIT 20	COMMERCIAL	306	0.2161%	0.0000%	0.6246%	
UNIT 21	COMMERCIAL	686	0.4841%	0.0000%	1.3993%	
UNIT 22	COMMERCIAL	699	0.4939%	0.0000%	1.4274%	
UNIT 23	COMMERCIAL	717	0.5065%	0.0000%	1.4639%	
		48,995	34.60%	0.00%	100.0000%	TOTAL*[2]

*[1] EXTERIOR DECKS AND THE PATIO YARD TO COMMERCIAL UNITS ARE NOT CONSIDERED IN ALLOCATION OF L.C.E.-C PERCENTAGE FOR THE RELEVANT COMMERCIAL UNIT AND ARE MAINTAINED PER THE DECLARATION WITH L.C.E.-C EXPENSE SHARED BY ALL COMMERCIAL OWNERS.

*[2] TOTAL PERCENTAGE SHARE OF OWNERSHIP IN G.C.E. FOR THE COMMERCIAL UNITS IS EQUAL TO THE TOTAL PERCENTAGE VALUE OF THE COMMERCIAL PROJECT TO THE TOTAL PROJECT.

EXHIBIT C

EASEMENTS, LICENSES AND OTHER TITLE MATTERS

See attached.

EXHIBIT C

EASEMENTS, LICENSES AND OTHER TITLE MATTERS

Encroachment License Agreement by and between Town of Dillon and Abbas Rajabi and David Cyrus LLC recorded November 8, 2000 at Reception No. 637520.

Encroachment Easement dated February 8, 2007 by and between M&P Investments, a Colorado general partnership, and Jerry Douglas Peterson and Vernon E. Morgan, individually, and D.C. Roberts, LLC and La Riva del Lago Condominium Association, Inc. recorded February 13, 2007 at Reception No. 847052.

Assignment of Leases and Rents recorded April 15, 2005 at Reception No. 787454.

Notice to Extend the Time for Filing a Lien Statement recorded January 16, 2006 at Reception No. 812391.

Notice to Extend the Time for Filing a Lien Statement recorded July 3, 2006 at Reception No. 825387.

EXHIBIT D

REDUCED COPY OF CONDOMINIUM MAP
(PROVIDED BY WAY OF CONVENIENCE ONLY)

See attached.

A CONDOMINIUM MAP OF **LA RIVA DEL LAGO CONDOMINIUMS**

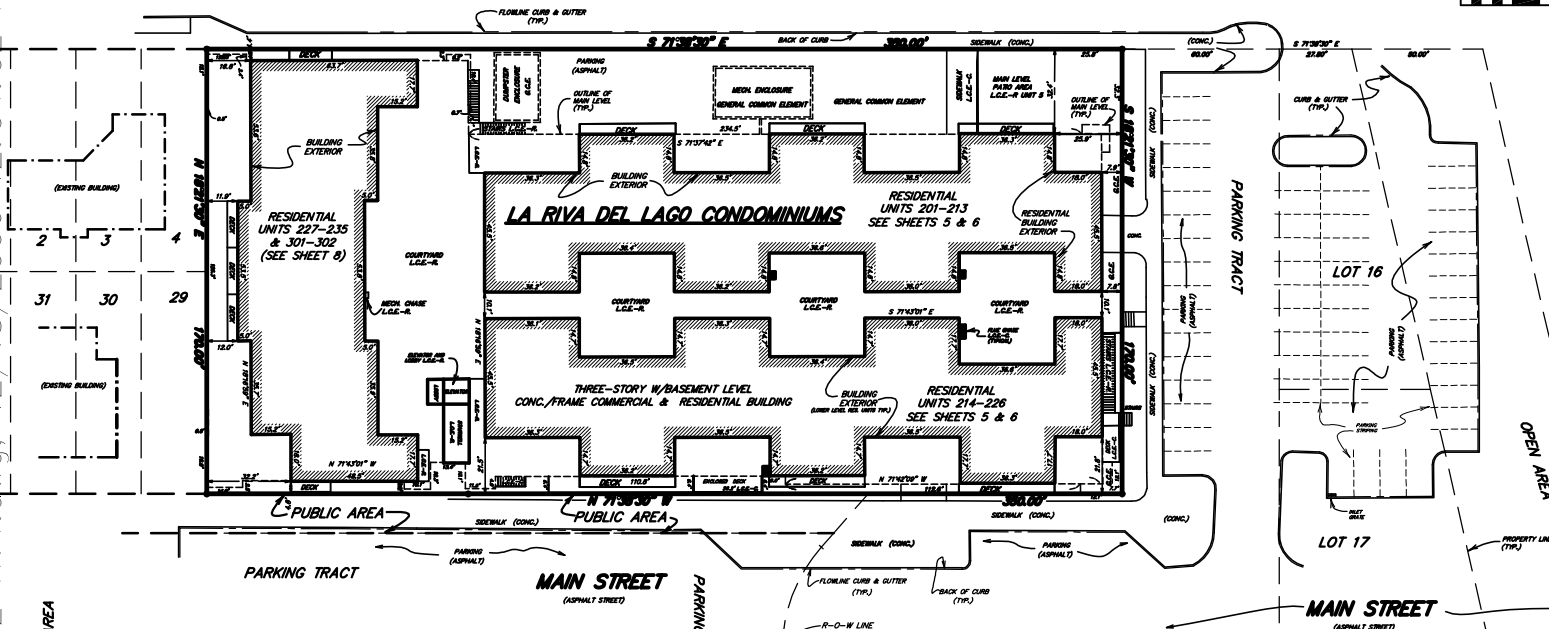
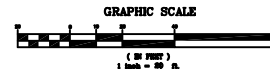
SHEET 2 of 10

(SHOWING LOCATION OF LOWER LEVEL OF
RESIDENTIAL UNITS AND COMMON ELEMENTS)

TOWN PARK

BUFFALO STREET
(60' R-O-W)

(ASPHALT STREET)



SURVEYOR'S CERTIFICATE

I, DARYL A. HELGREN, BEING A REGISTERED LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THIS PLAN AND SURVEY WERE PREPARED BY ME AND UNDER MY SUPERVISION AND THAT BOTH ARE ACCURATE TO THE BEST OF MY KNOWLEDGE.

DATED THIS _____ DAY OF _____, 2006.

SIGNATURE: DARYL A. HELGREN
COLORADO REGISTRATION NO. 39149



LEGEND

- FOUND NO. 4 REBAR W/RED PLASTIC CAP
PLS 12542
- SET NO. 4 REBAR W/RED PLASTIC CAP
PLS 12542

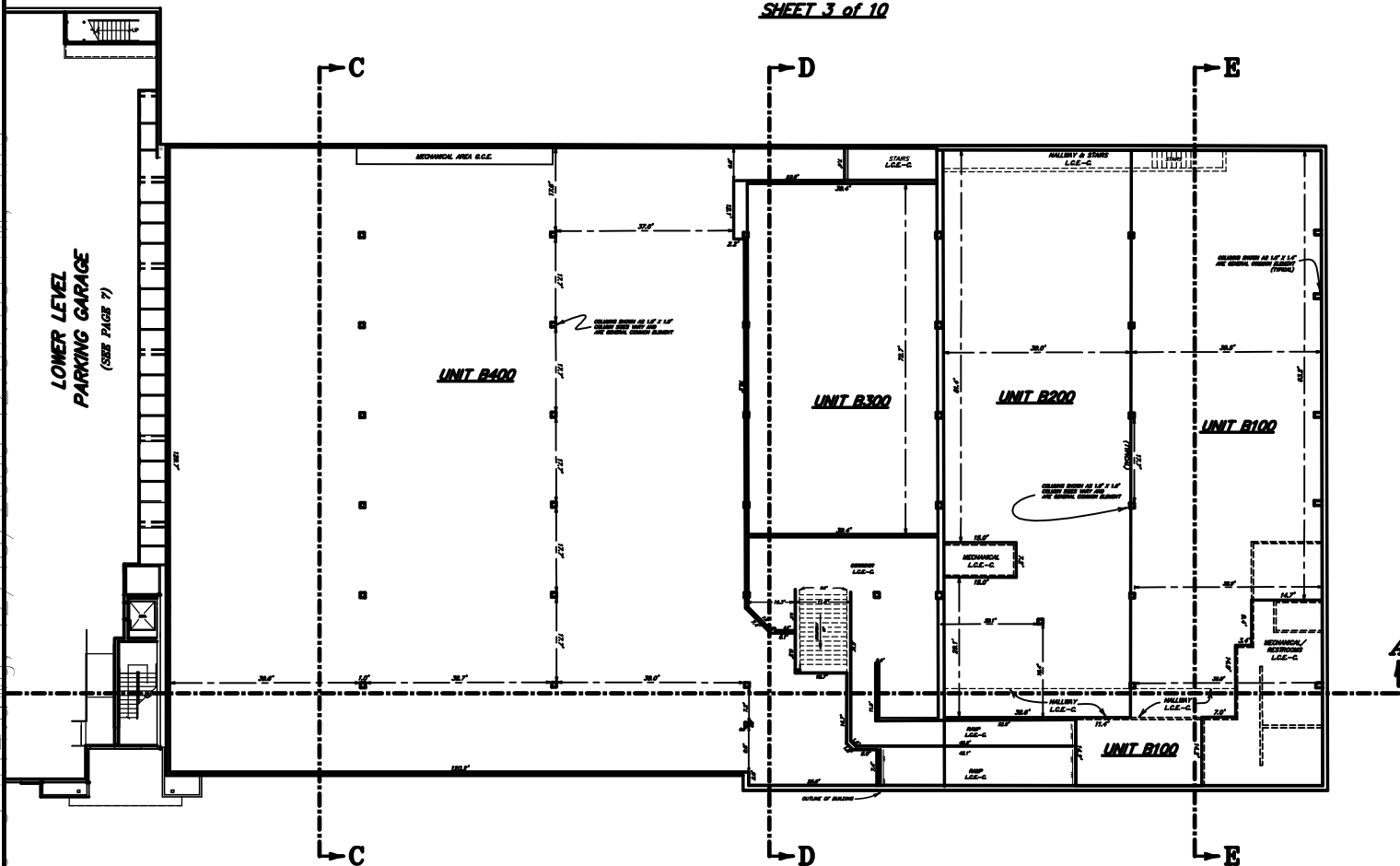
G.C.E. GENERAL COMMON ELEMENT
L.C.E.-C LIMITED COMMON ELEMENT-COMMERCIAL
L.C.E.-R LIMITED COMMON ELEMENT-RESIDENTIAL

Drawn GAW	CWS 150480-2	Project 150480
Checked TDR	Date 11/29/06	Sheet 2 of 10
P.O. Box 529 Silverthorn, CO 80438 970-665-6281		

NOTES: ACCORDING TO COLORADO LAW, THE STATE ENGINEERING BOARD, AFTER REVIEWING THIS PLAN, GRANTS A LIMITED WARRANTY TO THE PUBLIC THAT THE PLAN AND SURVEY WERE PREPARED BY ME AND UNDER MY SUPERVISION AND THAT BOTH ARE ACCURATE TO THE BEST OF MY KNOWLEDGE.

A CONDOMINIUM MAP OF **LA RIVA DEL LAGO CONDOMINIUMS**

SHEET 3 of 10



LEGEND

G.C.E. GENERAL COMMON ELEMENT
L.C.E.-C. LIMITED COMMON ELEMENT-COMMERCIAL
L.C.E.-R. LIMITED COMMON ELEMENT-RESIDENTIAL

LOWER LEVEL COMMERCIAL UNITS

SCALE: 1" = 10'

SURVEYOR'S CERTIFICATE

I, GARY A. HENDERSON, BEING A REGISTERED LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THIS PLAN AND SURVEY WERE PREPARED BY ME AND I AM A MEMBER OF THE COLORADO SOCIETY OF PROFESSIONAL SURVEYORS.

DATED THIS _____ DAY OF _____, 2006.

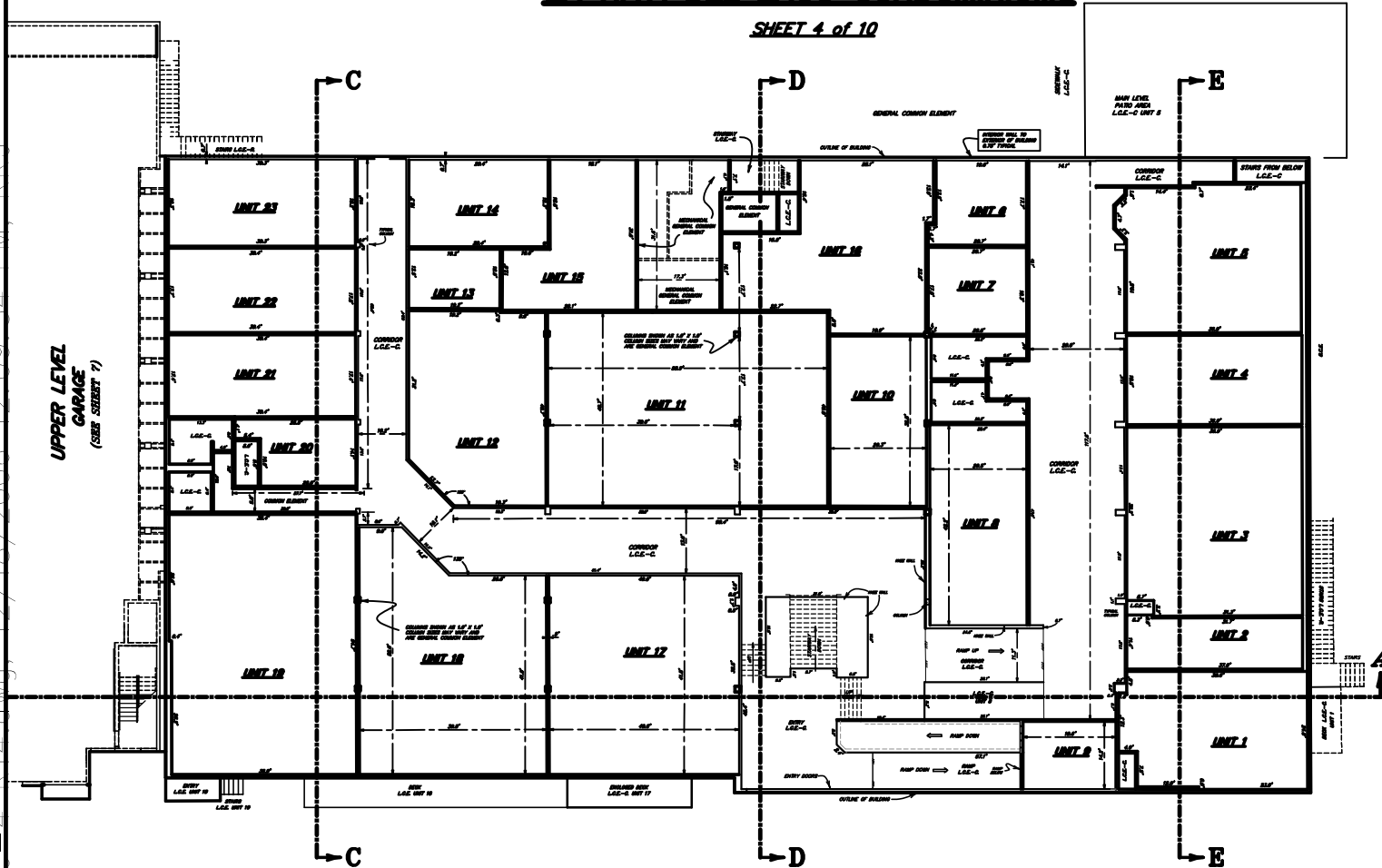
SIGNATURE: GARY A. HENDERSON
COLORADO REGISTRATION NO. 37948



Drawn: G.H.P.	Check: J.S.W.	Project: 12848
Checked: J.S.W.	Date: 11/02/06	Sheet: 3 of 10
DAY & TEST ENGINEERS & SURVEYORS		
P.O. Box 529 Silverthorne, CO 80438 970-469-6281		

A CONDOMINIUM MAP OF **LA RIVA DEL LAGO CONDOMINIUMS**

SHEET 4 of 10



LEGEND

G.C.E. GENERAL COMMON ELEMENT
L.C.E.-C LIMITED COMMON ELEMENT-COMMERCIAL
L.C.E.-R LIMITED COMMON ELEMENT-RESIDENTIAL

MAIN LEVEL COMMERCIAL UNITS

SCALE: 1" = 10'

SURVEYOR'S CERTIFICATE

I, DARY A. HENDSON, BEING A REGISTERED LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THIS PLAN AND SURVEY WERE PREPARED BY ME AND UNDER MY SUPERVISION AND THAT BOTH ARE ACCURATE TO THE BEST OF MY KNOWLEDGE.

DATED THIS 28th DAY OF _____, A.D. 2006.

SIGNATURE: DARY A. HENDSON
COLORADO REGISTRATION NO. 37049

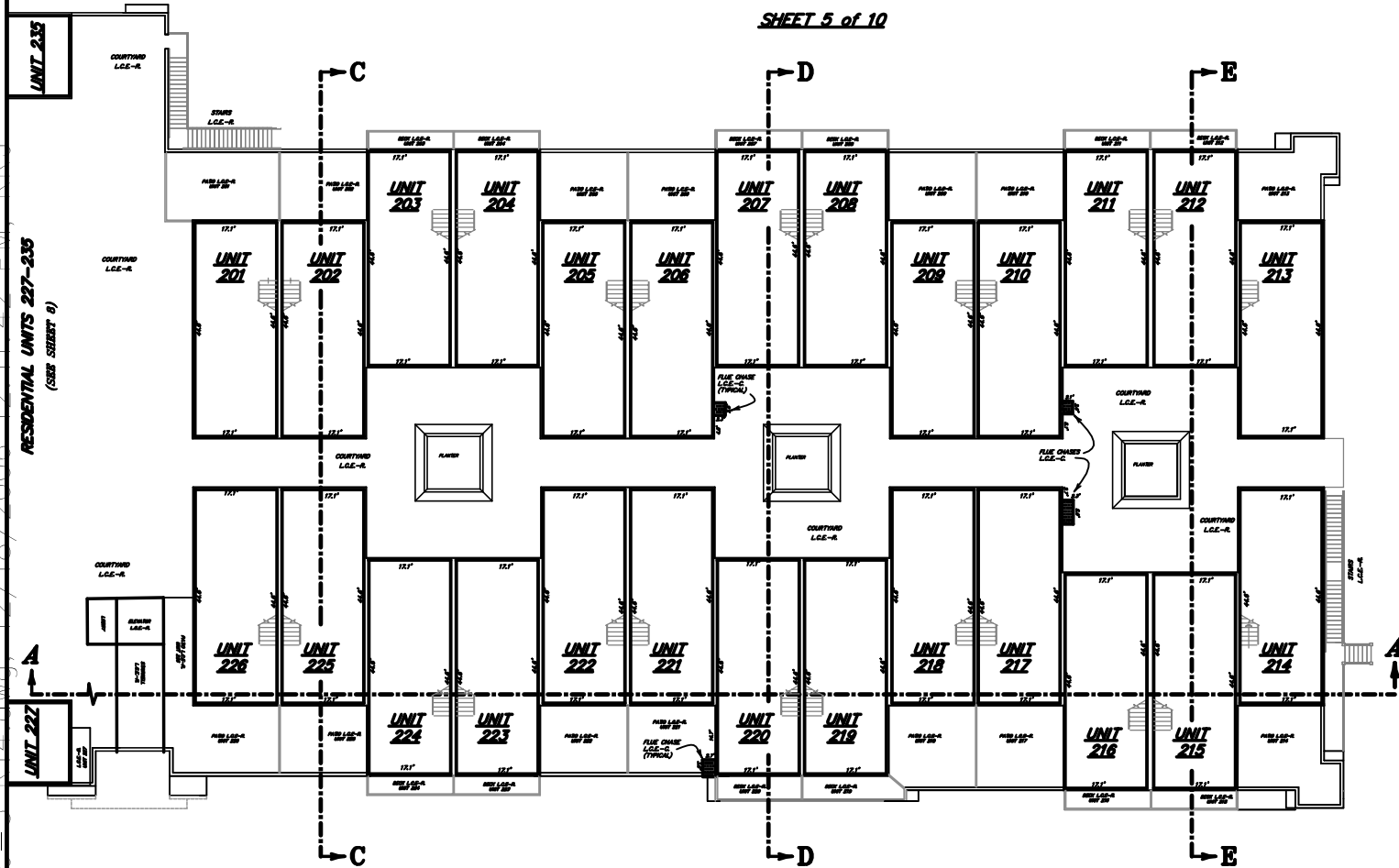


Drawn: B&B	Check: 10/10/06-LHW	Project: 10049
Checked: B&B	Date: 11/02/06	Sheet: 4 of 10
PLAN-CHECK ENGINEERS & SURVEYORS		
P.O. Box 509 Silverthorn, CO 80498 970-669-6281		

A:\158466-4 B14.dwg, 12/18/2006 12:09:54 PM, RRI

A CONDOMINIUM MAP OF **LA RIVA DEL LAGO CONDOMINIUMS**

SHEET 5 of 10



LEGEND

- G.C.E. GENERAL COMMON ELEMENT
- L.C.E.-C LIMITED COMMON ELEMENT-COMMERCIAL
- L.C.E.-R LIMITED COMMON ELEMENT-RESIDENTIAL

LOWER LEVEL RESIDENTIAL UNITS 201-228

SCALE: 1" = 10'

SURVEYOR'S CERTIFICATE

I, DAVID A. BLANDIN, BEING A REGISTERED LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THIS PLAN AND SURVEY WERE PREPARED BY ME AND UNDER MY SUPERVISION AND THAT BOTH ARE ACCORDING TO THE BEST OF MY KNOWLEDGE.

DATED THIS _____ DAY OF _____, 20____.

SIGNATURE: DAVID A. BLANDIN
COLORADO REGISTRATION NO. 32940



Drawn BY: [Signature]	Exp. 12/31/2020	Project: 18048
Checked BY: [Signature]	Date: 11/02/20	Sheet: 5 of 10
DAVID A. BLANDIN SURVEYOR		
P.O. Box 539 Sheridan, CO 80468 970-468-6381		

\\15846c-6_R14.dwg 12/18/2006 12:13:15 PM RRT



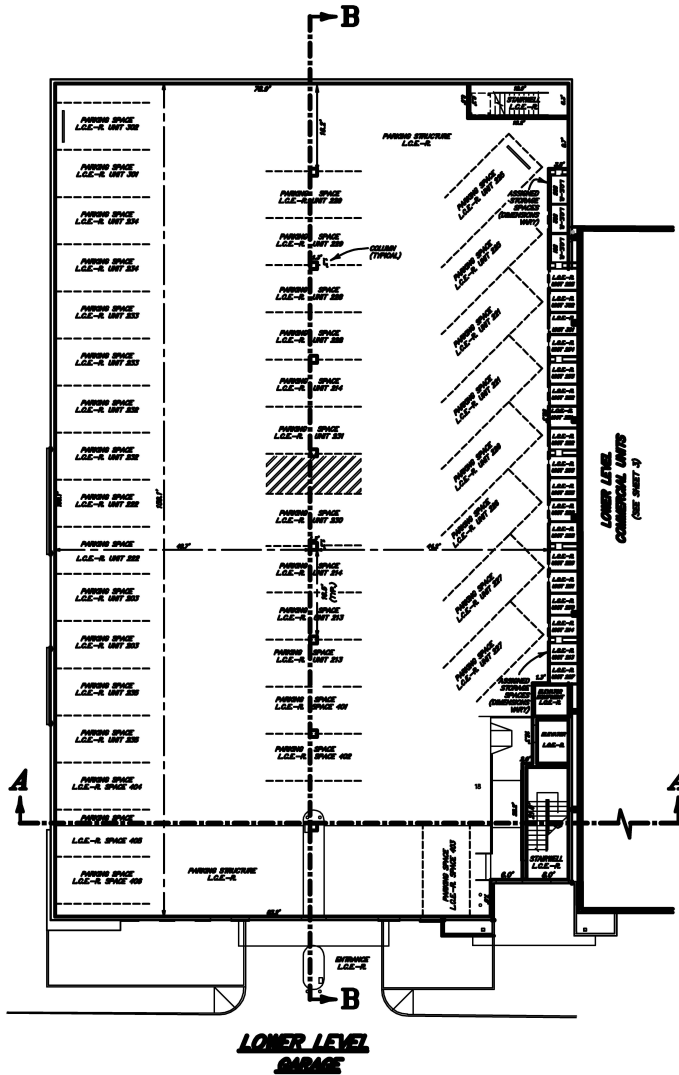
SCALE: 1" = 10'

A circular professional seal for a Colorado Registered Professional Land Surveyor. The outer ring contains the text "COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR". The inner circle contains the text "STATE OF COLORADO" at the top and the number "31045" in the center.

NOTE: ACCORDING TO CHICAGO LAW YOU MUST COMMENCE ANY LEGAL ACTION BASED UPON ANY DEFECT IN THIS SURVEY WITHIN THREE YEARS AFTER YOU FIRST DISCOVER SUCH DEFECT. IN NO EVENT MAY ANY ACTION BASED UPON ANY DEFECT IN THIS SURVEY BE COMMENCED MORE THAN TEN YEARS FROM THE DATE OF THE CERTIFICATION SHOWN HEREON.

A CONDOMINIUM MAP OF LA RIVA DEL LAGO CONDOMINIUMS

SHEET 7 of 10



SCALE: 1" = 10'

LEGEND

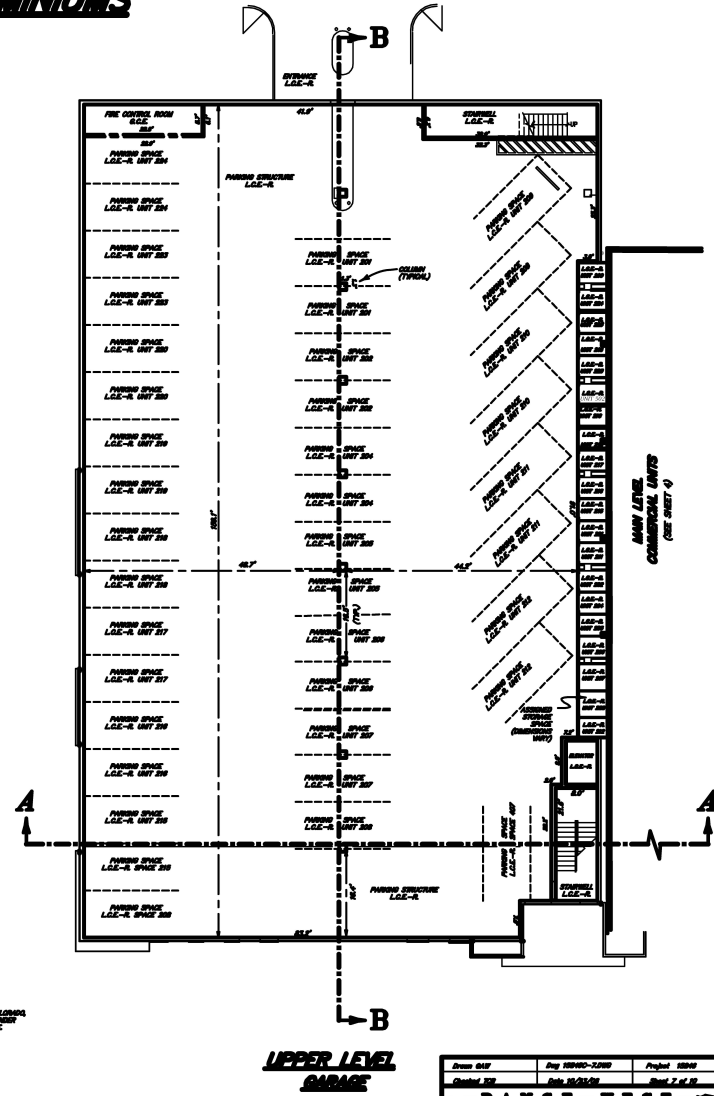
G.C.E. GENERAL COMMON ELEMENT
L.C.E.-C. LIMITED COMMON ELEMENT-COMMERCIAL
L.C.E.-R. LIMITED COMMON ELEMENT-RESIDENTIAL

SURVEYOR'S CERTIFICATE

I, DAVID A. BERNDSON, BEING A REGISTERED LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THIS PLAN AND SURVEY HAVE BEEN PREPARED BY ME OR UNDER MY SUPERVISION AND THAT THEY ARE ACCURATE TO THE BEST OF MY KNOWLEDGE.

DATED THIS _____ DAY OF _____, 2006.

SIGNATURE: DAVID A. BERNDSON
COLORADO REGISTRATION NO. 30065

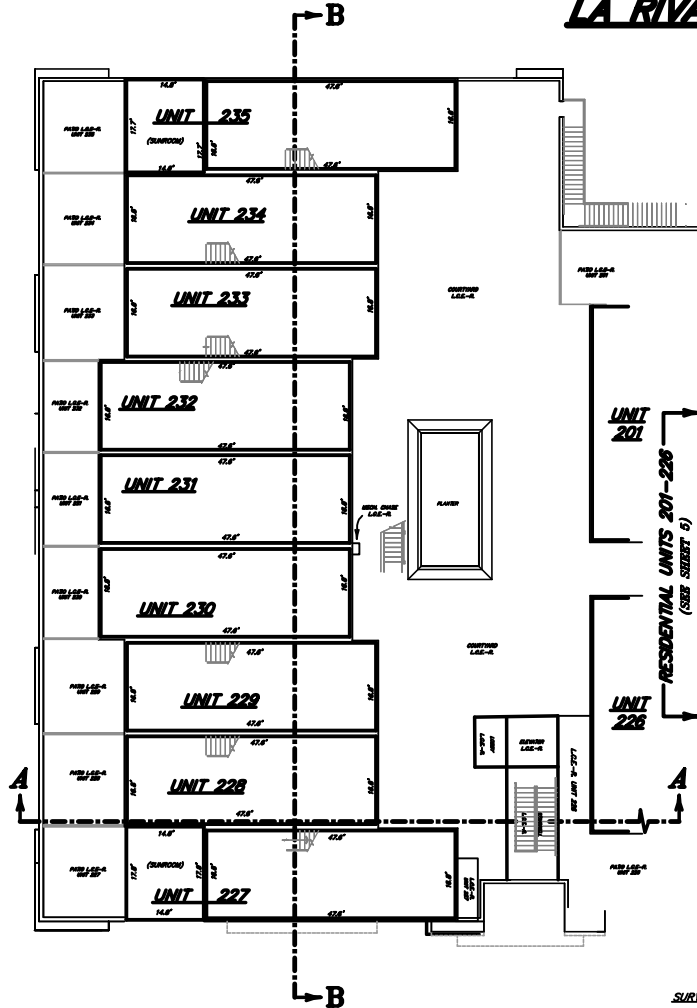


Drawn: 01/27	By: 01/27-01/27	Project: 01/27
Checked: 01/27	Date: 01/27/06	Sheet: 7 of 10
DAVID A. BERNDSON		
P.O. Box 529 Silverthorn, CO 80498 303-455-0501		

AX158466-8 B14.dwg, 12/18/2006 12:17:25 PM, RRI

A CONDOMINIUM MAP OF **LA RIVA DEL LAGO CONDOMINIUMS**

SHEET 8 of 10



LOWER LEVEL
RESIDENTIAL UNITS 227-235

SCALE: 1" = 10'

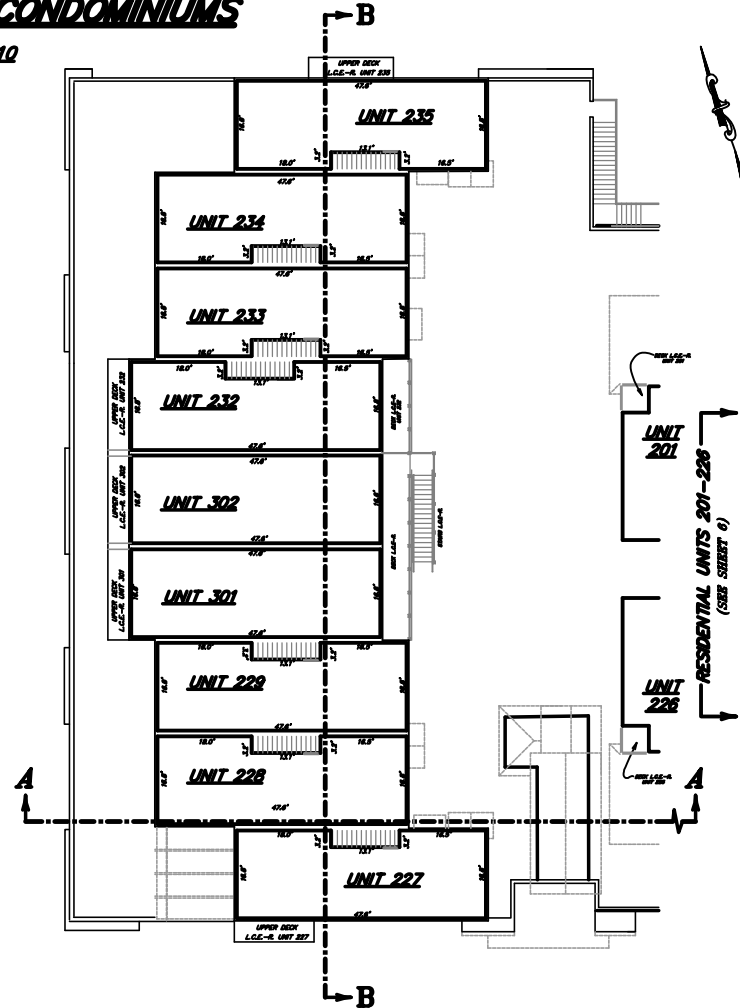
LEGEND
L.C.C.-R LIMITED COMMON ELEMENT-RESIDENTIAL

SURVEYOR'S CERTIFICATE

I, DARY A. HARRISON, BEING A REGISTERED LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THIS PLAT AND SURVEY HAVE BEEN PREPARED BY ME AND UNDER MY SUPERVISION AND THAT BOTH ARE ACCURATE TO THE BEST OF MY KNOWLEDGE.

DATED THIS _____ DAY OF _____, 20____.

SIGNATURE: DARY A. HARRISON
COLORADO REGISTRATION NO. 31940



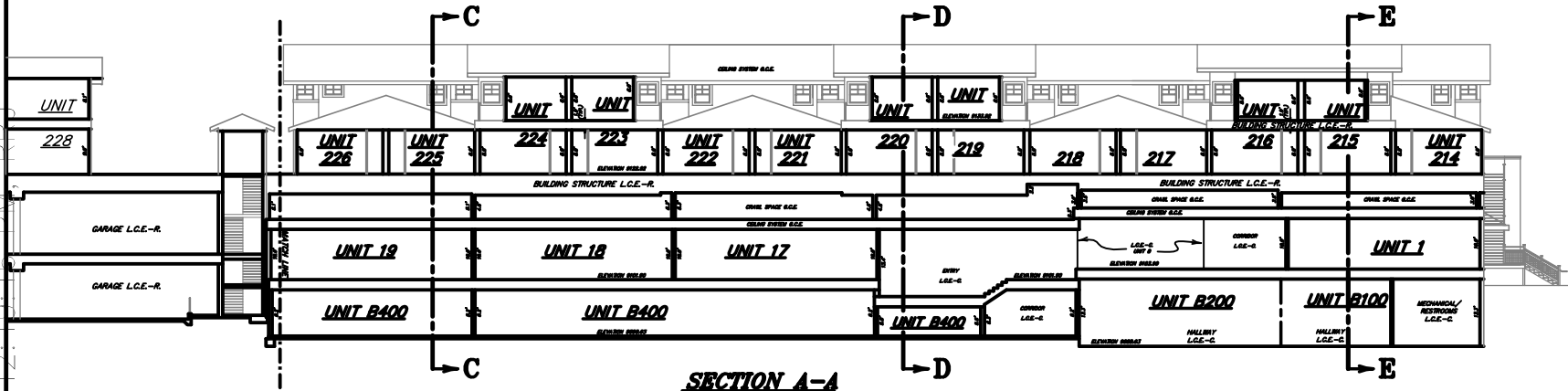
UPPER LEVEL
RESIDENTIAL UNITS 227-229
232-235 & UNITS 301-302

SCALE: 1" = 10'

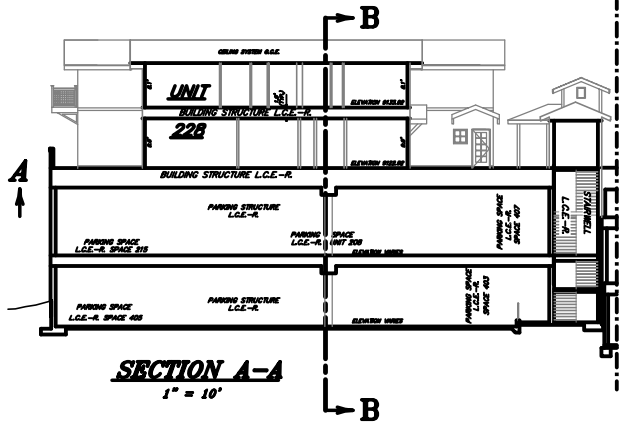
Drawn BY: [Signature]	Eng. TERRY L. LEE	Project: 15846
Checked BY: [Signature]	Date: 12/20/06	Sheet: 8 of 10
DARY A. HARRISON REGISTERED LAND SURVEYOR		
P.O. Box 589 Silverthorne, CO 80408 970-669-6291		

LA RIVA DEL LAGO CONDOMINIUMS

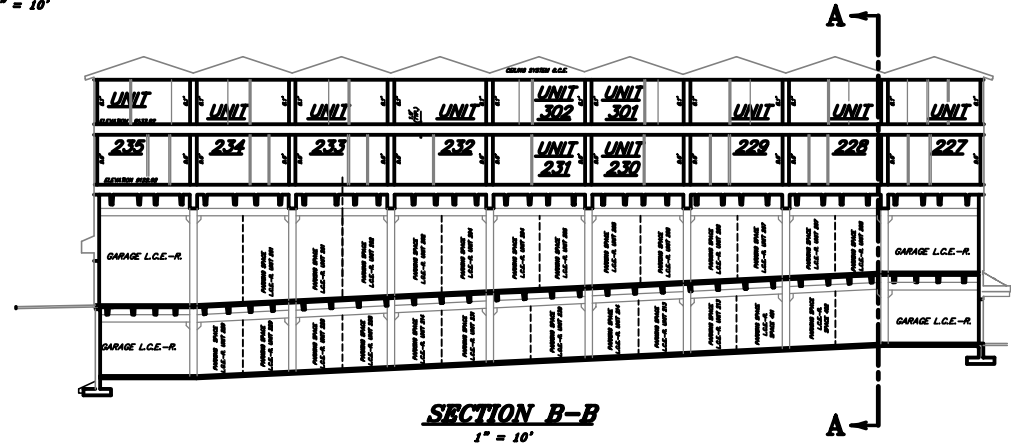
SHEET 9 of 10



SECTION A-A
1" = 10'



SECTION A-A
1" = 10'



SECTION B-B
1" = 10'

SURVEYOR'S CERTIFICATE

I, GARY A. BLANDSON, BEING A REGISTERED LAND SURVEYOR IN THE STATE OF COLORADO,
DO HEREBY CERTIFY THAT THIS PLAN AND SURVEY WERE PREPARED BY ME AND UNDER
MY SUPERVISION AND THAT BOTH ARE ACCORDING TO THE BEST OF MY KNOWLEDGE.

DATED THIS _____ DAY OF _____, 2014.

SIGNATURE: GARY A. BLANDSON
COLORADO REGISTRATION NO. 37943



LEGEND

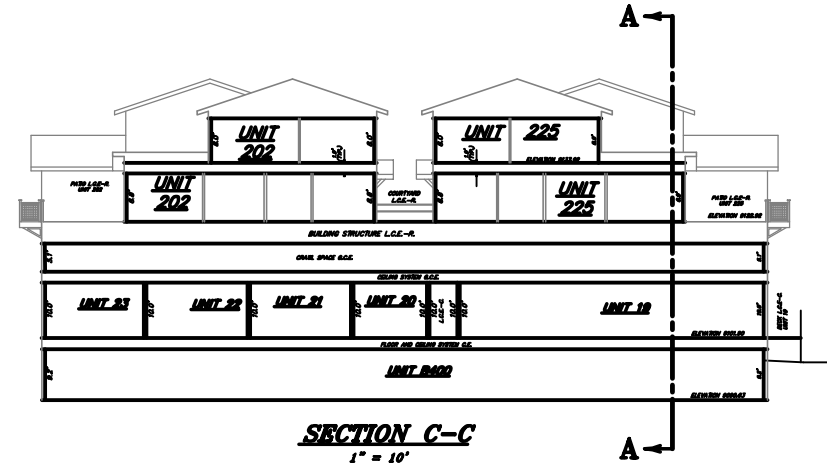
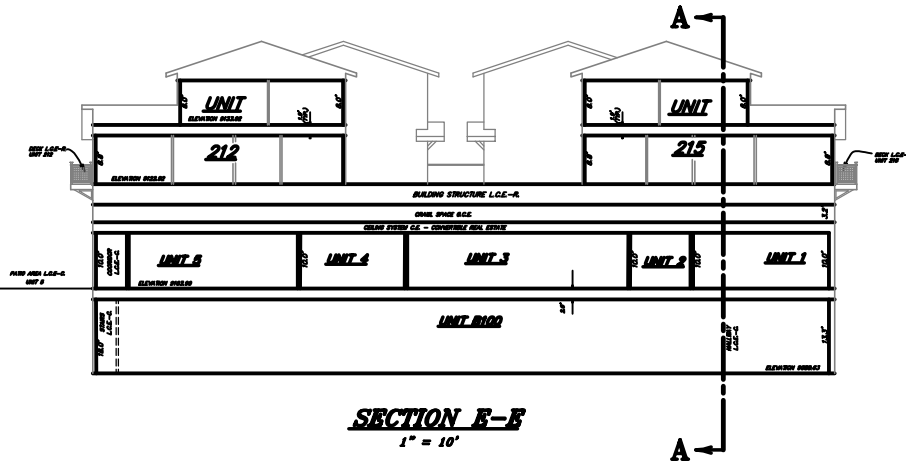
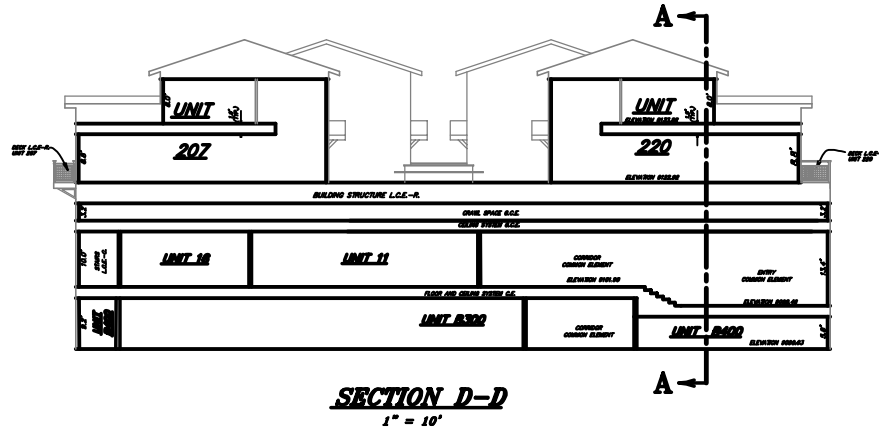
L.C.E. - COMMON ELEMENT
L.C.E.-R - LIMITED COMMON ELEMENT-RESIDENTIAL
L.C.E.-C - LIMITED COMMON ELEMENT-COMMERCIAL

SCALE: 1" = 10'

Drawn: GAW	Eng: 100460-BLND	Project: 10046
Checked: JCB	Date: 11/20/24	Sheet: 9 of 10
RANDOLPH ENGINEERS & SURVEYORS, INC.		
P.O. Box 589 Silverthorne, CO 80488 370-669-6281		

A CONDOMINIUM MAP OF LA RIVA DEL LAGO CONDOMINIUMS

SHEET 10 of 10



LEGEND
R.C.E. - COMMON ELEMENT
L.C.E.-R - LIMITED COMMON ELEMENT-RESIDENTIAL
L.C.E.-C - LIMITED COMMON ELEMENT-COMMERCIAL

SCALE: 1" = 10'

SURVEYOR'S CERTIFICATE

I, GARY A. WILSON, BEING A REGISTERED LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THIS PLAN AND SURVEY WERE PREPARED BY ME AND UNDER MY SUPERVISION AND THAT BOTH ARE ACCURATE TO THE BEST OF MY KNOWLEDGE.

DATED THIS _____ DAY OF _____, 20____.

SIGNATURE: GARY A. WILSON
COLORADO REGISTRATION NO. 31948



Drawn GAW	Draw 10/10/00-0.000	Project 10048
Checked JAW	Date 11/20/00	Sheet 10 of 10
DANCE TEST		
ENGINEERS & SURVEYORS INC.		
P.O. Box 559 Silverthorne, CO 80488 970-465-6281		

EXHIBIT E

JOINDER OF LIENOR

See attached.

JOINDER OF LIENOR

The undersigned is the holder of a lien on the La Riva del Lago Project under that certain Amended and Restated Building Loan Agreement / Disbursement Schedule dated October 13, 2006, Amended and Restated Promissory Note dated October 13, 2006, and Amended and Restated Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing recorded on October 18, 2006, at Reception No. 836077 in the Office of the Clerk and Recorder of the Summit County Colorado, as amended, modified and supplemented from time to time (the "Lien"), for itself and its successors and assigns, approves the foregoing Condominium Declaration of La Riva del Lago Condominiums (the "Declaration"), affecting the Property encumbered by the Lien, and no enforcement of any remedy pursuant to the Lien shall impair, invalidate, supersede or otherwise affect the covenants, conditions, restrictions and easements established by that Declaration.

This Joinder is provided subject to the following conditions:

1. The undersigned hereby consents to the Joinder for the purposes of, and as required, by the Lien. The foregoing consent relates solely to the requirements of the Lien, and by this consent the undersigned assumes no responsibility or liability for any of the terms or provisions of the Declaration.
2. The undersigned shall receive copies of any written notice of default, as provided for in Article 20 of the Declaration, and shall have the option, but not the obligation, to cause a cure of such default within the time period set forth in Article 20 of the Declaration. The undersigned's address for notice purposes is as follows:

Attention Mr. Matthew Marker
Senior Vice President
Bank of the West
633 17th Street, Suite 2100
Denver, Colorado 80202

LIENOR: Bank of the West, a California banking corporation
f/k/a Commercial Federal Bank, F.S.B.



By

Printed Name: Matthew Marker

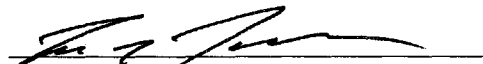
Title: Senior Vice President

State of Colorado)
) ss.
County of Denver)

ERIC A TORMOEHLN
Notary Public
State of Colorado

The foregoing JOINDER OF LIENOR was acknowledged before me this 18 day of JANUARY, 2007 by Matthew Marker, Senior Vice President of Bank of the West, a California banking corporation f/k/a Commercial Federal Bank, F.S.B.

My Commission expires 11/30/2009


Notary Public