

DECLARATION

PARK MEADOWS VILLAGE

A CONDOMINIUM

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EXHIBIT C

RECORDED IN  
COUNTY OF JEFFERSON  
STATE OF COLORADO  
RECEPTION NO. 04114609  
12/11/84 12:00 111.00

DECLARATION

for

RECORDED IN  
COUNTY OF JEFFERSON  
STATE OF COLORADO  
RECEPTION NO. B4114609  
12/11/84 12:08 111.01

PARK MEADOWS VILLAGE, A CONDOMINIUM

THIS CONDOMINIUM DECLARATION made this 11th day of September, 1984, by Simms/Union, Ltd., a Colorado Limited Partnership (hereinafter called "Declarant").

W I T N E S S E T H:

WHEREAS, The Declarant is the Owner in fee of the property described in Exhibit A attached hereto and incorporated herein by this reference; which is situate in Jefferson County, Colorado, and

WHEREAS, the Declarant, or its successors or assigns, will construct condominium buildings on the above-described property, as well as recreational facilities and other improvements, appurtenances and facilities thereto and thereon, and it desires hereby to provide for the condominium ownership of the same pursuant to the provisions of the Condominium Ownership Act of the State of Colorado; and

WHEREAS, the Declarant desires to subject and place upon the above-described property certain covenants, conditions, restrictions, easements, reservations, right-of-way and other charges set forth herein for the purpose of protecting the value and desirability of said property and for the purpose of furthering a plan for the improvement, sales and condominium ownership of said property, and to the end that a harmonious and attractive development of said property may be accomplished and the health, comfort, safety, convenience and general welfare of the Declarant and its successors and assigns of interest in said property, or any portion thereof, may be promoted and safe guarded;

NOW, THEREFORE, in consideration of the premises, the provisions hereinafter contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Declarant hereby submits the above described property, together with all recreational facilities and other improvements, appurtenances and facilities thereto and now or hereafter thereon to condominium ownership under the Condominium Ownership Act of the State of Colorado, as the same may be amended from time to time, and hereby imposes upon all of said property the following covenants, conditions, restrictions, easements, reservations, rights-of-way and other provisions, and the Declarant hereby declares that all of said property and any property or properties hereinafter annexed hereto shall hereinafter be held, sold, conveyed, encumbered, leased, rented, occupied, and improved subject to the following:

ARTICLE 1  
DEFINITIONS

1.1 Declaration. "Declaration" shall mean and refer to this Condominium Declaration, as it may be amended from time to time.

1.2 Declarant. "Declarant" shall mean and refer to Simms/Union Ltd., a Colorado Limited Partnership, its successors and assigns.

1.3 Association. "Association" shall mean and refer to the Park Meadows Village Homeowner's Association, Inc., a Colorado Non-Profit Corporation, its successors and assigns. The Association shall act by and through its Board of Directors and its elected officers.

1.4 Board. "Board" shall mean and refer to the Board of Directors of the Association.

1.5. Property. "Property" shall mean and refer to the property described in Exhibit A attached hereto.

1.6. Individual Air Space Unit. "Individual Air Space Unit" shall mean, and refer to the air space contained within the enclosed rooms occupying part of a floor or floors in a Condominium Building and bounded by the interior surfaces of the perimeter walls, lowermost floors, the uppermost ceilings, windows and window frames, door and door frames of a Condominium Building and separately identified on the Condominium Map. 6

1.7. Condominium Unit. "Condominium Unit" shall mean and refer to the fee simple interest in and to an Individual Air Space Unit, together with all fixtures and improvements therein contained and together with the undivided interest in the Common Elements appurtenant to the Individual Air Space Unit as shown on Exhibit B attached hereto and incorporated herein by this reference.

1.8. Condominium Building. "Condominium Building" shall mean and refer to any building (including all fixtures and improvements therein contained) located on the property and within which, one or more Individual Air Space Units are located.

1.9. Common Elements. "Common Elements" shall mean and refer to the totality of:

1.9.1. The Property, and

1.9.2. The Condominium Buildings (including, but not by way of limitation, the foundations, columns, girders, beams, supports, perimeter and supporting walls, chimneys, fireplaces, roofs, patios, balconies, halls, corridors, lobbies, stairs, stairways, fire escapes, entrance and exits, and the mechanical installations of the Condominium Buildings consisting of the equipment and materials making up any central services such as power, light, gas, hot and cold water, heating, refrigeration, central air conditioning and incinerating which exist for common uses, including the pipes, vents, ducts, flues, chutes, conduits, wires and other similar utility installations used in connection therewith, except for the Individual Air Space Units, and

1.9.3. The yards, street, sidewalks, walkways, paths, grass, shrubbery, trees, driveways, landscaping, parking areas, swimming pool, cabana and recreational areas and facilities, and

1.9.4. The tanks, pumps, motors, fans, compressors, ducts, and, in general, all apparatus, installations and equipment of the Condominium Buildings existing for common use of the Owners, and

1.9.5. In general, all other parts of the Project existing for the common uses of the Owners, and all other parts of the Project necessary or convenient to its existence, maintenance or safety, or normally in common use.

1.10. General Common Elements. "General Common Elements" shall mean and refer to all of the Common Elements, except for the Limited Common Elements.

1.11. Limited Common Elements. "Limited Common Elements" shall mean and refer to those parts of the Common Elements which are either limited to and reserved for the exclusive use of the Owner and Owners of a particular Condominium Unit or are limited to and reserved for the common use of the Owners of more than one, but fewer than all, of the Condominium Units. Without limiting the foregoing, the Limited Common Elements shall include garages and the Limited Common Elements shall also include the balcony, lawn or patio and the fireplace, if any, adjacent to an Individual Air Space Unit and the utility, heating, air conditioning and heating equipment contained within or appurtenant to such Individual Air Space Unit. The balcony or patio and the fireplace which is accessible from, associated with, and which adjoins a particular Individual Air Space Unit and the utility, heating, air conditioning and hot water heating equipment

associated therewith shall, without further reference thereto, be used in connection with such Individual Air Space Unit to the exclusion of the use thereof by the other Owners, except by invitation. No reference thereto need be made in any instrument of conveyance, encumbrance or other instrument.

1.12. Owner. "Owner" shall mean and refer to any record owner (including Declarant; and including a contract seller, but excluding a contract purchaser), whether a natural person or an entity, of a fee simple title interest to any Condominium Unit, but excluding, however, any such record owner having such an interest therein merely as a Mortgagee (unless such Mortgagee has acquired fee simple title interest therein pursuant to foreclosure or any proceedings in lieu thereof). When a person who is an Owner conveys or otherwise assigns of record his fee simple title interest to a Condominium Unit, then, retroactive to the date of such conveyance or assignment, such person shall thereafter cease to be an Owner; provided, however, that the foregoing shall not in any way extinguish or otherwise void any unsatisfied obligation of such person which existed or arose at the time of such conveyance or assignment, specifically including without limiting the generality of the foregoing, any unsatisfied obligation to pay Association assessments. 7

1.13. Mortgage. "Mortgage" shall mean and refer to any mortgage, deed of trust or other security instrument recorded in the records of the office of the Clerk and Recorder of Jefferson County, Colorado, and by which a Condominium Unit or any part thereof is encumbered.

1.14. First Mortgage. "First Mortgage" shall mean and refer to the unpaid and outstanding purchase money Mortgage or purchase money deed of trust having 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).

1.15. Mortgagee. "Mortgagee" shall mean and refer to any person named as mortgagee or beneficiary under any Mortgage under which the interest of an Owner is encumbered, or any successor to the interest of any such person under such Mortgage.

1.16. First Mortgagee. "First Mortgagee" shall mean and refer to the Mortgagee under a First Mortgage.

1.17. Project. "Project" shall mean and refer to the totality of all the Property, Condominium Buildings, Other Buildings, Condominium Units and Common Elements.

1.18. Condominium Map. "Condominium Map" shall mean and refer to the Condominium Map for Park Meadows Village Homeowner's Association, Inc., recorded in the records of the office of the Clerk and Recorder of Jefferson County, Colorado. More than one Condominium Map or supplements thereto may be recorded and, without limiting the generality of the foregoing, separate Condominium Maps may be recorded for each Condominium Building.

## ARTICLE II

### DIVISION OF PROJECT INTO CONDOMINIUM OWNERSHIP

2.1. Division Into Condominium Units. The Project is hereby divided into 14 separate Condominium Units as identified in Exhibit B attached hereto.

2.2. Inseparability. 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. Each Condominium Unit and the undivided interest in the Common Elements appurtenant to the Individual Air Space 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 conveyance, transfer, gift, devise, bequest, encumbrance or other disposition, as the case may be, of the entire Condominium Unit, together with all appurtenant rights and interests created by law or by this Declaration.

2.3. Non-Partitionability. The Common Elements shall be owned in common by all of the Owners and shall remain physically undivided, and no Owner shall bring any action for partition or division of the Common Elements. By acceptance of his deed or other instrument of conveyance or assignment, each Owner shall be deemed to have specifically waived his right to institute and/or maintain a partition action or any other cause of action designed to cause a division of the Common Elements and this Section 2.3. 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.

2.4. Owner's Rights and Duties with Respect to Interiors and Exteriors. E owner shall have the exclusive right and duty to paint, tile, wax, paper or otherwise decorate or redecorate the interior surfaces of the walls, floors, ceilings, and doors forming the boundaries of his Individual Air Space Unit and all walls, floors, ceilings and doors within such boundaries.



RECORDED IN  
COUNTY OF JEFFERSON  
STATE OF COLORADO  
RECEPTION NO. 84114609  
12/11/84 12:08 111.00

ARTICLE III

CONDOMINIUM MAP

3.1. Recording of Map. The Map or any supplement depicting units shall not be filed for record until the building in which the units are located has been substantially completed in order to permit the description of the Condominium units, both horizontally and vertically. No conveyance of a Condominium unit shall be made until the Map or supplement describing the individual unit to be conveyed shall have been filed for record. The map or supplement shall depict and show at least the following:

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The location of buildings and improvements; the elevation plans; the location of units within a building, both horizontally and vertically; the thickness of the structural and supporting walls and the location of limited common elements. It shall contain the certificate of the registered professional engineer or licensed architect, or both, certifying that the Map substantially depicts the boundary, the location, and the horizontal and vertical measurements of the buildings; the unit designation and the internal dimensions of the units; the elevation of the unfinished floors and ceilings as constructed and that such Map was prepared after the substantial completion of each improvement. Each supplement shall set forth a similar certificate.

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

Declarant reserves the right to amend the Map from time to time to conform the same to the actual location of any of the constructed improvements and to reflect any combination of units in the event a purchaser desires to purchase two units and combine them into a single unit, and to establish, vacate, and relocate easements, access road easements, and on-sight parking areas.

ARTICLE IV

OWNER'S PROPERTY RIGHTS IN COMMON ELEMENTS

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4.1. Rights of Ingress and Egress. Every Owner, his family members, his guests and licensees shall have a right and easement of ingress and egress over, across, and upon the General Common Elements for the purpose of getting to and from his Condominium Unit, his garage and the parking areas, the recreational facilities and the private roads running through the Project for both pedestrian and vehicular travel, which right and easement shall be appurtenant to and pass with the transfer of title to the Owner's Condominium Unit, provided, however, that such right and easement shall be subject to the following:

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

4.1.2. The right of the Association to charge reasonable admission and other fees for the use of any recreational or other facility which is part of the Common Elements, and

4.1.3. The right of the Association to suspend any and all rights of any Owner to the use of any recreational facilities for any period during which any Association assessment against such Owner or against such Owner's Condominium Unit remains unpaid and for any reasonable period assessed by the Association as a result of the Owner's infraction, or the infraction by any member of the Owner's family or by the Owner's guests or invitees, or any rule or regulation of the Association; and

4.1.4. The right of the Association to limit the number of guests or invitees of each Owner which may use the recreational or other facilities contained in the Common Elements; and

4.1.5. The right of the Association to assign specific parking spaces or areas for the exclusive use of the Owners of particular Condominium Units or of particular Condominium Buildings, provided, however, that each Condominium Unit will have the right to use at least one parking space for the purpose of automobile parking and each Owner of that Condominium Unit shall have the right to use such space; and

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

4.1.7. The right of the Association to adopt, from time to time, any and all rules and regulations concerning the Common Elements and the facilities located thereon as the Association may determine is necessary or prudent.

4.2. Limited Common Elements. Subject to the provisions of this Declaration, every Owner shall have the exclusive right to use and enjoy the Limited Common Elements appurtenant to his Condominium Unit.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

5.1. Membership. Every Owner shall be a member of the Association and shall remain a member for the period of his ownership of a Condominium Unit; provided, however, in no event shall the total Association votes which are cast with respect to such Condominium Unit exceed the total number of votes therefor as provided under Section 5.2 hereof. The Association shall have only one class of membership. Membership in the Association shall be appurtenant to, and may not be separated from, ownership of a Condominium Unit. //

5.2. Voting Rights. In this condominium development there shall be 65 Condominium Units. There shall be one representative membership vote in the Association for each Condominium Unit owned so that the total votes cast in relation to any question may not exceed 65 votes. When more than one person holds an interest in a Condominium Unit, they may appoint one of their co-Owners as proxy to cast the vote for that Condominium Unit. The vote for such Condominium Unit shall be cast as the Owners thereof agree, but in no event shall more than one vote per question be cast with respect to any one Condominium Unit. If the Owners of such Condominium Unit cannot agree as to the manner in which their vote should be cast when called upon to vote, then they will be treated as having abstained. During the development and initial sales period, Declarant shall appoint the members of the Board of Directors of the Association until Declarant has conveyed 75% of the Condominium Units to the first purchasers or first lessees or until December 31, 1988, whichever shall first occur.

5.3. Owner's Address for Notice. Unless an Owner shall have notified the Association by registered or certified mail of a different address, any notice required to be given, or otherwise given, by the Association under this Declaration to any Owner or any other written instrument to be given to any Owner may be mailed to such Owner in a postage prepaid envelope and mailed by first class, registered or certified mail to the address of the Condominium Unit shown upon the Association's records as being owned by such Owner. If more than one Owner owns a particular Condominium Unit, then any Notice or other written instruments may be addressed to all of such Owners and may be mailed in one envelope in accordance with the foregoing. Any notice or other written instrument given by the Association in accordance with the foregoing will be deemed to have been given on the date that it is mailed.

ARTICLE VI

THE ASSOCIATION

6.1. Management Duties and Duty to Establish Reserve Account. Subject to the rights of Owners as set forth in this Declaration, the Association shall be responsible for the exclusive management, control, maintenance, repair, replacement and improvement of the Common Elements (including facilities, furnishing and equipment related thereto), which shall include the private roads, and shall keep the same in good, clean, attractive and sanitary condition, order and repair; provided, however, that each Owner shall be responsible for keeping the Limited Common Elements designated for use in connection with his Condominium Unit in good, clean, sanitary and attractive condition. The Association shall be responsible for the maintenance and repair of exterior surfaces of the Condominium Buildings (including without limitation, the painting of the same as often as necessary, the replacement of trim and caulking and the maintenance and repair of roofs), and the maintenance and repair of the General Common Elements and the Limited Common Elements. The Association shall maintain in a proper, first class manner all grass, trees, shrubbery, flowers and similar landscaping constituting part of the Common Elements. The Association shall establish and

maintain, out of monthly installments of the annual assessments, an adequate reserve account for periodic maintenance, repair and replacement of improvements on common areas and limited common areas it is required to maintain. The foregoing specification of the duties of the Association with respect to particular Common Elements shall not be construed to limit its duties with respect to other Common Elements, as set forth in the first sentence of this Section 6.1. The expenses, costs and fees of such management, operation, maintenance and repair by the Association shall be part of the Association assessment and prior approval of the Owners shall not be required in order for the Association to pay any such expenses, costs and fees. /o

6.2. Owner's Negligence. In the event that the need for maintenance, repair or replacement of the Common Elements, or any portion thereof, is caused through or by the negligent or willful act or omission of an Owner, or by any member of an Owner's family, or by an Owner's guests or invitees, then the expenses, costs and fees incurred by the Association for such maintenance, repair or replacement shall be a personal obligation of such Owner, and if not repaid to the Association within seven days after the Association shall have given notice to the Owner of the total amount, or any portions thereof from time to time, or such expenses, costs and fees, then the failure to so repay shall be a default by the Owner under the provisions of this Section 6.2 and such expenses, costs, and fees shall automatically become a default assessment determined and levied against such Condominium Unit and the Association may proceed in accordance with Section 7.11 hereof.

6.3. Delegation of Management Duties. Unless the Association obtains the consent of the Federal Home Loan Mortgage Corporation, to the contrary, the Association shall utilize professional management in performing its duties hereunder. Any management agreement entered into by the Association shall be in writing, shall be terminable by the Association upon 30 days written notice thereof and shall not have a term in excess of one year, which may be renewable by agreement of the parties for successive one-year periods. In addition, the Association may employ independent contractors or such other employees or persons as it deems necessary to carry out the Association's functions hereunder and may prescribe their duties.

6.4. Acquiring and Disposing of Personal Property. The Association may acquire, own and hold for the use and benefit of all Owners, tangible and intangible personal property 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 Common Elements. Such interest shall not be transferable except with the transfer of a Condominium Unit. A transfer of a Condominium Unit shall transfer to the transferee 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.

6.5. Promulgation of Rules and Regulations. The Association may make reasonable rules and regulations governing the use of the Condominium Units and the Common Elements, which rules and regulations shall be substantially consistent with the rights and duties established in this Declaration. The Association or any aggrieved Owner may take judicial action against any Owner to enforce compliance with such rules and regulations and with the provisions of this Declaration and the Articles of Incorporation and By-Laws of the Association to obtain damages for noncompliance or for injunctive relief, or both, all to the extent permitted by law.

6.6. New Additions to Common Elements. Subject to the other provisions of this Declaration (specifically including Section 7.2 and 7.7 hereof), the Association shall have the right to construct new additions to the General Common Elements. Ownership of, and the common expenses (including new recreational facilities, costs and fees, if any) for, any such additions to the General Common Elements shall be apportioned among all Condominium Units in proportion to the respective undivided interest in the Common Elements appurtenant thereto as shown in Exhibit B attached hereto. The Association shall not have the right to construct new additions to the Limited Common Elements. In no event shall the construction of new additions to the General Common Elements affect an Owner by way of modification of his voting power in the Association.

6.7. Payments to Working Capital Account. Declarant shall establish a working capital fund at least equal to two month's estimated common charge for each unit which shall not be considered as advance payments of regular assessments. Each units' share of the working capital fund should be collected at the time the sale of the unit is closed and then transferred to the Association for deposit into a segregated fund. Within 60 days after closing has been held for the first unit, in each phase, Declarant shall pay each unsold unit's share in that phase only, of the working capital fund to the Association. Declarant may then reimburse itself for this payment from the funds collected at closing when unsold units are sold.

6.8. Implied Rights. The Association may exercise any and all other rights or privileges given to it by this Declaration, or by the Articles of Incorporation or By-Laws of the Association, 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 it herein or reasonably necessary to effectuate any such right or privilege. Notwithstanding any other provisions which may be in this Declaration to the contrary, the Association shall not be empowered to do the following, unless it shall have obtained the prior written approval of 2/3rds of the First Mortgagees.

6.8.1. By act or omission, seek to abandon or terminate the Condominium regime established hereby, or

6.8.2. Partition or subdivide any Condominium Unit, or

6.8.3. By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements, or

6.8.4. Use Hazard insurance proceeds for loss to improvements for other than the repair, replacement or reconstruction of such improvements, or

6.8.5. Change the pro rate interest or obligation of any Condominium Unit, or of the owners thereof, for the purpose of levying assessments or charges hereunder or for the purpose of allocating distributions of hazard insurance or condemnation awards hereunder or determining the pro rata share of ownership of each condominium unit in the common elements.

6.9.1. Document Copies. The Association shall have current copies of the Declaration, Bylaws, and other rules concerning the Project as well as its own books, records and financial statements available for inspection by unit owners or by holders, insurers and guarantors of first mortgages that are secured by units in the Project. These documents shall be available during normal business hours.

6.9.2. Statements. The Association shall provide an audited statement for the preceding fiscal year if the holder, insurer or guarantor of any first mortgage that is secured by a unit in the Project submits a written request for it.

ARTICLE VII  
ASSESSMENTS

7.1. Covenant of Personal Obligation of Assessments. Every Owner, by acceptance of the deed or other instrument of transfer of his 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, jointly and severally, with every other Owner and with the Association, and hereby does so covenant and agree, to pay the Association the (a) annual assessments, (b) special assessments, and (c) default assessments applicable to his Condominium Unit; such assessments to be established and collected as hereinafter provided. No Owner may waive or otherwise escape personal liability for the payment of the assessments provided for herein by non-use of the Common Elements or the facilities contained therein or by abandonment or leasing of his Condominium Unit. In addition to the foregoing, every Owner shall also have the obligation to pay the estimated pro-rated amount for hazard insurance premiums applicable to his Condominium Unit, real property ad valorem taxes and special assessments imposed by Colorado governmental subdivisions applicable to his Condominium Unit, as well as all

charges for telephone, electricity, gas or other utilities applicable to this Condominium Unit.

7.2. Purpose of Assessments. The assessments levied by the Association shall be used for the purpose of promoting the recreation, health, safety, convenience and general welfare of the Owners, including the improvement and maintenance of the Property and of the services and facilities located thereon. Proper uses of the assessments levied by the Association shall include (a) but are not limited to the expenditures of funds for taxes, fees, expenses, charges, levies, premiums, expenditures, or other costs of the Common Elements, except Limited Common Elements, which shall be maintained by the Unit Owner; (b) installing, maintaining and repairing roads and underground utilities upon, across, over and under any part of the Project; (c) installing, constructing, maintaining and repairing lighting, walkways, recreational buildings, parks, playgrounds and related facilities; (d) furnishing garbage and trash pickup and water and sewer services to the Project; (e) providing horticultural services to the General Common Element, such as removing snow, mowing grass, caring for the grounds, the sprinkling system, walks, and pathways, and landscaping the trees, shrubs and grass; (f) obtaining and maintaining insurance in accordance with the provisions of Article VIII hereof, (g) painting, repairing, replacing, and maintaining roofs, gutters, downspouts, exterior building surfaces and other portions of the General Common Elements; (h) establishing and maintaining reserves for repairs, maintenance, taxes, capital improvements and other purposes; (i) carrying out all other powers, rights and duties of the Association, and (j) generally for any other purposes and uses that the Association shall determine to be necessary to meet the primary purposes of the Association. In the event that, pursuant to Section 7.2(c), any of the assessments levied by the Association shall be used for constructing any such improvements as set forth therein and if the total amount of assessments used for such construction shall exceed \$1,000.00 (i.e., the total amount of such assessments for all the Condominium Units as an aggregate, and not \$1,000.00 per Condominium Unit), then the use of assessments for such construction shall require the approval of all of the Owners of at least 75% of the Condominium Units and all of the First Mortgagees of at least 51% of those Condominium Units which are subject to said mortgagees. The use of assessments, pursuant to Section 7.2.(c) hereof, for installing or constructing any Common Elements shall not apply to the installation or construction of any Common Elements which are to be installed or constructed by Declarant as a part of its development of the Project.

7.3. Assessment Years. The first assessment year for the levying of the Association's annual assessments shall commence upon the recording of this Declaration in the office of the Clerk and Recorder of Jefferson County, Colorado, and shall continue thereafter until the following 31st of December. Subsequent annual assessment years shall thereafter commence on the first day of January and continue until the following 31st of December.

7.4. Amount of Total Annual Assessments. The annual assessment for each Condominium Unit for the first assessment year shall be in the amount of \$ 84.00 multiplied by the number of months in such first assessment year, plus the estimated prorated amount for hazard insurance premiums and general property taxes appurtenant to each Condominium Unit. Commencing with the second assessment year and thereafter, 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 assessment year, which estimates may include among other things (a) expenses of management; (b) taxes and special assessments (until the Condominium Units are separately assessed as provided in Section 9.4 hereof; (c) premiums for all insurance which the Association is required or permitted to maintain as provided in Article VIII hereof; (d) common lighting, heating, and other utility charges, water charges, trash collection and sewer service charges; (e) repairs and maintenance; (f) wages for Association employees; (g) legal and accounting fees; (h) any deficit remaining from a previous assessment year; (i) the

creation of reasonable contingency reserves, surpluses and sinking funds; and (j) any other costs, expenses and fees, which may be incurred or may reasonably be expected to be incurred by the Association for the benefit of the Owners under or by reason of this Declaration.

7.5. Apportionment of Annual Assessments. The Association's total annual assessment for an assessment year shall be apportioned against all Condominium Units based on a fraction wherein the numerator is one and the denominator is the number of declared units, and the Owner of each Condominium Unit shall be personally liable for each such assessment which is assessed against his Condominium Unit, and in case of multiple owners of a Condominium Unit, each such Owner shall be jointly and severally liable personally for each such assessment. The total annual assessment shall be apportioned among all Condominium Units as hereinabove provided in this Section 7.5 and shall not be apportioned between General Common Elements and Limited Common Elements.

7.6. Determination of Amount of Annual Assessments. The Board shall determine, levy and assess the Association's annual assessments, which determination, levying or assessing may be made by the Board either with, or without, the vote of the members of the Association. If the Board shall desire to determine, levy and assess an annual assessment per Condominium Unit for a particular assessment year which shall be in excess of the amount of the annual assessment per Condominium Unit for the assessment year immediately preceding the particular assessment year, then the Board may do so and shall give written notice thereof to all Owners at least 30 days in advance of the commencement date of the particular assessment year and notifying the Owners of such increased annual assessment. If the Board shall not determine, levy and assess the annual assessment for a particular assessment year in accordance with the foregoing sentence, then it will be presumed that the annual assessment per Condominium Unit for that particular assessment year will be the same as the annual assessment per Condominium Unit for the assessment year immediately preceding that particular assessment year.

7.7. Special Assessments. In addition to the annual assessments authorized above, the Association may at any time and from time to time determine, levy and assess in any assessment year, which determination, levying and assessing may be made by the Board with or without the vote of the members of the Association, a special assessment applicable to that particular assessment year (and for any such longer period as the Board may determine) for the purpose of defraying, in whole or in part, the unbudgeted costs, fees and expenses of any construction, reconstruction, repair, demolishing; replacement or maintenance of the Project or of any facilities located thereon, specifically including any fixtures and personal property related thereto. Any amounts determined, levied and assessed pursuant hereto shall be assessed to the Condominium Units in proportion to the respective undivided interests in the Common Elements appurtenant thereto as shown in Exhibit B (attached to the Declaration), provided, however, that all the Owners of a particular Condominium Unit shall be jointly and severally liable to the Association for the payment of all assessments against his particular Condominium Unit. Notice in writing of the amount of such special assessment per Condominium Unit and of the time for payment thereof shall be given to the Owners, and no payment shall be due less than 30 days after such notice shall have been given. In the event that any of the special assessments levied by the Association pursuant to this Section 7.7 shall be used for the construction of the Project or of any facilities located thereon and if the total amount of special assessments levied for such construction shall exceed \$1,000.00 (i.e. the total amount of such special assessments for all Condominium Units as an aggregate, and not \$1,000.00 per Condominium Unit), then the use of special assessments for such construction shall require the approval of all of the First Mortgagees of at least 51% of the Condominium

Units and all of the Owners of at least 75% of the Condominium Units. The use of assessments, pursuant to this Section 7.7, for constructing any Common Elements shall not apply to the construction of any Common Elements which are to be constructed by Declarant as a part of its development of the Project.

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7.8. Due Dates for Assessment Payments. Unless otherwise determined by the Association the annual assessments, and any special assessments which are to be paid in monthly installments, shall be paid monthly in advance and shall be due and payable to the Association at its office, without notice (except for the notices required by Section 7.6 and 7.7 hereof), on the first day of each month. If any such monthly installment shall not be paid within 15 days after it shall have become due and payable, then the Board may assess a "late charge" thereon in an amount not exceeding \$10.00 to cover the extra expenses involved in handling such delinquent assessment installment. An Owner's monthly assessments 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. If the First Mortgagee on any Condominium Unit requires that the Owners thereof make monthly payments into escrow with the First Mortgagee for the estimated hazard insurance premiums and/or general property taxes applicable to such Condominium Unit, then such Owners may make such monthly payments into such escrow reserves, rather than making payment of the same to the Association.

7.9. Exemptions. Subject to the following sentence of this Section 7.9, a Condominium Unit owned by the Declarant shall be exempt from the payment of all annual and special assessments (including monthly installments thereof) until such time as the Condominium Unit is completed, as evidenced by the issuance of a certificate of occupancy by the appropriate governmental authority, and either: (a) conveyed by the Declarant to the first Owners thereof, or (b) leased by the Declarant for the first time. If the annual and special assessments levied by the Association and the payments to the working capital account received by the Association, as set forth in Section 6.7 hereof, shall not be sufficient in amount to allow the Association to reasonably maintain the Common Elements in good, clean, attractive and sanitary condition, order and repair, then Declarant shall be responsible for the payment of such additional amount or amounts as may be necessary to so maintain the Common Elements: provided, however, that the foregoing shall not be interpreted to require Declarant to establish, or to pay over to the Association to establish, reserves, or reserve accounts, for such maintenance of the Common Elements; and provided further, however, that the foregoing covenant of Declarant to be responsible for the payment of such additional amount or amounts shall automatically terminate, expire and become null and void at such time as Declarant shall have conveyed or leased 75% of the Condominium Units to the first Owners or first lessees thereof or December 31, 1988 whichever shall first occur.

7.10. Lien for Assessments. The annual and special assessments (including monthly installments thereof) provided for in this Article VII and any and all default assessments arising under the provisions of Sections 4.3, 6.2, 10.2 or 11.4 hereof (together with any and all interest, costs, late charges, expenses and reasonable attorney's fees which may arise under the provision of Section 7.11 hereof), 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 evidence such lien upon a specific Condominium Unit, the Association may prepare a written lien notice setting for the description of the Condominium Unit, the amount of assessments thereon which are unpaid as of the date of such lien notice, the name of the Owner or Owners thereof and any and all other information that the Association may deem proper. The lien notice shall be signed by a member of the Board or by an officer of the Association, and shall be recorded in the office of the Clerk and Recorder of Jefferson County, Colorado. Any such lien notice shall not constitute a condition precedent nor 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 or assessed.



7.11. Effect of Nonpayment of Assessments. If any annual or special assessments (or any monthly installment thereof) is not fully paid within 30 days after the same becomes due and payable, or if any default assessment shall arise under the provisions of Section 4.3, 6.2, 10.2, or 11.4, hereof, then in any of such events and as often as the same may happen, interest shall accrue at the rate of 18% per annum from the due date on any amount thereof which was not paid within such 30-day period or on the amount of assessment in default, whichever shall be applicable, and the Association may thereafter bring an action at the law or in equity, or both, against any Owner personally obligated to pay the same and may also 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 in and through the courts. An action at law or in equity by the Association against an Owner to recover a money judgment for unpaid assessments (or any monthly installment thereof) may be commenced and pursued by the Association without foreclosing or, in any way, waiving the Association's lien therefor. In the event that any such assessment (or monthly installment thereof) is not fully paid when due and the Association shall commence such an action (or shall counterclaim or cross claim for such relief in any action) against any Owner personally obligated to pay the same or shall proceed to foreclose its lien against the particular Condominium Unit, then all unpaid monthly 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), and late charges under Section 7.8 hereof, any accrued interest under this Section 7.11, the Association's costs, expenses and reasonable attorney's fees incurred for preparing and recording any lien notice and the Association's costs of suit, expenses and reasonable attorney's fees incurred for any such action and/or foreclosure proceedings shall be taxed by the court as 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 thereafter again foreclosing or attempting to foreclose its lien for any subsequent assessments (or monthly 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, mortgage, vote the Association votes appurtenant to ownership thereof, convey, or otherwise deal with the same.

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7.12. Subordination of Association's Lien for Assessments. The Association's perpetual lien on a Condominium Unit for assessments shall be superior to the homestead exemption, provided by Section 38-41-201, C.R.S. 1973, as amended, and to all other liens and encumbrances except: (a) real property ad valorem tax and special assessment liens duly imposed by a Colorado governmental subdivision, and (b) the lien for any First Mortgage or the lien of any executory land sales contract wherein the Administrator of Veterans Affairs is seller, whether owned by the said Administrator or his assigns, and whether recorded or not, encumbering any Condominium Unit, including any and all advances made by the First Mortgages or executory land sales contract seller and notwithstanding that any of such advances may have been made subsequent to the date of the attachment of the Association's liens. With respect to the foregoing subpart (b) of this Section 7.12, any First Mortgagee who comes into possession of 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 attorney's fees against the Condominium Unit which accrue prior to the time such First Mortgagee or purchaser comes into possession of the Condominium Unit, except for claims for a pro-rata share of such assessments resulting from a pro-rata re-allocation of such assessments to all Condominium Units (including the Condominium Unit which is encumbered by the First Mortgage). All other persons 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 attorney's fees, as provided in this Article VII, whether or not such consent be specifically set forth in the instrument creating any such lien or encumbrance. Sale or other transfer of any Condominium Unit shall not affect the Association's lien for assessments, interest, late charges, costs, expenses and attorney's fees due and owing at the time of such sale or other transfer and shall not affect the personal liability of each Owner who shall have been responsible for the payment thereof.

7.13. Certificate of Status of Assessments. ~~Upon request in writing by any person and payment of a reasonable charge therefor, the Association shall furnish within ten days after such request is received, a certificate setting forth: (a) the amount of any unpaid assessments, interest, late charges, costs, expenses and attorney's fees then existing against a particular Condominium Unit, (b) the amount of the current monthly installments of the annual assessment and the date that the next monthly installment is due and payable, (c) the date of the payment of any installments of any special assessments then existing against the Condominium Unit and (d) any other information deemed proper by the Association. Upon the issuance of such a certificate signed by a member of the Board or by an officer of the Association, 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 thereon in good faith.~~

7.14. Mortgagees May Pay Assessments and Cure Defaults. If any assessment, or monthly installments thereof, or any Condominium Unit shall not be paid by the Owner thereof within 30 days after the same is due, or if a default by any Owner of any provision of this Declaration shall not be cured within 30 days after written notice thereof is given to such Owner, then the Association shall thereafter send a notice thereof to any First Mortgagee thereof and may (but shall not be required to) send a notice thereof to any other Mortgagee thereof. Any Mortgagee may (but shall not be required to) pay such assessment or monthly installments thereof, together with any other amounts secured by the Association's lien created by this Article VII, and may (but shall not be required to) cure any such default.

7.15. Liens. Except for annual, special and default assessment liens as provided in this Declaration, mechanics' liens, tax liens and judgment liens arising by operation of law and liens arising under Mortgages, there shall be no other liens obtainable against the Common Elements or any interest therein of any Condominium Unit.

7.16. Time for Full Assessments. All units in each phase shall be allocated full assessments no later than 60 days after the first unit is conveyed in that phase only.

ARTICLE VIII  
INSURANCE AND FIDELITY BONDS

8.1. Duty to Obtain and Maintain Insurance. The Association shall obtain and maintain in full force and effect at all times the insurance coverage set forth in Sections 8.2, 8.3, 8.4, 8.6 and 8.7 hereof, which insurance coverage shall be provided by companies duly authorized to do business in the State of Colorado. 19

8.2. Hazard Insurance. The Association shall obtain from an insurance carrier acceptable to the Federal Home Loan Mortgage Corporation hazard insurance on the Project in the form of a "master" or "blanket" policy of property insurance in an amount equal to the full replacement value (i.e. 100% of the current "replacement cost" exclusive of land, foundation, excavation and other items normally excluded from coverage) of the Project which shall include all building services equipment and the like and any fixtures or equipment within a Condominium Unit which are normally financed under a First Mortgage. Such master or blanket policy shall include an "Agreed Amount Endorsement" or its equivalent, a "Demolition Endorsement" or its equivalent and, if necessary, an "Increased Cost of Construction Endorsement" or "Contingent Liability from Operation of Building Laws Endorsement" or the equivalent. The policy contract forms for such master or blanket policy shall not provide that contributions or assessments may be made against any First Mortgagee or become a lien on any Condominium Unit superior to the lien of the First Mortgagee. In addition, such master or blanket policy shall afford protection against at least the following:

8.2.1. Loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm and water damage; and

8.2.2. In the event the Project contains a steam boiler, a broad form policy of repair and replacement boiler and machinery insurance in the amount of at least \$50,000.00 per accident per location; and

8.2.3. Such other risks as shall customarily be covered with respect to projects similar in construction, location, and use to this Project.

8.3. Liability Insurance. The Association shall obtain a comprehensive policy of public liability insurance covering all of the Common Elements and Commercial spaces if any, in the Project. Such comprehensive policy of public liability insurance shall include a "Severability of Interest Endorsement" or equivalent coverage which would preclude the insurance company from denying the claim of any Owner because of the negligent acts of the Association or any other Owner, with such limits as may be considered acceptable by the Federal Home Loan Mortgage Corporation (but not less than \$1,000,000 covering all claims for personal injury and/or property damage arising out of a single occurrence). Such comprehensive policy of public liability insurance shall also include protection against water damage liability, liability for non-owned and hired automobiles, liability for property of others and, if applicable, elevator collision, garage-keeper's liability, host liquor liability and such other risks as shall customarily be covered with respect to projects similar in construction, location and use to this Project.

8.4. Fidelity Insurance. The Association shall obtain adequate fidelity coverage or fidelity bonds 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 of the Association. Such fidelity coverage or fidelity bonds shall meet the following requirements:

- 8.4.1. They shall name the Association as an obligee; and
- 8.4.2. They shall be written in an amount equal to at least 100% of the estimated annual operating expenses of the Project, including reserves, unless a greater amount is required by the Federal Home Loan Mortgage Corporation; and
- 8.4.3. They shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression; and
- 8.4.4. They shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment or premium) without at least 30 days' prior written notice to the Federal Home Loan Mortgage Corporation.

8.5. Provisions Common to Hazard Insurance, Liability Insurance and Fidelity Insurance. Any insurance coverage obtained by the Association under the provisions of sections 8.2, 8.3, and, if applicable, 8.4 hereof shall be subject to the following provisions and limitations:

- 8.5.1. The named insured under any such policies shall be the Association, as a trustee for the Owners, or its authorized representative, including any trustee with which the Association may enter into any Insurance Trust Agreement, or any successor trustee (each of which is sometimes referred to in this Section 8.5 as the "Insurance Trustee") who shall have exclusive authority to negotiate losses under such policies; and
- 8.5.2. In no event shall the insurance coverage obtained and maintained pursuant to such Sections be brought into contribution with insurance purchased by the Owners or their Mortgages; and
- 8.5.3. The policies shall provide that coverage shall not be prejudiced by (a) any act or neglect of the Owners when such act or neglect is not within the control of the Association, of (b) by failure of the Association to comply with any warranty or condition with regard to any improvements or fixtures being insured.

ARTICLE IX  
CONVEYANCE AND TAXATION OF CONDOMINIUM UNITS

9.1. 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 or Jefferson County, Colorado, may legally describe such Condominium Unit in the manner set forth in Section 9.2 hereof any may indicate that the Condominium Map and this Declaration are to be recorded.

9.2. 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 of Condominium Units and every other instrument affecting title to a Condominium Unit may describe the Condominium Unit as follows:

Condominium Unit \_\_\_\_\_ Building \_\_\_\_\_ Park Meadows a  
Condominium, County of Jefferson, State of Colorado, according  
to the Condominium Map for Park Meadows, recorded \_\_\_\_\_  
19 \_\_\_\_\_ at reception number \_\_\_\_\_ in the  
records of the office of the Clerk and Recorder of Jefferson  
County, Colorado and as defined and described in the  
Condominium Declaration for Park Meadows recorded \_\_\_\_\_  
19 \_\_\_\_\_, at reception number \_\_\_\_\_.

9.3. Deemed to Describe an Undivided Interest in Common Elements. Every instrument of conveyance, mortgage, deed of trust or other instrument affecting the title to a Condominium Unit which legally describes said

Condominium Unit in the manner set forth in Section 9.2 hereof shall be construed to describe the Individual Air Space Unit, together with the undivided interest in the Common Elements appurtenant thereto, together with all fixtures and improvements therein contained (unless any thereof 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, subject to any other provisions which may be set forth in such instrument. 2

9.4. Taxation. Each Condominium Unit shall be assessed separately for all taxes, assessments, and other charges of the State of Colorado or of any political subdivision or of any special improvement district or of any other taxing or assessing authority in accordance with the Condominium Ownership Act of the State of Colorado. For the purpose of such assessments, the valuation of the Common Elements shall be apportioned among the Condominium Units in proportion to the undivided interest in Common Elements appurtenant thereto. The Association shall furnish to the Tax Assessor, Jefferson County, Colorado, and to all other appropriate persons and authorities all necessary information with respect to such apportionment. No foreclosure 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 X  
MECHANIC'S LIENS

10.1. Mechanic's Liens. No labor performed or materials furnished for the use and incorporated in any Condominium Unit with the consent of or at the request of the Owner thereof or his agent or his 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 against the Condominium Unit or against the Common Elements, or any part thereof, of any other Owner for labor performed or for materials furnished in work on the first Owner's Condominium Unit.

10.2. Enforcement by the Association. 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 indemnity provided by the provision of Section 10.1 hereof by collecting from the Owner of the Condominium Unit on which the labor was performed or materials furnished the amount necessary to discharge any such mechanic's lien, including all costs and reasonable attorney's fees incidental thereto, and obtain a discharge 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 days after the Association shall have given notice to such Owner of the total amount, or any portions thereof from time to time, of the amount to be indemnified, then the failure to so indemnify shall be a default by such Owner under the provisions of this Section 10.2 and such amount to be indemnified shall automatically become a default assessment determined and levied against such Condominium Unit and the Association may proceed in accordance with Section 7.11 hereof.

ARTICLE XI  
USE RESTRICTIONS

11.1. Compliance with Zoning. All Condominium Units shall be used for residential purposes only and shall not be used for any business, manufacturing or commercial purpose whatsoever; provided, however, if the appropriate zoning

so allows and if prior written approval of the Association is obtained, an Owner may use a specifically designated portion of his Condominium Unit as a home business office, which approval may thereafter be withdrawn or terminated by the Association at any time.

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11.2. Conveyance of Condominium Unit. All Condominium Units, whether or not the instrument of conveyance or assignment shall refer to this Declaration, shall be subject to the covenants, conditions, restrictions, easements, reservations, rights-of-way and other provisions contained in this Declaration, as it may be amended from time to time.

11.3. Use of Common Elements. There shall be no obstruction of the Common Elements, nor shall anything be kept or stored on any part of the Common Elements without the prior written approval of the Association. Nothing shall be altered on, constructed in or removed from the Common Elements without the prior written approval of the Association.

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11.4. Prohibition of Increase 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 the Project, or any part thereof, or increase in the rate of the insurance on the Project, or any part thereof, 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, or any part thereof, 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 or any part thereof shall be committed by any Owner, or by any member of the Owner's family, or by a guest, invitee or contract purchaser of any Owner, and each Owner shall indemnify 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 his family or his guests, invitees or contract purchasers. 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 in the same manner as provided in Section 10.2 hereof with respect to an Owner's indemnity against mechanic's liens.

11.5. Structural Alterations. No structural alterations to any Condominium Unit or any Common Element shall be done by an Owner without prior written approval of the Association.

11.6. Maintenance of Interiors. Each Owner shall keep the interior of his Condominium Unit, including, without limitation, interior walls, windows, glass, ceilings, floors and permanent fixtures and appurtenances thereto, in a clean, sanitary and attractive condition, and in a good state of repair.

11.7. Rules and Regulations. No Owner shall violate the rules and regulations, as adopted from time to time by the Association, for the use of the Condominium Units and the Common Elements.

11.8. Household Pets. No animals, livestock, poultry or bees of any kind shall be raised, bred, kept or boarded in the Project; provided, however, that dogs, cats or other household pets may be kept in any Condominium Unit so long as they are not kept for any commercial purpose and are not kept in such number or in such manner as to create a nuisance to other Owners. Notwithstanding the foregoing, the Association shall have, and is hereby given, the right and authority to determine in its sole discretion that dogs, cats or other household pets are being kept for commercial purposes or are being kept in such number or in such manner as to create a nuisance to other Owners or that an Owner is otherwise in violation of the provisions of this Section 11.8 and to take such action as may be necessary to correct the same. In furtherance of the purposes of the foregoing provisions of this Section 11.8, if more than one dog, cat or other household pet is kept in any Condominium Unit then it shall be conclusively presumed that the same is being kept in such manner as to create a nuisance to other Owners and the Association shall

have the authority to require the Owner of such Condominium Unit to remove any and all excess dogs, cats, or other household pets or to otherwise correct or remove such nuisance kept in such Condominium Unit.

11.9. Signs and Advertising. No signs, advertising, billboards, unsightly objects or nuisances shall be placed, erected or permitted to remain in or on any Condominium Unit, nor shall any Condominium Unit be used in any way or for any purpose which may endanger the health, safety or life of any person or which may unreasonably disturb the other Owners. The foregoing provisions of this Section 11.9 shall not apply to any signs, advertising or billboards of the Declarant in connection with its sale or rental of Condominium Units or otherwise in connection with its development of the Project, nor shall such provisions apply to the Association.

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11.10 Antennas. Without prior written approval of the Association, no exterior television, radio or other communication antennas or aerials of any type shall be placed, allowed or maintained upon any portion of the Project.

11.11 Commercial Vehicles. No commercial vehicle and no trucks shall be parked on any road within the Project except while temporarily engaged in transport to or from a Condominium Unit. For the purposes of this Section 11.11, a 3/4 ton or smaller vehicle, commonly known as a pickup truck, shall not be deemed to be a commercial vehicle or truck.

11.12. Nuisances. No noxious or offensive activity shall be carried on upon any part of the Project, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to any other Owner.

11.13. Unused Vehicles. No unused vehicles shall be stored or parked upon any part of the Project, including any residential street, alley or way of access within the Project. In the event that the Association shall determine that a vehicle is an unused vehicle, then a written notice describing the unused vehicle will be personally delivered to the Owner thereof (if such owner can be reasonable ascertained) or will be conspicuously placed upon the unused vehicle (if the owner thereof cannot be reasonable ascertained), and if the unused vehicle is not removed within 72 hours thereafter, the Association shall have the right to remove the unused vehicle at the sole expense of the owner thereof. For the purpose of this Section 11.13, an "unused vehicle" is any automobile, truck, motorcycle, motor bike, boat, trailer, camper, housetrailer or other similar vehicle which has not been driven under its own propulsion or has not been moved for a period of one week or longer.

11.14 Declarant's Use. Notwithstanding any provisions contained in this Declaration to the contrary, it shall be expressly permissible and proper for Declarant and Declarant's employees, agents, independent contractors, successors and assigns involved in the construction of Condominium Buildings or Condominium Units or in the development of the Project, to perform such activities and to maintain upon such portions of the Project as Declarant deems necessary such facilities as in the sole opinion of Declarant may be reasonable required convenient, necessary or incidental to the construction and sale of Condominium Units and to the development of the Project, specifically including without limiting the generality of the foregoing, maintaining business offices, storage areas, construction yards and equipment, signs, model units and sales offices; provided, however, that neither the Declarant, the Declarant's employees, agents, independent contractors, successors or assigns nor any of them shall perform any activity or maintain any facility on any portion of the Project in such a way as to unreasonably interfere with or disturb any purchaser or Owner of a Condominium Unit or to unreasonably interfere with the use, enjoyment or access of such Owner, his family members, his guests or invitees of and to his Condominium Unit, his parking areas, any recreational facility existing upon the Common Elements and to a public way. However, the Declarant is subject to the limitation contained in paragraph 6.3 of this Declaration.

11.15 Leasing of Condominium Units. The owner of a Condominium Unit shall have the right to lease his Condominium Unit under the following

conditions: (a) All leases shall be in writing, and (b) they shall be subject to the requirements of the constituent documents and the Association and no unit may be rented for less than 30 days.

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ARTICLE XII  
EASEMENTS

12.1. Recorded Easements. The Property, and all portions thereof, shall be subject to the easements as shown on any recorded plat affecting the Property, or any portion thereof, and as shown on the recorded Condominium Map.

12.2. Easements for Encroachments. The Project, and all portions thereof, shall be subject to an easement for encroachments created by construction and overhangs as designed or constructed by the Declarant and for settling, shifting and movement of any portion of the Project. A valid easement for said encroachments and for the maintenance thereof shall exist. In the event that a Condominium Building or Condominium Unit is partially or totally destroyed, and then rebuilt, the Owners of the Condominium Units so rebuilt hereby agree that minor encroachments on the rebuilt Individual Air Space Units upon the Individual Air Space Units of other rebuilt Condominium Units, and all Owners and the Association agree that minor encroachments of the rebuilt Condominium Building or Individual Air Space Units upon Common Elements, shall be permitted and that a valid easement for said encroachments and the maintenance thereof shall exist. Such encroachments shall not be considered to be encumbrances upon any part of the Project. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of any Condominium Building or 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.

12.3. Utility Easements. There is hereby created a general easement upon, across, over, in and under all of the Property for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewer, gas, telephone, electrical and a master television antenna system. By virtue of this easement, it shall be expressly permissible and proper for the companies providing electrical and telephone services to erect and maintain the necessary poles and other necessary equipment on the Property and to affix and maintain electrical and telephone wires, circuits and conduits on, above, across and under the roofs and exterior walls of the Condominium Building and Other Buildings. Notwithstanding anything to the contrary contained in this Section 12.3, no water, sewer, gas, telephone, electrical or antenna lines, systems or facilities may be installed or relocated on the Property except as initially approved by Declarant during the development of the Project, or thereafter as approved by the Association. Should any utility company furnishing a service covered by the general easement herein created request a specific easement by separate recordable document, Declarant shall have and is hereby given, the right and authority to grant such easement upon, across, over or under any part of all of the Property without conflicting with the terms hereof; provided, however, that such power shall cease and determine at the end of the construction and sales period. The easement provided for in this Section 12.3 shall in no way affect, avoid, extinguish or modify any other recorded easement on the Property.



12.4. Underground Electrical Service Easement. In addition to the easement created in Section 12.3 hereof, the utility company furnishing the electrical service to the Project shall have and is hereby granted a two-foot wide easement along and centered on the underground electric power service conductors to the designated point of service on the Condominium Buildings, and Other Buildings. The foregoing easement for the underground electrical service may be crossed by streets, driveways and walkways. Such easement for the underground electrical service shall be kept clear of all other improvements, including buildings, patios or other paving (other than crossing walkways, streets or driveways).

12.5. Emergency 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 all streets and upon the Property in the proper performance of their duties.

12.6. Maintenance Easement. The Association is hereby granted a reasonable right of entry to any unit to perform emergency repairs or do other work reasonably necessary for the proper maintenance of the project. In addition the Association shall have the right to grant permits, licenses and easements over the common areas for utilities, roads and other purposes necessary for the proper operation of the Project.

12.7. Drainage Easement. An easement is hereby granted to the Association, its officers, agents, employees, successors and assigns to enter upon, across, over, in and under any portion of the Property for the purpose of changing, correcting or otherwise modifying the grade or drainage channels of the Property so as to improve the draining of water on the Property.

12.8. Easements of Access for Repair, Maintenance and Emergencies. Some of the Common Elements are or may be located within the Individual Air Space Units or may be conveniently accessible only through the Individual Air Space Units. The Owners of other Individual Air Space Units shall have the irrevocable right, to be exercised by the Association as their agent, to have access to each Individual Air Space 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 located 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. The Association shall also have such right independent of any agency relationship. Subject to the provisions of Section 6.2 hereof, damage to the interior of any part of an Individual Air Space Unit resulting from the maintenance, repair, emergency repair, removal or replacement of any of the Common Elements or as a result of emergency repairs within another Individual Air Space Unit at the instance of the Association or of Owners shall be an expense of all the Owners.

12.9. Sales and Construction Facilities and Activities of Declarant. Notwithstanding any provision to the contrary contained herein, Declarant, its agents, employees and contractors are permitted to maintain during the period of any construction on and to the units in the Project, upon such portion of the property as Declarant may choose, such facilities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction, sale or rental of units, including, without limitation, a business office, storage area, construction yards, signs, model condominium, sales office, construction office, parking areas and lighting and temporary parking facilities for all prospective purchasers of units. In addition, Declarant, its agents, employees and contractors shall have the right to ingress, egress or the general common elements and limited common elements as in Declarant's discretion may be necessary to complete the Project.

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

12.11. Easements and Licenses of Record. Right of way for transmission lines and irrigation pipe as shown in Book 259 at Page 116 of the Jefferson County records. The terms, conditions and provisions of license for telephone facilities were recorded on August 31, 1970 in Book 2204 at Page 941. Easement to Public Service Company of Colorado and Mountain States Telephone and Telegraph recorded 5-11-84 at reception #84041770.

ARTICLE XIII  
ASSOCIATION AS ATTORNEY IN FACT

13.1. Appointment. Each and every Owner hereby irrevocable constitutes and appoints the Association as his, its and their true and lawful attorney-in-fact in his, its and their name, place and stead for the purpose of dealing with the Project upon its damage, destruction or obsolescence as hereinafter provided in Articles XIV, XV, and XVI. Acceptance by any grantee of a deed or other instrument of conveyance from the Declarant or from any Owner shall constitute appointment of the attorney-in-fact as herein provided.

13.2. General Authority. As attorney-in-fact, the Association shall have full and complete authorization, right and power to make, execute and deliver 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.

ARTICLE XIV  
DAMAGE OR DESTRUCTION

14.1. Estimate of Damages 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 so damaged or destroyed. "Repair and reconstruction" as used in this Article XIV 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 and the Common Elements having substantially the same vertical and horizontal boundaries as before.

14.2. 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. 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 therewith.

14.3. Funds for Repair and Reconstruction. Subject to the provisions of Section 8.2 and 8.5 hereof, the proceeds received by the Association from any hazard insurance shall be used for the purpose of repair, replacement and reconstruction. If the proceeds of the insurance are insufficient to pay the estimated or actual cost of such repair and reconstruction, the Association may, pursuant to Section 7.7 hereof, levy, assess and collect in advance from all Owners a special assessment sufficient to provide funds to pay such estimated or actual costs of repair and reconstruction. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair and reconstruction.

14.4. Disbursement of Funds for Repair and Reconstruction. The insurance proceeds held by the Association and the amounts received from the special assessments provided for in Section 14.3 hereof, constitute a fund for the payment of the costs of repair and reconstruction, after casualty. It shall be deemed that the first money disbursed in payment for the costs of repair and reconstruction shall be made from insurance proceeds, and the balance from the special assessments. If there is a balance remaining after payment of all costs of such repair and reconstruction, such balance shall be distributed to the Owners in proportion to the contribution each Owner made pursuant to the special assessments the Association made under Section 14.3 hereof.

14.5. Decision Not to Rebuild. If: (a) all the Owners of all of the Condominium Units, and (b) all the First Mortgagees on all Condominium Units agree not to repair and reconstruct, as provided in this Article XIV

then the Project shall be sold and the sales proceeds and any insurance proceeds distributed in the same manner as hereinafter provided in Article XV for the sale of obsolete Condominium Units.

14.6. Notice of Loss to First Mortgagees. Provided that a First Mortgagee has, in writing, requested the following information with respect to a Condominium Unit upon which the First Mortgagee holds the First Mortgage and has furnished the Association with the address to which the First Mortgagee wants the information sent, then in the event that there shall be any damage or destruction to, or loss or taking of: (a) such Condominium Unit which shall be in excess of \$1,000.00, notice of such damage, loss or taking shall be given by the Association to such First Mortgagee, and (b) the Common Elements which shall be in excess of \$10,000.00, then notice of such damage, loss or taking shall be given by the Association to such First Mortgagee. 27

ARTICLE XV  
OBSOLESCENCE

15.1. Adoption of Plan. All of the Owners of the Condominium Units may agree that the Project is obsolete and adopt a written plan for the renewal and reconstruction thereof, which plan must have the unanimous approval of all First Mortgagees on all Condominium Units at the time of the adoption of such plan. Written notice of the adoption of such a plan shall be given to all Owners and a copy of such plan shall be recorded in the office of the Clerk and Recorder of Jefferson County, Colorado.

15.2. Sale of Obsolete Units. All the Owners of the Condominium Units may agree that the Condominium Units are obsolete and that the Project should be sold. Such an agreement must have the unanimous approval of all the First Mortgagees on all Condominium Units at the time such agreement is made. In such instance the Association shall forthwith record in the office of the Clerk and Recorder of Jefferson County, Colorado, a notice setting forth such fact or facts, and upon the recording of such notice by the Association the Project shall be sold by the Association, as attorney-in-fact, for all of the Owners, free and clear of the provisions contained in this Declaration, the Condominium Map and the Articles of Incorporation and By-Laws of the Association. Unless otherwise agreed in writing by all the Owners and First Mortgagees, the sale proceeds ( and any insurance proceeds under Section 14.5) shall be apportioned among the Owners in proportion to each Owner's undivided interest in the Common Elements and such apportioned proceeds shall be paid into separate accounts, each such account representing one Condominium Unit. Each such account shall be in the name of the Association, and shall be further identified by the Condominium Unit designation and the name of the Owner. From each separate account the Association, as attorney-in-fact, shall use and disburse the total amount of such accounts, without contribution from one account to another, as follows: (a) for payment of real property ad valorem taxes, special assessment liens duly imposed by a governmental subdivision and customary expenses of sale; (b) for payment of the balance of the lien of any First Mortgage; (c) for payment of unpaid Association assessments, interest, costs, late charges, expenses and attorney's fees; (d) for payment of junior mortgages in the order of and to the extent of their priority; and (e) the balance remaining, if any, shall be paid to the Owner of the Condominium Unit.

ARTICLE XVI  
CONDEMNATION

16.1. 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 or condemned by any public authority or sold or otherwise disposed of in lieu thereof or in avoidance thereof, then all compensation, damages or other proceeds therefrom the sum of which is hereinafter referred to as the "Condemnation Award", shall be payable to the Association and the provisions of this Article XVI shall apply.

16.2. Complete Taking. In the event that the entire Project is taken or condemned or sold or otherwise disposed of in lieu thereof or in avoidance thereof, the condominium ownership pursuant thereto shall terminate. The Condemnation Award shall be apportioned among the Owners on the basis of each Owner's undivided interest in the Common Elements, provided, however, that if a standard different from the views of the Project as a whole is employed to measure the Condemnation Award in the negotiation, judicial decree or otherwise then in determining such apportionment the same standards shall be employed. The Association shall, as soon as practical, determine the share of the Condemnation Award to which each Owner is entitled and such shares shall be paid into separate accounts and disbursed as soon as practical for the same purposes and in the same order as is provided in Section 15.2(a) through 15.2 (e) hereof.

16.3. Partial Taking. In the event that less from the entire Project is taken or condemned or sold or otherwise disposed of in lieu thereof or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each owner shall be entitled to a share of the Condemnation Award to be determined under the following provisions. As soon as practical the Association shall reasonably and in good faith allocate the Condemnation Award between compensation, damages or other proceeds, and shall apportion the amounts so allocated among the Owners, as follows: (a) the total amount allocated to taking of or injury to the Common Elements shall be apportioned among Owners on the basis of each Owners undivided interest in the Common Elements; (b) the total amount allocated to severance damages shall be apportioned to the Owners of those Condominium Units which were not taken or condemned; (c) the respective amounts allocated to the taking of or injury to a particular Condominium Unit or to improvements an Owner has made within his own Condominium Unit shall be apportioned to the Owner of that particular Condominium Unit involved; and (d) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable under the circumstances. If an allocation of the Condemnation Award is already established in negotiation, judicial decree or otherwise, then in allocating the Condemnation Award the Association shall employ such allocation. Distribution of apportioned proceeds shall be made by checks payable jointly to the respective Owners and their respective First Mortgagees.

16.4. Reorganization. In the event a partial taking results in the taking of an Individual Air Space Unit, the Owners thereof shall automatically cease to be members of the Association and their ownership interest in the Common Elements shall terminate and vest in the Owners of the remaining Condominium Units. Thereafter, the Association shall reallocate the ownership, voting rights and assessment ratios determined in accordance with the Declaration according to the same principles employed in this Declaration at its inception and shall submit such reallocation to the Owners for the remaining Individual Air Space Units for the amendment of this Declaration.

16.5. Repair and Reconstruction. Any repair and reconstruction necessitated by condemnation shall be governed by the procedures contained in Article XIV hereof.

16.6. Notice of Condemnation to First Mortgagees. Provided that an Owner or First Mortgagee has, in writing, requested the following information and has furnished the Association with the address to which the Owner or First Mortgagee wants the information sent, then 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, timely written notice of such condemnation shall be given by the Association to each such Owner or First Mortgagee.

ARTICLE XVII  
BURDENS AND BENEFITS OF DECLARATION

17.1. Covenants Running With Property. The benefits, burdens and other provisions contained in this Declaration shall be covenants running with and binding upon the property.

17.2. Binding Upon and Inure to Successors. The benefits, burdens and other provisions contained in this Declaration shall be binding upon and inure to the benefit of, the Declarant, the Association and all Owners and upon or to the respective heirs, executors, administrators, personal representatives, successors and assigns. Any right or any interest reserved or contained in this Declaration to or for the benefit of the Declarant may be transferred or assigned by the Declarant, either separately or with one or more of such rights or interests, to any person, corporation, partnership, association or other entity. 2

ARTICLE XVIII  
AMENDMENT OF DECLARATION

18.1. Amendment. The provisions of this Declaration may be amended or terminated, in whole or in part, at any time and from time to time, by an instrument (which instrument may be executed in identical counterparts in which event all of such counterparts shall be taken as one and the same instrument of amendment) approved as follows:

18.1.1. If Declarant has not conveyed all Condominium Units to first private Condominium Unit Owners or leased or rented to the first lessees or renters, then any amendment to or termination of this Declaration will require the prior written approval of the Declarant, all other Owners and 51% of the First Mortgagees.

18.1.2. Following the sale, leasing or renting by Declarant of all Condominium Units to the first private Condominium Unit Owners, first lessees or renters, then any amendment to or termination of this Declaration will require the prior written approval of the private Condominium Unit Owners owning not less than 75% of the sold Condominium Units and of the First Mortgagees owning First Mortgages on not less than 51% of the mortgaged Condominium Units; provided, however, that any such action (a) terminating this Declaration in full or terminating the condominium regime established hereby or (b) changing the undivided interests in the Common Elements as shown in Exhibit B attached hereto shall require the prior written approval of all First Mortgagees.

18.2. Recording of Amendments. To be effective, all amendments to or termination of this Declaration must be recorded in the office of the Clerk and Recorder of Jefferson County, Colorado, and must contain evidence of approval thereof showing the acknowledged and notarized signatures of all the necessary approving parties.

ARTICLE XIX  
MISCELLANEOUS

19.1. Period of Condominium Ownership. The Condominium ownership created by this Declaration and the Condominium Map shall continue until this Declaration is terminated in the manner provided in Article XVII hereof.

19.2. Supplement to Condominium Ownership Act. The provisions of this Declaration shall be in addition to the supplemental to the Condominium Ownership Act of the State of Colorado, as it may be amended from time to time, and to all other provisions of law.

19.3. Enforcement. Enforcement of the covenants, conditions, restrictions, easements, reservations, rights-of-way and other provisions contained in this Declaration shall be by any proceedings at law or in equity against any person or persons violating or attempting to violate such provisions to enjoin or restrain such violations or attempted violation or to recover damages. The Association and any aggrieved unit owner shall have the right of action against unit owners who fail to comply with the provisions of the Declaration and Bylaws or the decisions made by the Association.

19.4. Non-Waiver. Failure by the 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 the Declaration shall in no way or event be deemed to be a waiver of the right to do so thereafter.

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

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

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

(iii) be deemed a real covenant by Declarant, for itself, its successors and assigns and also an equitable servitude, running, in each case, as a burden with and upon the title to the Project and each Condominium Unit and, as a real covenant and also as an equitable servitude, shall be deemed a covenant and servitude for the benefit of the Project and each Condominium Unit: and

(iv) be deemed a covenant, obligation and restriction secured by a lien in favor of the Association, burdening and encumbering the title to the Project and each Condominium Unit in favor of the Association.

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

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

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19.8. Registration by Owner of Mailing Address. Each Owner shall register his mailing address with the Association and, except for monthly statements and other routine notices which shall be personally delivered or sent by regular mail, all other notices or demands intended to be served upon an Owner shall be delivered personally or sent by either registered or certified mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notices, demands or other notices intended to be served upon the Board of Directors of the Association or the Association shall be sent by certified mail, postage prepaid, to Richard S. Roth, 1506 County Road 170, Evergreen, Colorado 80439, agent for service until such address is changed by notice of address duly recorded with the office of the Secretary of State of Colorado.

19.9. Successors and Assigns. This Declaration shall be binding upon and shall inure to the benefit of the Declarant, the Association and each Owner, and the heirs, personal representatives, successors and assigns of each of them.

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

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

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

19.13. Recreational Facility. The recreational facilities of the Project, which include cabana and swimming pool are subject to any rules and regulations promulgated by the Association, and same shall be available for the use of all Owners and their guests, subject to the right of the Association to establish fees and charges for the use of same. The Association may allow the general public to use said recreational facilities and collect an appropriate charge therefore.

19.14. Conflicts in Legal Documents. In case of conflicts between the provisions in this Declaration and the Articles of Incorporation of the Association and the By-Laws of the Association, this Declaration shall control. In case of conflicts in the provisions in the Articles of Incorporation of the Association and the By-Laws of the Association, the Articles of Incorporation shall control.

19.15. Rights of Mortgage Holders, Insurers or Guarantors. The holder, insurer or guarantor of the mortgage on any unit in the Project is entitled to timely written notice of:

- a) Any condemnation or casualty loss that affects either a material portion of the Project or the unit securing its mortgage;
- b) any 60-day delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage;
- c) a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and
- d) any proposed action that requires the consent of a specified percentage of eligible mortgage holders;

provided, said mortgage holder, insurer or guarantor has sent a written request to the Association, stating both its name and address and the unit number or address of the unit it has the mortgage on.

ARTICLE XX  
RESERVATION OF RIGHT TO EXPAND PROJECT

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20.1. Reservation. Declarant reserves the right to expand this Condominium Project to include additional land and one or more additional buildings; provided, however, that the total number of units in the Project, as expanded, shall not exceed 65. The additional common elements may include all or any part of the real property and any improvements (except the individual units) constructed as described in Exhibit "C" of this Declaration. Future improvements will be consistent with the initial improvements in terms of quality of construction.

20.2. Filings. Such expansion may be accomplished by the filing for record by Declarant with the Clerk and Recorder of Jefferson County, Colorado, no later than seven years from the date of this Declaration, a supplement or supplements to this Declaration containing a legal description of the land area to be added to the Project, together with a supplement to the Condominium Map containing generally such information with respect to the additional land area and new improvements to be constructed thereon as required in this Declaration. Any such supplemental Condominium Declaration shall also contain a schedule of the proposed number and type of units to be contained in the expanded portion of the Project. The expansion may be accomplished in "phases" by successive supplements and all improvements intended for future phases will be substantially completed prior to annexation.

20.3. Legal Effect. In the event of such expansion, the definitions used in this Declaration shall automatically be expanded to encompass and refer to the Project as so expanded; e.g., "Property" shall mean the real property described in Exhibit "A" hereto plus any additional real property added by a supplemental Condominium Declaration or by supplemental Condominium Declarations pursuant to paragraph 20.1 of this Article XX. References to this Declaration shall mean this Declaration as so supplemented, and reference to the Condominium Map shall mean the original Condominium Map together with all such supplemental Condominium Maps. The recording with the Clerk and Recorder of Jefferson County, Colorado, of a supplemental Condominium Declaration incident to any expansion shall operate automatically to grant, transfer and convey to the then owners of Condominium Units in the Project; as it existed before such expansion, the respective undivided interests appurtenant thereto in the new common elements added to the project as a result of such expansion. Such recording shall also operate to vest in any then mortgagee of any Condominium Unit in the Project, as it existed before such expansion, a security interest in the appurtenant additional undivided interests so acquired by the owner of the Condominium Unit.

20.4. Declaration to Include Supplemental Units. Upon recording of the supplemental Condominium Map and any supplemental Condominium Declaration with the Clerk and Recorder of Jefferson County, Colorado, the additional condominium units and common elements shall be subject to condominium ownership and all of the incidents pertaining thereto as specified in this Declaration including voting rights and assessment liability.

20.5. Undivided Interests. The undivided interests in common elements constituting part of any condominium unit in the Project is expressed as a fraction, the numerator of which is one and the denominator of which is the total number of declared units.

20.6. Completion. At such time, within seven years of the date hereof, that the Declarant determines that the Project is complete, it shall record with the Clerk and Recorder of the County of Jefferson, State of Colorado, a Certificate of Completion. Said certificate shall contain a statement of the total number of condominium units constructed. Said recording shall act automatically to convey previously unconveyed interests in the common elements and said interests shall be transferred to and vested in the then owners of condominium units without further conveyance, each owner to receive a fraction of such unconveyed interests sufficient to make the total fractional



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undivided interest of such owner in the common elements equal to a fraction, the numerator of which shall be one and the denominator of which shall be the total number of declared units. In any event, on the date seven years from the date of this Declaration, the un conveyed interests in the common elements shall be automatically transferred to and vested in the then owners of condominium units without further conveyance, each owner to receive an interest as hereinabove provided.

20.7. Unconveyed Common Elements. The Declarant shall be deemed to be holding any unconveyed undivided interest in declared common elements which is held to provide for expansion in trust for the then owners should the Project not be expanded. Any unconveyed undivided interest in the common elements retained by the Declarant to provide for expansion shall not be considered for the purpose of apportioning assessments or of apportioning any condemnation award, nor shall any voting rights or privileges inure to the Declarant as the holder thereof.

20.8. Voting Rights. Prior to the filing of the Certificate of Completion, or prior to that date seven years from the date hereof, whichever shall first occur, each owner, including Declarant, for the sole purpose of voting pursuant to this Declaration, the Articles or the By-Laws, shall have a vote to be weighed according to a fraction the numerator of which shall be one and the denominator of which shall be the total of the then declared units as set forth in the Declaration and any supplements thereto.

EXHIBIT "A"

RECORDED IN  
COUNTY OF JEFFERSON  
STATE OF COLORADO  
RECEPTION NO. B4114609  
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LEGAL DESCRIPTION:

A PARCEL OF LAND BEING A PART OF LOT 2, BLOCK 1, PARK MEADOWS FILING NO. 1, AS RECORDED AT RECEPTION NO84008814 DURING JANUARY 27, 1984 IN PLAT BOOK 76 AT PAGE 48, IN THE RECORDS OF THE OFFICE OF THE CLERK AND RECORDER OF JEFFERSON COUNTY, SITUATED IN THE NORTHEAST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SECTION 5, TOWNSHIP 3 SOUTH, RANGE 69 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY OF ARVADA, COUNTY OF JEFFERSON, STATE OF COLORADO, FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE NORTHEAST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 5; THENCE S 89°35'48" W, ALONG THE SOUTH LINE OF SAID NORTHEAST ONE-QUARTER A DISTANCE OF 174.00 FEET TO THE SOUTHEAST CORNER OF SAID PARK MEADOWS FILING NO. 1, BEING THE POINT OF BEGINNING; THENCE CONTINUING ALONG LAST SAID COURSE, ALONG SAID SOUTH LINE AND THE SOUTH LINE OF SAID PARK MEADOWS FILING NO. 1, S 89°35'48" W, A DISTANCE OF 207.29 FEET TO A POINT ON SAID SOUTH LINES; THENCE DEPARTING SAID SOUTH LINES, N 00°24'12" W, A DISTANCE OF 137.43 FEET; THENCE S 89°35'48" W, PARALLEL WITH THE SOUTH LINE OF SAID NORTHEAST ONE-QUARTER, A DISTANCE OF 105.00 FEET; THENCE DEPARTING SAID PARALLEL LINE, N 00°24'12" W, A DISTANCE OF 192.46 FEET TO THE NORTH LINE OF SAID PARK MEADOWS FILING NO. 1; THENCE N 89°35'43" E, ALONG SAID NORTH LINE, A DISTANCE OF 312.46 FEET TO THE NORTHWEST CORNER OF LOT 1, BLOCK 1, SAID PARK MEADOWS FILING NO. 1; THENCE DEPARTING SAID NORTH LINE, S 00°22'25" E, ALONG THE WEST LINE OF SAID LOT 1, PARALLEL WITH THE EAST LINE OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 5, A DISTANCE OF 113.66 FEET TO THE SOUTHWEST CORNER OF SAID LOT 1; THENCE DEPARTING SAID PARALLEL LINE N 89°35'43" E, ALONG THE SOUTH LINE OF SAID LOT 1, A DISTANCE OF 139.00 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF SIMMS STREET AS DEFINED BY SAID PARK MEADOWS FILING NO. 1; THENCE DEPARTING SAID SOUTH LINE, S 00°22'25" E, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, PARALLEL WITH SAID EAST LINE OF THE SOUTHEAST ONE-QUARTER OF SECTION 5, A DISTANCE OF 76.29 FEET TO A POINT ON THE NORTH LINE OF THAT PARCEL DESCRIBED IN BOOK 2977 AT PAGE 518 IN THE RECORDS OF SAID JEFFERSON COUNTY; THENCE DEPARTING SAID RIGHT-OF-WAY LINE, DEPARTING SAID PARALLEL LINE, ALONG THE NORTH LINE OF SAID PARCEL, S 89°35'48" W, PARALLEL WITH THE SOUTH LINE OF THE NORTHEAST ONE-QUARTER OF SAID SOUTHEAST ONE-QUARTER A DISTANCE OF 139.00 FEET TO THE NORTHWEST CORNER OF SAID PARCEL DESCRIBED IN BOOK 2977 AT PAGE 518; THENCE DEPARTING SAID PARALLEL LINE, S 00°22'25" E, ALONG THE WEST LINE OF SAID PARCEL DESCRIBED IN BOOK 2977 AT PAGE 518, PARALLEL WITH THE EAST LINE OF THE SOUTHEAST ONE-QUARTER OF SAID SECTION 5, A DISTANCE OF 139.95 FEET TO THE POINT OF BEGINNING;

CONTAINING 99,224 SQUARE FEET OR 2.278 ACRES MORE OR LESS.

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EXHIBIT "B"

The real property described in Exhibit "A" of this Declaration shall contain the following:

<u>Building No.</u>		<u>Condominium Unit Designation</u>	
1	11745 W. 66th Place	A	
		B	
		C	
2	11680 W. 66th Place	D	36
		A	
		B	
		C	
3	11720 W. 66th Place	D	
		A	
		B	
		C	
17	11685 W. 66th Place	A	
		B	
		C	

EXHIBIT C

A PARCEL OF LAND BEING A PART OF LOT 2, BLOCK 1, PARK MEADOWS FILING NO. 1, AS RECORDED AT RECEPTION NO. 84008814 ON JANUARY 27, 1984 IN PLAT BOOK 76 AT PAGE 48, ON FILE IN THE RECORDS OF THE OFFICE OF THE CLERK AND RECORDER OF JEFFERSON COUNTY, SITUATED IN THE NORTHEAST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SECTION 5, TOWNSHIP 3 SOUTH, RANGE 69 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY OF ARVADA, COUNTY OF JEFFERSON, STATE OF COLORADO, FURTHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE NORTHEAST ONE-QUARTER OF THE SOUTH-EAST ONE-QUARTER OF SAID SECTION 5; THENCE S 89°35'48" W, ALONG THE SOUTH LINE OF SAID NORTHEAST ONE-QUARTER AND THE SOUTH LINE OF SAID PARK MEADOWS FILING NO. 1, A DISTANCE OF 381.29 FEET TO THE SOUTHWEST CORNER OF PARK MEADOWS CONDOMINIUM FILING NO. 1, AS DESCRIBED IN EXHIBIT A TO THIS DOCUMENT AND BEING THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID SOUTH LINES, S 89°35'48" W, A DISTANCE OF 756.25 FEET TO THE SOUTHEAST CORNER OF TRACT "A", SAID PARK MEADOWS FILING NO. 1; THENCE ALONG THE LINE COMMON TO TRACT "A" AND LOT 2 SAID PARK MEADOWS FILING NO. 1, THE FOLLOWING SIX (6) COURSES:

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1. DEPARTING SAID SOUTH LINES N 00°22'30" W, A DISTANCE OF 15.39 FEET:
2. S 89°35'48" W, A DISTANCE OF 7.76 FEET TO A POINT OF CURVE:
3. ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 84.50 FEET AND A CENTRAL ANGLE OF 75°00'00", A DISTANCE OF 110.61 FEET TO A POINT OF TANGENT:
4. ALONG SAID TANGENT N 15°24'12" W, A DISTANCE OF 174.21 FEET TO A POINT OF CURVE:
5. ALONG THE ARC OF SAID CURVE TO THE LEFT, HAVING A RADIUS OF 25.00 FEET AND A CENTRAL ANGLE OF 74°54'06", A DISTANCE OF 32.68 FEET TO A POINT OF TANGENT:
6. ALONG SAID TANGENT S 89°41'42" W, A DISTANCE OF 20.34 FEET TO THE EAST RIGHT-OF-WAY LINE OF UNION STREET AS DEFINED ON SAID PARK MEADOWS FILING NO. 1;

THENCE DEPARTING SAID COMMON LINE N 00°17'29" W, ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 65.00 FEET TO THE NORTHWEST CORNER OF SAID LOT 2, PARK MEADOWS FILING NO. 1; THENCE DEPARTING SAID EAST RIGHT-OF-WAY LINE, N 89°35'43" E, ALONG THE NORTH LINE OF SAID LOT 2, PARK MEADOWS FILING NO. 1, A DISTANCE OF 330.04 FEET TO THE NORTHWEST CORNER OF PARK MEADOWS CONDOMINIUMS FILING NO. 1; THENCE ALONG THE WEST LINE OF SAID PARK MEADOWS CONDOMINIUMS FILING NO. 1; THE FOLLOWING THREE (3) COURSES:

1. DEPARTING SAID NORTH LINE, S 00°24'12" E, A DISTANCE OF 192.46 FEET:
2. N 89°35'48" E, A DISTANCE OF 105.00 FEET:
3. S 00°24'12" E, A DISTANCE OF 137.43 FEET TO THE POINT OF BEGINNING.

CONTAINING 266,599 SQUARE FEET OR 6.120 ACRES MORE OR LESS.



IN WITNESS WHEREOF, has caused its name to be hereunto subscribed by its general partners, the day and year first above written.

Simms/Union, Ltd.  
A Colorado Limited Partnership

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By: RBI, Inc., A Colorado Corporation  
A General Partner

By: [Signature]  
Richard S. Roth  
President

By: Unique Venture Corporation  
A Colorado Corporation  
A General Partner

By: [Signature]  
Helmut Aberkains  
President

State of Colorado )  
County of Jefferson) ss.

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of September A.D. 19 84 by: Richard S. Roth as President of RBI Inc., A Colorado Corporation, General Partner and Helmut Aberkains as President of UNIQUE VENTURE CORPORATION, A Colorado Corporation, General Partner in SIMMS/UNION LTD., A Colorado Limited Partnership

Witness my hand and official seal  
My Commission expires May 1, 1985

[Signature]  
Notary Public  
