

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
1 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

**CONDOMINIUM DECLARATION
OF
ANGELVIEW CONDOMINIUMS
CITY OF SALIDA
CHAFFEE COUNTY, COLORADO**

**CONDOMINIUM DECLARATION
OF
ANGELVIEW CONDOMINIUMS
TABLE OF CONTENTS**

1. CREATION OF COMMON INTEREST COMMUNITY.....1
1.01: General Purposes1
1.02: Declaration.....1
1.03: Names of the Common Interest Community and the Association1
1.04: Location and Type of Common Interest Community.....1
1.05: Number of Units1
2. CERTAIN DEFINITIONS2
2.01: Act.....2
2.02: Allocated Interests or Sharing Ratio2
2.03: Annual Assessment.....2
2.04: Assessments.....2
2.05: Association2
2.06: Articles.....2
2.07: Budget2
2.08: Building2
2.09: Bylaws2
2.10: Common Elements.....2
2.11: Common Expenses3
2.12: Common Expense Assessment3
2.13: Common Interest Community3
2.14: Condominium Unit.....3
2.15: Declarant.....3
2.16: Declaration.....3
2.17: Development Rights4
2.18: Directors4
2.19: Easements4
2.20: Eligible Insurer4
2.21: Eligible Mortgagee4
2.22: Executive Board.....4
2.23: First Lienors.....4
2.24: Guest4
2.25: Improvements4
2.26: Majority or Majority of Unit Owners5
2.27: Manager5
2.28: Map, Plat or Plans.....5
2.29: Member.....5
2.30: Mortgage.....5
2.31: Owner or Unit Owner5
2.32: Person5
2.33: Property.....5
2.34: Rules5

2.35: Security Interest5
2.36: Trustee6
2.37: Unit6
3. PROPERTY RIGHTS6
3.01: Condominium Units.....6
3.02: Easements7
3.03: Title to Condominium Units.....9
3.04: Legal Description.....9
3.05: Separate Assessment.....10
3.06: Use Compliance.....10
3.07: No Partition of Common Elements.....10
3.08: Encroachments.....10
3.09: No Mechanic’s Liens11
4. ALLOCATED INTERESTS11
4.01: Allocation of Interests.....11
4.02: Formulas for the Allocation of Interests.....11
5. RESTRICTIONS12
5.01: Residential Use.....12
5.02: Leasing.....13
5.03: Declarant’s Use During Construction.....13
5.04: Fencing13
5.05: Restriction on Animals14
5.06: Parking and Garages14
5.08: Signs15
5.09: Abandoned and Inoperable Vehicles15
5.10: Auto Repair.....15
5.11: Trash and Unsightly Uses15
5.12: No Noxious, Offensive Hazardous or Annoying Activities15
5.13: No Imperiling of Insurance.....16
5.14: No Violation of Law16
5.15: Outside Antennae, Wiring and Cabling.....16
5.16: Outside Storage.....16
5.17: Accessory Structures16
5.18: Outdoor Spas and Hot Tubs.....16
6. ARCHITECTURAL CONTROL16
6.01: Approval of Construction and Exterior and Interior Modifications16
6.02: Approval Procedures17
6.03: No Liability.....17
7. THE ASSOCIATION17
7.01: Membership17
7.02: Powers of the Association19
7.03: Executive Board.....19
7.04: Declarant Control.....20
7.05: Officers20
7.06: Indemnification.....20
8. MAINTENANCE AND INSURANCE21

8.01: Maintenance by Owners21
8.02: Maintenance by the Association21
8.03: General Insurance Provisions22
9. ASSESSMENTS AND CHARGES27
9.01: Annual Assessments27
9.02: Special Assessments28
9.03: Payments of Assessments28
9.04: Charges28
9.05: Liability of Owners28
9.06: Liability of First Lienors29
9.07: Effect of Nonpayment29
9.08: The Association's Lien30
9.09: Statement of Unpaid Assessments and Charges31
9.10: Surplus Funds31
9.11: Capitalization of the Association31
9.12: Maintenance Accounts; Accounting32
10. APPOINTMENT OF ATTORNEY-IN-FACT32
11. DAMAGE OR DESTRUCTION32
11.01: The Role of the Executive Board32
11.02: Estimate of Damages or Destruction33
11.03: Repair and Reconstruction33
11.04: Funds for Repair and Reconstruction33
11.05: Disbursement of Funds for Repair and Reconstruction33
12. RESERVED DEVELOPMENT AND SPECIAL DECLARANT RIGHTS33
12.01: Reserved Development Rights and Rights of Expansion33
12.02: Reservation of Withdrawal Rights35
12.03: Reservation to Subdivide or Convert Units35
12.04: Other Reserved Rights35
12.06: Termination of Rights Reserved35
12.07: Interference with Declarant Rights36
12.08: Combination of Units by Owner36
13. LIMIT ON TIME SHARING AND HOUSE EXCHANGE36
14. CONDEMNATION36
14.01: Rights of Owners36
14.02: Partial Condemnation; Distribution of Award: Reconstruction36
14.03: Complete Condemnation37
15. MORTGAGEE PROTECTION37
15.01: Introduction37
15.02: Percentage of Eligible Mortgagees37
15.03: Notice of Actions37
15.04: Consent and Notice Required38
15.05: Inspection of Books41
15.06: Financial Statements41
15.07: Enforcement41
15.08: Title Taken by Mortgagee41
15.09: Right to Pay Taxes41

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
5 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

15.10: Action by Mortgagee41
15.11: Attendance at Meetings42
16. DURATION OF COVENANTS AND AMENDMENT42
16.01: Term.....42
16.02: Amendment.....42
16.03: Approval Required for Certain Actions.....42
16.04: Evidence of Amendment.42
17. MISCELLANEOUS PROVISIONS42
17.01: Enforcement.....42
17.02: Limited Liability43
17.03: Successors and Assigns43
17.04: Transfer by Declarant43
17.05: Severability44
17.06: Captions44
17.07: Construction.....44
17.08: No Waiver.....44
17.09: Governing Law44
17.10: Conflicts Between Documents44

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
6 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

**CONDOMINIUM DECLARATION
OF
ANGELVIEW CONDOMINIUMS**

THIS CONDOMINIUM DECLARATION is made this 4th day of June, 2018, by **Angelview 1, LLC**, a Colorado limited liability company ("Declarant"), of 112 F Street, Salida, CO 81201.

1. CREATION OF COMMON INTEREST COMMUNITY

1.01: General Purposes. Declarant owns the real property interests legally described on Exhibit "A" attached hereto and by this reference incorporated herein (the "Property"). Declarant desires to create pursuant to the provisions of the Colorado Common Interest Ownership Act (Article 33.3 of Title 38 of Colorado Revised Statutes) as the same may be amended from time to time (the "Act") a "common interest community" (as such term is defined in the Act) on the Property. Declarant further desires to establish a means to ensure the proper use and appropriate development of the Property as a high quality, aesthetically pleasing and harmoniously designed condominium project by means of mutually beneficial covenants, conditions and restrictions imposed on the Property for the benefit of Declarant and all future Owners of any portion of the Property.

1.02: Declaration. To further the purposes expressed in Section 1.01 hereof, Declarant, for itself and its successors and assigns, hereby declares that the Property shall, at all times, be owned, held, used and occupied subject to the provisions of this instrument, to the covenants, conditions and restrictions contained herein and to all amendments and supplements hereto.

1.03: Names of the Common Interest Community and the Association. The name of the common interest community hereby created is Angelview Condominiums. The name of the Unit Owners Association organized to govern and administer the common interest community hereby created is Angelview Condominium Owners Association, Inc., a Colorado nonprofit corporation (the "Association").

1.04: Location and Type of Common Interest Community. The common interest community hereby created is situated in the City of Salida, Chaffee County, Colorado. The common interest community hereby created is a "condominium" (as such term is defined in the Act) because portions of the Property are designated for separate ownership by individuals or entities and the remainder of the Property is designated for common ownership solely by the Owners of the separate owned portions.

1.05: Number of Units. The number of Units in Phase 1 of the Project is five (5), subject to the rights further described in this Declaration and the Act to combine or subdivide Units. Additionally, the Declarant may add Units in phases on the Property and on the

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
7 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

Expansion Property. The total maximum number of Units in the Project shall be two hundred fifty (250).

2. CERTAIN DEFINITIONS

In addition to the definitions set forth above or below, the following terms shall have the following meanings when used herein:

2.01: Act. The "Act" is the Colorado Common Interest Ownership Act, Article 33.3 of Title 38 of the Colorado Revised Statutes, as it may be amended from time to time.

2.02: Allocated Interests or Sharing Ratio. "Allocated Interests" or "Sharing Ratio" shall mean the percentage of the total undivided interests in the Common Elements allocated to a Unit pursuant to Section 3.01(b) hereof; and shall mean the percentage of the total liability for Assessments for Common Expenses allocated to a Unit pursuant to Section 9.05 hereof. The formula utilized to determine the Sharing Ratio of each Unit is the ratio of the gross square footage of each Unit (living area and garage as shown on the Map) to the gross square footage of all Units.

2.03: Annual Assessment. "Annual Assessment" means the Assessment levied pursuant to an annual budget.

2.04: Assessments. "Assessments" means the Annual, Special, or Default Assessments levied pursuant to Article 9 below.

2.05: Association. The "Association" is the Angelview Condominium Owners Association, Inc., a nonprofit corporation organized under Articles 20 to 29 of Title 7 of the Colorado Revised Statutes. It is the Association of Unit Owners pursuant to Section 301 of the Act.

2.06: Articles. "Articles" shall mean the Articles of Incorporation of the Association.

2.07: Budget. "Budget" shall mean the plan for each fiscal year of the Association for the payment of the Common Expenses and for obtaining the funds required for such payment to be adopted by the Association in accordance with the provisions of Section 9.01 hereof.

2.08: Building. "Building(s)" shall mean the structure(s) containing the Units, and shall refer to the Garage Buildings containing the interior garage spaces, which are part of the Units.

2.09: Bylaws. "Bylaws" shall mean the Bylaws of the Association in effect from time to time.

2.10: Common Elements. "Common Elements" shall mean all portions of the Project except the Units. The Common Elements are owned by the Owners in undivided interests

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
8 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

according to the Allocated Interest set forth in Section 3.01(b) herein and consist of General Common Elements and Limited Common Elements.

(a) "General Common Elements" shall mean all tangible physical properties of this Project except Limited Common Elements and the Units, including private roads and alleys.

(b) "Limited Common Elements" shall mean those parts of the Common Elements which are either limited to or reserved in this Declaration, on a Map or by action of the Association, for the exclusive use of an Owner of a Unit or are limited to and reserved for the common use of more than one (1) but fewer than all Owners.

2.11: Common Expenses. The "Common Expenses" are the expenses or financial liabilities for the operation of the Common Interest Community. These expenses include:

(a) Expenses of administration, maintenance, repair or replacement of the Common Elements;

(b) Expenses declared to be Common Expenses by this Declaration or by the Act;

(c) Expenses agreed upon as Common Expenses by the Association; and

(d) Such reasonable reserves as may be established by the Association, whether held in trust or by the Association, for repair, replacement or addition to the Common Elements or any other real or personal property acquired or held by the Association.

2.12: Common Expense Assessment. "Common Expense Assessment" means the funds required to be paid by each Unit Owner in payment of his Common Expense liability.

2.13: Common Interest Community. The "Common Interest Community" is the Angelview Condominiums located on the real property described in Exhibit "A".

2.14: Condominium Unit. "Condominium Unit" or "Unit" shall mean a Unit together with the undivided interest in the Common Elements and the right to the exclusive use of the Limited Common Elements allocated thereto (which exclusive use may be shared with one (1) or more other Units). An individual Unit may be referred to in the Declaration by reference to such Unit's "identifying number" (as such term is defined in the Act).

2.15: Declarant. "Declarant" shall mean Angelview 1, LLC, a Colorado limited liability company and any party that is designated as a successor or assign of Declarant pursuant to the provisions of the Declaration.

2.16: Declaration. "Declaration" shall mean this instrument, the Map and all amendments or supplements to this instrument and the Map hereafter recorded in the real property records of Chaffee County, Colorado.

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
9 of 51 RS\$260 D\$0 N\$0 SS\$3 M\$0 E\$0 Chaffee County Clerk

2.17: Development Rights. "Development Rights" are the rights reserved by the Declarant under this Declaration to create Units, Common Elements and Limited Common Elements within the Common Interest Community, and all rights reserved for the benefit of the Declarant permitted by the Act.

2.18: Directors. A "Director" is a member of the Executive Board.

2.19: Easements. "Easements" shall mean the easements created pursuant to the provisions of Section 3.02 hereof, or shown on the Map.

2.20: Eligible Insurer. An "Eligible Insurer" is an insurer or guarantor of a first Security Interest in a Unit. An Eligible Insurer must notify the Association in writing of its name and address and inform the Association that it has insured or guaranteed a first Security Interest in a Unit. It must provide the Association with the Unit number and address of the Unit on which it is the insurer or guarantor of a Security Interest. Such notice shall be deemed to include a request that the eligible insurer be given the notices and other rights described in Article 15.

2.21: Eligible Mortgagee. The "Eligible Mortgagee" is the holder of a first Security Interest in a Unit, when the holder has notified the Association, in writing, of its name and address and that it holds a first Security Interest in a Unit. The notice must include the Unit number and address of the Unit on which it has a Security Interest. This notice shall be deemed to include a request that the Eligible Mortgagee be given the notices and other rights described in Article 15.

2.22: Executive Board. The "Executive Board" is the Board of Directors of the Association and may also be referred to herein as "the Board".

2.23: First Lienors. "First Lienors" shall mean: (a) the holder of an indebtedness secured by a deed of trust, mortgage or other security document encumbering any portion of the Property which is recorded on the date of recording of this instrument and (b) the holder of an indebtedness secured by a deed of trust, mortgage or other security document encumbering a Unit which is recorded after the date of recording of this instrument and which has priority over all other deeds of trust, mortgages or other security documents encumbering such Unit.

2.24: Guest. "Guest" shall mean any individual who is present at the Property at the express or implied invitation of an Owner including, without limitation, friends, relatives, agents, employees, tenants or business invitees of an Owner.

2.25: Improvements. "Improvements" shall mean any construction, structure, fixture or facilities existing or to be constructed on the land which is included in the Common Interest Community, including but not limited to: Buildings, trees and shrubbery planted by the Declarant or the Association, paving, utility wires and services, pipes, light poles and signs.

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
10 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

2.26: Majority or Majority of Unit Owners. The “Majority” or “Majority of Unit Owners” means the Owners of more than fifty percent (50%) of the votes in the Association or a greater percentage if required by this Declaration or by the Act.

2.27: Manager. A “Manager” is a person, firm, or corporation employed or engaged to perform management services for the Common Interest Community and the Association.

2.28: Map, Plat or Plans. “Map”, “Plat” or “Plans” shall mean the plat and map for Angelview Condominiums which meets the requirements of Section 209 of the Act and which is recorded in the real estate records of Chaffee County, Colorado contemporaneously with the recording of this instrument.

2.29: Member. “Member” means every person or entity that holds membership in the Association.

2.30: Mortgage. “Mortgage” means any mortgage, deed of trust, or other document pledging any Unit or interest therein as security for payment of a debt or obligation. “First Mortgage” means any Mortgage that is not subject to any prior monetary lien or encumbrance except liens for taxes or other liens that are given priority by statute. “Mortgagee” means any person named as a mortgage or beneficiary in any Mortgage, or any successor to the interest of any such person under such Mortgage. “First Mortgagee” means any person named as or a successor to a mortgagee or beneficiary in any First Mortgage.

2.31: Owner or Unit Owner. “Owner” or “Unit Owner” shall mean any individual, corporation, partnership, limited liability company, joint venture, trust or other legal entity capable of holding title to real property in Colorado that is the record Owner of a fee simple interest in one (1) or more Units according to the real property records of Chaffee County, Colorado. Declarant is the initial Owner of each Unit. Owner does not include a person having an interest in a Unit solely as security for an obligation.

2.32: Person. A “Person” is an individual, corporation, business trust, estate trust, partnership, association, joint venture, government, government subdivision or agency or other legal or commercial entity.

2.33: Property. “Property” is the land and all improvements, easements, rights and appurtenances which have been submitted to the provision of the Act by this Declaration.

2.34: Rules. “Rules” shall mean the rules and regulations in effect from time to time as adopted by the Executive Board in the manner set forth in the Declaration, as further described in Section 7.02 (b), or pursuant to the Articles and Bylaws.

2.35: Security Interest. A “Security Interest” is an interest in real estate or personal property, created by contract or conveyance, which secures payment or performance of an obligation. The term includes a lien created by a mortgage, deed of trust, trust deed, security deed, contract for deed, land sales contract, lease intended as security, assignment of lease or

rents intended as security, pledge of an ownership interest in an Association, and any other consensual lien or title retention contract intended as security for an obligation.

2.36: Trustee. The "Trustee" is the entity which may be designated by the Executive Board as the Trustee for the receipt, administration and disbursement of funds derived from insured losses, condemnation awards, Special Assessments for uninsured losses and other sources.

2.37: Unit. "Unit" shall mean a physical portion of Angelview Condominiums designated for separate ownership by individuals or entities the boundaries of which are determined from the Map together with (a) all fixtures and improvement contained within such boundaries; (b) the inner decorated or finished surfaces of all walls, floors and ceilings which constitute such boundaries; (c) all exterior doors and windows and (d) all space and interior, non-supporting walls contained within such boundaries.

3. PROPERTY RIGHTS

3.01: Condominium Units.

(a) The Property is hereby divided into five (5) Units designated as Condominium Units 1-A, 1-B, 1-C, 1-D and 1-E. Each Unit consists of the Unit identified by such Unit's identifying letter on the Map, the undivided interest in the Common Elements allocated to such Unit pursuant to Section 3.01(b) hereof and the exclusive right to use the Limited Common Elements (LCEs) allocated to such Unit pursuant to Section 3.01(d) hereof.

(b) The total undivided interests in the Common Elements are hereby allocated to the Units in the following percentages:

Condominium Unit 1-A	18.53 percent
Condominium Unit 1-B	20.99 percent
Condominium Unit 1-C	21.03 percent
Condominium Unit 1-D	18.52 percent
Condominium Unit 1-E	20.93 percent

(c) Relative Allocations. The Limited Common Elements allocated exclusively to Phase 1, Units A, B, C, D, and E shall be the Building which contains Units 1-A, 1-B, 1-C, 1-D and 1-E. The relative allocations in the Limited Common Elements are hereby allocated exclusively to Phase 1, Units 1-A, 1-B, 1-C, 1-D, and 1-E, in the following percentages:

Condominium Unit 1-A	18.53 percent
Condominium Unit 1-B	20.99 percent
Condominium Unit 1-C	21.03 percent
Condominium Unit 1-D	18.52 percent
Condominium Unit 1-E	20.93 percent

(d) The following are Limited Common Elements assigned to the specific Units as stated:

(i) Any awnings, window boxes, doorsteps, stoops, porches, decks, balconies, patios, skylights, storm doors and windows, or other fixtures attached to or designed to serve less than all Units and located outside the boundaries of the Unit(s).

(ii) Certain parking areas, the use of which is limited to the Unit(s) as shown on the Map.

(iii) The crawl space directly under the Unit.

(iv) The front yard area, the back yard area, and designated parking spaces shall be Limited Common Elements the use of which is limited to the Unit as shown on the Map. However, the front yard area LCEs shall be maintained by Association in accordance with per Section 8.02 herein.

(v) The structural elements and components of any Building, including but not limited to roofs, exterior walls, structural walls and beams, and foundations, excluding any Limited Common Elements reserved to only one Unit, shall be Limited Common Elements reserved for the exclusive use of the Units contained within that Building.

(vi) Any utilities or systems serving less than all Units, unless such utilities or systems lines, components, conduits, controls, and other equipment serves, and is located wholly within a single Unit.

(vii) Any area identified as such or as "L.C.E." on the Plat together with one (1) or more letters which correspond with identifying letter or letters of one (1) or more Units. Such Limited Common Elements are allocated to the Units in accordance with the identifying number of such Units as shown on the Map, Plat and Plans.

3.02: Easements.

(a) Declarant hereby makes, establishes, declares, grants and reserves a perpetual, non-exclusive easement in favor of each Owner and any governmental, quasi-governmental or private entity providing utility services to the Buildings over, under, upon, and through the Common Elements for accessing, installing, replacing, repairing, maintaining and providing all utility services to the Buildings including, without limitation, water, gas, electric, storm sewer, sanitary sewer, cable television, satellite communications, internet, and telephone services. No facilities and equipment which provide such utility services may be installed or relocated in the General or Limited Common Elements without the prior written approval of the Association. Such utility service shall only be installed or relocated in such manner as to cause the least interference, as is reasonably possible, to the Unit affected by such installation. Any entity providing such utility services shall be responsible for any damage caused by such entity to the General or Limited Common Elements and the Units while utilizing the Easement created by this Section 3.02 and for any costs incurred by the Association as a result of such damage and shall

be further required to promptly repair or restore any portion of the General or Limited Common Elements and the Units disturbed or damaged by such entity's utilization of the Easement created by this Section 3.02. The Easement created by this Section 3.02 shall be appurtenant to each Unit so that a transfer of title to any interest in such Unit shall automatically transfer a proportionate interest in such Easement.

(i) On site sewer, water, gas, electric, telephone, internet, television, cable or satellite lines, equipment, or components serving all Units shall be General Common Elements, and their locations shall constitute easements of sufficient width to access, operate, install, maintain, replace and repair such lines, equipment, and components, including those located in or crossing Limited Common Elements or Units.

(ii) On site sewer, water, gas, electric, telephone, internet, television, cable or satellite lines, equipment, or components serving one or more Units, but less than all Units, shall be Limited Common Elements assigned to those Units, and their locations shall constitute easements of sufficient width to access, operate, install, maintain, replace and repair such lines, equipment, and components, including those located in or crossing Limited Common Elements or Units. Notwithstanding, any utility or service that serves and is located wholly within one Unit shall be considered a part of that Unit.

(b) Declarant hereby makes, establishes, declares, grants and reserves a perpetual, non-exclusive easement in favor of each Owner and Owner's Guest, over, under, upon, and through the Common Elements for accessing, installing, replacing, repairing, and maintaining any system serving one or more Units. Such systems may include, without limitation, air conditioning systems, heating systems, plumbing systems, sprinkler systems, or any other similar system.

(i) Any system that serves all Units, including system supply, controls, lines, shut off valves, and any components or equipment, shall be considered a General Common Element and its location shall constitute an easement of sufficient width to operate, maintain and repair said system, even where said system crosses or enters Limited Common Elements or Units.

(ii) Any system that serves one or more Units, but less than all Units, including system supply, controls, lines, shut off valves, and any components or equipment, shall be considered a Limited Common Element assigned to such Unit(s), and its location shall constitute an easement of sufficient width to operate, maintain and repair said system, even where said system crosses or enters other Limited Common Elements or Units. Notwithstanding, any system that serves and is located wholly within one Unit shall be considered a part of that Unit.

(c) Declarant hereby makes, establishes, declares, grants and reserves a perpetual, non-exclusive easement in favor of each Owner, the Association, and any Guest of an Owner or the Association for the purpose of repair and maintenance of the Units and Common Elements as set forth in Section 8.01 and Section 8.02 below. Such easement shall include the right of the

Association to have access to each Unit from time to time during reasonable hours (after at least 24 hours' notice to the Owner in the case of non-emergency access to a Unit) as may be necessary for the maintenance, repair or replacement of any of the Common Elements therein or accessible therefrom, or at any hour for making emergency repairs, maintenance or inspection therein necessary for personal safety or to prevent imminent damage to the Common Elements or another Unit.

(d) Declarant hereby makes, establishes, declares, grants and reserves a perpetual, non-exclusive easement in favor of all police, sheriff, fire protection and ambulance services and any other provider of emergency services, over, across, upon and through those portions of the Common Elements or other areas designed to provide pedestrian and vehicular access to and within the Building for the purpose of performing the services of such providers of emergency services.

(e) The Association shall have the power and authority to establish and enforce Rules or policies regarding installation, access, control, maintenance, replacement, repair, and financial responsibility pertaining to maintenance and repair of the Units and Common Elements, or services, utilities or systems serving more than one Unit, provided that such rules or policies shall not conflict with the provisions of this Declaration.

3.03: Title to Condominium Units. Title to a Unit may be held individually or by any entity or in any form of concurrent ownership recognized in Colorado. In case of any such concurrent ownership, each co-Owner shall be jointly and severally liable for performance and observance of all the duties and responsibilities of an Owner with respect to the Unit in which such Owner owns an interest.

3.04: Legal Description. Any contract of sale, deed, lease, deed of trust, mortgage, will or other instrument affecting a Unit shall legally describe it substantially as follows:

“Condominium Unit _____, Angelview Condominiums Phase 1, City of Salida, Chaffee County, Colorado, according to the Condominium Map for Angelview Condominiums Phase 1 recorded on _____, 2018, at Reception No. _____ and the Declaration recorded on _____, 2018, at Reception No. _____ of the real estate records of Chaffee County, Colorado (collectively such Declaration and Map are hereinafter called the “Declaration”);

TOGETHER WITH all easements appurtenant thereto as granted pursuant to the Declaration;

SUBJECT, HOWEVER, to all of the terms and conditions contained in the Declaration.”

Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber, lease or otherwise affect not only the Unit, but also the interest in the Easements made appurtenant to such Unit by this Declaration. The interest in the Easements made appurtenant to any Unit shall be deemed conveyed or encumbered with that Unit, even though the legal

description in the instrument conveying or encumbering such Unit may only refer to that Unit. The reference to the Declaration in any instrument shall be deemed to include any supplements or amendments to the Declaration, without specific reference thereto.

3.05: Separate Assessment. Declarant shall give written notice to the Assessor of Chaffee County, Colorado requesting that the Units be separately assessed and taxed and that the total value of the Common Elements be assessed and taxed proportionately with each Unit in accordance with such Unit's Sharing Ratio as provided in Section 105 of the Act. After this instrument has been recorded in the real estate records of Chaffee County, Colorado, Declarant shall deliver a copy of this instrument as recorded to the Assessor of Chaffee County, Colorado.

3.06: Use Compliance. The use of the Units shall comply with: (a) the terms, conditions and obligations set forth in the Declaration; (b) the matters set forth on the Map; and (c) the Rules and regulations of the Association; and (d) all present and future laws, rules, requirements, orders, directions, ordinances and regulations (including zoning regulations) affecting the Units of any governmental authority having jurisdiction over the Units and of their departments, bureaus or officials.

3.07: No Partition of Common Elements. The Common Elements shall be owned by all of the Owners and are not subject to partition. Any purported conveyance, encumbrance, judicial sale or other voluntary or involuntary transfer of an undivided interest in the Common Elements made without the Unit to which such undivided interest is allocated shall be void in accordance with the provisions of Section 207 of the Act. This Section shall not, however, limit or restrict the right of the Owners of a Unit to: (a) reallocate Limited Common Elements between or among the Units, relocate boundaries between adjoining Units as long as the Unit Owners and First Lienors affected by such change consent to such reallocation, relocate boundary lines or resubdivision or (b) bring a partition action pursuant to Section 38-28-101, *et seq.* of Colorado Revised Statutes requesting the sale of the Unit and the division of the proceeds among such Owners; provided that no physical division of the Unit shall be permitted as a part of such action and no such action shall affect any other Unit or the Common Elements.

3.08: Encroachments. If any part of the Common Elements now or hereafter encroaches upon any portion of any Unit, or if any part of a Unit now or hereafter encroaches upon any portion of another Unit or the Common Elements as a result of construction or as a result of settling or shifting after construction, a valid easement for the encroachment and for the maintenance of the same shall exist so long as such Common Element or Unit (as the case may be) stands. In the event a Common Element or Unit shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, and then rebuilt, encroachments of any part of such Common Element upon any portion of a Unit or encroachments of any part of such Unit upon any portion of another Unit or the Common Elements due to such rebuilding, shall be permitted provided such encroachment does not interfere with the use and enjoyment of the Unit encroached upon and only affects the market value of the Unit encroached upon to a diminutive amount, and valid easement for such encroachments and the maintenance thereof shall exist so long as such Common Element or Unit (as the case may be) shall stand.

3.09: No Mechanic's Liens.

(a) If any Owner shall cause any material to be furnished to such Owner's Unit or any labor to be performed therein or thereon, no Owner of any other Unit shall under any circumstances be liable for the payment of any expense incurred or for the value of any work done or material furnished. All such work shall be at the expense of the Owner causing it to be done, and such Owner shall be solely responsible to contractors, laborers, materialmen and other persons furnishing labor or materials for such Owner's Unit. Nothing herein contained shall authorize any Owner or any person dealing through, with or under any Owner to charge the Common Elements or any Unit other than that of such Owner with any mechanic's or materialman's lien or other lien or encumbrance whatever. On the contrary (and notice is hereby given) the right and power to charge any lien or encumbrance of any kind against the Common Elements or against any Owner or any Owner's Unit for work done or materials furnished to any other Owner's Unit is hereby expressly denied.

(b) If, because of any act or omission of any Owner, any mechanic's or materialman's lien or other lien or order for the payment of money shall be filed against the Common Elements or against any other Owner's Unit or against any other Owner or against Declarant or the Association (whether or not such lien or order is valid or enforceable as such), the Owner whose or which act or omission forms the basis for such lien or order shall at such Owner's own cost and expense cause the same to be canceled and discharged of record or bonded in an amount and by a surety company reasonably acceptable to the party or parties affected by such lien or order within twenty (20) days after the filing thereof, and further shall indemnify and save all such parties harmless from and against any and all costs, expenses, claims, losses or damages including, without limitation, reasonable attorney's fees resulting therefrom.

4. ALLOCATED INTERESTS

4.01: Allocation of Interests: The table showing Unit letters and their Allocated Interests is set forth in 3.01(b) and (c) above. These interests have been allocated in accordance with the formulas set out in this Article. The same formulas are to be used in reallocating interests if Units are added to the Common Interest Community.

4.02: Formulas for the Allocation of Interests: The interests allocated to each Unit have been calculated by the following formulas:

(a) Undivided Interest in the Common Elements. The percentage of the undivided interest in the Common Elements allocated to each Unit is based on the formula set forth in Section 2.02 above; specifically the Allocation of Interests or Sharing Ratio of each Unit is the ratio of the gross square footage of each Unit (living area and garage as shown on the Map) to the gross square footage of all Units.

(b) Liability for the Common Expenses. Subject the other provisions of this Declaration and the Act, the percentage of liability for the Common Expenses allocated to each Unit is generally based on the percentage ownership of the Common Elements in the Common Interest Community.

(c) Votes. Each Unit in the Common Interest Community shall have an equal vote.

5. RESTRICTIONS

5.01: Residential Use.

(a) Units shall be used and occupied primarily for residential use and for such other purposes as are incidental to such primary residential use as defined herein and as permitted by the City of Salida Zoning Regulations. Residential purposes may include home occupations as restricted herein and rentals of Units for residential purposes pursuant to Section 5.02, and so long as such activity does not violate any provision of this Declaration or violate any City regulation.

(b) No Business, commercial, industrial, trade, professional or other non-residential activity or use of any nature, type, kind or description shall be operated upon or from the Property or within any Unit, except as set forth herein. Any proposed business activity shall be submitted to the Board for approval based on the factors set forth herein. No business may be conducted in any Unit, except an Owner or occupant residing in a Unit may conduct business activities within the Unit so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Unit; specifically, there shall be no exterior signage or advertising on the Units in conjunction with any business or home occupation use of the Units except as set forth in Section 5.08 below; (ii) the business activity conforms to all zoning requirements for the Property; (iii) the business activity does not involve door-to-door solicitation of residents of the Property; (iv) the business activity does not, in the Board's reasonable judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles being parked at the Property which is noticeably greater than that which is typical of Units in which no business activity is being conducted; specifically, under no circumstances shall clients or customers be permitted to park vehicles on the Property or on the street directly in front of the Property; and (v) the business activity does not involve any employee of the business other than the Owner or occupant working at or from the Unit; and (vi) the business activity does not require the customers to come to the Unit for the service to be rendered; (vii) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety or other residents of the Property, as may be determined in the sole discretion of the Board. The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation; work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit, or (iii) a license is required. Notwithstanding the

foregoing, the following uses shall not be permitted: child care facilities, nursery schools, massage therapy, hair salons, and nail salons. If a question arises whether a specific use or type of use is permitted under this Section 5.01, it may be determined by the Executive Board. The Executive Board shall have the authority to establish Rules and Policies concerning home occupations.

5.02: Leasing. Subject to the restrictions herein, an Owner shall have the right to lease that Owner's Unit upon such terms and conditions as such Owner may deem advisable; provided, however, that (i) any such lease shall be in writing and shall provide that the lease is subject to the terms of the Declaration, Articles, Bylaws, and Rules; (ii) a Unit may be leased only for the uses and occupancies permitted herein; (iii) the length of the term of any lease shall be in accordance with the Rules adopted by the Association, which shall have the authority to limit or restrict terms; and (iv) any failure of a lessee to comply with the terms of the Declaration, the Articles, the Bylaws, or the Rules shall constitute a default by such Owner under the applicable document; (v) any failure of a lessee to comply with the terms of the Declaration, Articles, Bylaws, and Rules shall be a default under the lease and shall be enforceable by the Association as a third-party beneficiary, including the right to initiate and prosecute eviction proceedings. The restrictions contained in this Section shall not apply to Declarant to the extent Declarant exercises any of the rights of Declarant set forth in this Declaration. Notwithstanding the foregoing, at no time shall more than 49% of all Units in the project be used for rentals of any type, short or long-term. Short-term rental uses are subject to the codes and regulations of the City of Salida. The Association's authority to adopt Rules on leasing shall include restrictions and procedures implementing this 49% limitation.

5.03: Declarant's Use During Construction. During any period of construction of the Units or of improvements to the Common Elements, Declarant, its agents, employees and contractors shall be permitted to maintain on any portion of the Property, such facilities as in the sole discretion of Declarant may be reasonably required, convenient or incidental to such construction, including, without limitation, storage areas, construction yards, construction offices, parking areas, lighting, and temporary parking facilities. Declarant, its agents, employees and contractors hereby reserve an Easement over, across, through and upon the Common Elements for the purposes of (a) discharging Declarant's obligations under the Declaration or the Act; (b) exercising any of the special Declarant rights described in Article 12 hereof; or (c) exercising any of Declarant's other rights under the Declaration. The Owners acknowledge that there shall be noise and other disturbances related to the Declarant's construction activities of the additional phases of Angelview Condominiums. Declarant, its agents, and contractors shall not be liable to any Owner or Owner's guest for any claim of any kind related noise and other disturbances related to the Declarant's construction activities

5.04: Fencing. The Declarant may install a perimeter fence and or walls, along or near the boundary line of the back yard area Limited Common Elements. These fences shall be General Common Elements that shall be maintained by the Association. Declarant shall have the right to install temporary fencing in connection with construction activities. Other than fencing installed by the Declarant, no fencing will be erected, installed or altered without approval of the Association.

5.05: Restriction on Animals. Dogs, cats and other domesticated household animals may be kept by a Unit Owner as household pets subject to the rules and regulations adopted by the Board and the ordinances of the City of Salida. The Board shall be authorized to adopt rules and regulations which specifically limit and restrict what types of household pets may be kept in the Units and upon the Property, specifically including, but not limited to, restrictions on certain breeds of animals, size, and numbers of pets. Animals shall not be allowed to roam or enter upon the Limited Common Elements or Units of other Owners, and animals shall at all times be under the direct control of its owner or other responsible person. Animals shall not be tied or chained to any decks, balconies, patios or other parts of the Property, and any such animal(s) so tied or chained may be removed by the Association or its agents. Each Owner or resident must promptly remedy or remove any pet which causes undue noise or disturbance so as to constitute a nuisance to other Owners or occupants of the Units. The Board shall have the absolute power to prohibit any pet from being kept upon the Property or in any of the Units, if such pet violates the terms of this Declaration or the rules or regulations of the Board.

5.06: Parking and Garages. No vehicle of any type may be parked on the Property except in garages and parking spaces designated by the Association or designated street parking as shown on the Map. Except as set forth herein, parking in the alleys shall be prohibited. The number of passenger vehicles which an Owner may park on the property shall be no more than two (2) per Unit, one of which must be parked inside the garage which is part of that Unit, and the other must be parked in the space designated on the Map as a Limited Common Element adjacent to that Unit's garage. Declarant reserves the right, but shall not be obligated, to sell or assign open parking spaces as Limited Common Elements for the exclusive use of a particular Unit(s). Any open parking spaces not so assigned shall be General Common Elements, and shall be used primarily for overflow parking and parking by Owners' Guests. Parking space shall not be leased or rented for use by parties other than Unit Owners or Owners' Guests. Garages shall be used only for the parking and storage of vehicles, and personal property, and shall not be used for overnight occupancy. Garages shall not be leased or rented for use by any party other than the Unit Owner.

5.07: Limitations on Types of Vehicles. No commercial type of vehicle larger than a full-size pickup and no recreational vehicles shall be stored or parked on the Property. For purposes of this Declaration, the term "recreational vehicle" shall include, but not necessarily be limited to, motor homes, motor coaches, buses, pickup trucks with large camper tops or similar accessories, boats, camping trailers or trailers of any type.

Notwithstanding the foregoing, a Unit Owner or occupant of a Unit may park a motor vehicle on a street, parking space, or guest parking area in the Project if the vehicle is required to be available at designated periods at the Unit Owner's or occupant's residence as a condition of the Unit Owner's or occupant's employment and all of the following criteria are met:

- (a) The vehicle has a gross vehicle weight rating of ten thousand pounds or less;
- (b) The Unit Owner or occupant is a bona fide member of a volunteer fire department or is employed by an emergency service provider, as defined in section 29-11- 101(1.6), C.R.S.;

(c) The vehicle bears an official emblem or other visible designation of the emergency service provider; and

(d) Parking of the vehicle can be accomplished without obstructing emergency access or interfering with the reasonable needs of other Unit Owners and occupants to use streets and driveways within the common interest community.

5.08: Signs. Except for signs which Declarant is entitled to maintain, including, but not limited to, signs advertising the Project or advertising the builder, and except for a “for sale” sign or “for rent” sign, no signs of any kind or nature, including hand-drawn or hand-painted signs, shall be placed on any portion of the Project without the prior written approval of the Association of the size and design of any proposed sign. Notwithstanding the foregoing, Unit Owners and occupants of Units may display political campaign signs during campaign season in accordance with the Act, local ordinances and regulations, or as may be determined by the Board.

5.09: Abandoned and Inoperable Vehicles. No abandoned or inoperable vehicles of any kind will be stored or parked on any portion of the Property. “Abandoned or inoperable vehicle” is defined as any vehicle which has not been driven under its own propulsion for a period of one (1) month or longer; provided, however, this will not include vehicles parked by Owners while on vacation or residing away from the Property. A written notice describing the “abandoned or inoperable vehicle” and requesting its removal may be personally served upon the Owner or posted on the unused vehicle. If such vehicle has not been removed within seventy-two (72) hours after notice has been given, the Association will have the right to remove the vehicle without liability, and the expense of removal will be charged against the Owner.

5.10: Auto Repair. No work on automobiles or any other vehicles shall be performed in any visible or exposed portion of the Property. Routine maintenance will be permitted within garages. However, major repairs, painting, rebuilding, or restoration of vehicles shall be prohibited.

5.11: Trash and Unsightly Uses: Unit Owners shall be responsible for contracting for regular garbage and recycling pick-up and for providing appropriate garbage and recycling containers or receptacles. The Association shall have authority to adopt Rules regarding garbage pick-up and removal. The Association shall have the right to enter upon any Common Elements and to remove such refuse piles or other unsightly objects and material at the expense of the Unit Owner causing the same, and such entry shall not be deemed a trespass.

5.12: No Noxious, Offensive Hazardous or Annoying Activities. Except as otherwise expressly provided in this Declaration, the Property and each Unit shall be used and occupied for the purposes described in this Article 5. Noxious, destructive, or offensive activity, or any activity constituting an unreasonable source of annoyance, shall not be conducted in any Unit or upon the Property, and the Association shall have standing to initiate legal proceedings to abate such activity. Each Owner shall refrain from any act or use of his or her Unit which could cause unreasonable discomfort or annoyance to other Owners, and the Executive Board shall have the power to make and to enforce reasonable rules and regulations in furtherance of this Section.

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
21 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

5.13: No Imperiling of Insurance. No Owner and no Owner's Guest shall do anything or cause anything to be kept in or on the Property that might result in an increase in the premiums of insurance obtained for the Common Interest Community or which cause cancellation of such insurance without the prior written consent of the Association first having been obtained, unless such use is permitted use under this Article 5.

5.14: No Violation of Law. No Owner and no Owner's Guest shall do anything or keep anything in or on the Property which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.

5.15: Outside Antennae, Wiring and Cabling. No exterior mounted radio, shortwave, television or other type of antenna whatsoever shall be permitted on the Buildings without prior written approval of the Association. Notwithstanding the foregoing, an Owner may install one (1) satellite dish which does not exceed thirty inches (30") in diameter at a location to be designated and/or approved by the Board. The installation, repair or removal of wiring and cabling of any kind whatsoever shall not be permitted on the Property without prior written approval of the Board.

5.16: Outside Storage. The outside storage of any personal property, swing set, play equipment, or clothesline, tank of any kind, either elevated or buried, incinerator of any kind whatsoever, shall not be permitted on the Units or Common Elements without prior written approval of the Association. The Association may adopt specific Rules pertaining to storage of personal property on the Property, which Rules may vary the limitations set forth herein without the necessity of amendment to the Declaration. Unless and until the Association adopts such Rules, the following shall apply: On the front porches or patios, the storage of any personal property, including bicycles, kayaks and other sports equipment, shall not be permitted. Grills shall not be permitted to be stored or used on the front porches or patios; customary storage may be allowed on an Owner's back porches, patios, and back yard LCE areas, provided that such storage shall not be unsightly.

5.17: Accessory Structures. Except for the Garage Buildings shown on the Map, and as may be constructed or erected by Declarant, no additional structures, sheds, storage facilities, or outbuildings of any kind shall be permitted on the Property, except in backyard LCEs, without prior written approval of the Board.

5.18: Outdoor Spas and Hot Tubs. Outdoor spas and hot tubs shall be permitted on deck areas, patios or patios that are part of the back yard Limited Common Elements allocated to any Unit. There shall be no outdoor spas or hot tubs anywhere else on the Property.

6. ARCHITECTURAL CONTROL

6.01: Approval of Construction and Exterior and Interior Modifications. Except for remodeling or modifications which are performed by Declarant, no modifications to a Unit or Limited Common Element which would be visible from the exterior of the Buildings may be

undertaken without in each case obtaining the prior written permission of the Executive Board for the proposed modification. In considering each request for approval, the Executive Board shall attempt to maintain the first-class appearance of the Angelview Condominiums and to assure that all Units are architecturally compatible. Declarant shall be entitled to remodel the Buildings without the prior written permission of the Executive Board. Unit Owners may make alterations or improvements to the interior of their Units that do not impair the structural integrity, electrical systems, mechanical systems, sound transmission to other Units, or lessen the support of any portion of the Common Interest Community.

6.02: Approval Procedures. Whenever any Owner requests approval from the Executive Board as described in Section 6.01 hereof, the Executive Board may request that such Owner provide the Executive Board with such items as the Board may reasonably request in order to inform the Executive Board about the matter requiring approval. The Executive Board shall not be required to take any action with respect to a requested approval unless and until the Executive Board receives all items reasonably requested by the Executive Board. Once all of such items have been furnished to the Executive Board, the Executive Board shall have thirty (30) days to approve the request as submitted, to approve the request with such reasonable conditions as the Executive Board may require or to reject the request and, if the Executive Board does not so act within such thirty (30) day period, the request shall be deemed approved as submitted. If the request is approved, the modification approved shall be undertaken by the Owner in accordance with the items submitted to the Executive Board and any conditions placed upon such approval by the Executive Board.

6.03: No Liability. The Executive Board shall not be responsible or liable for damages because of any failure to act, disapproval or failure to approve or disapprove any request for approval described above or because of any defects in any items submitted to the Executive Board in connection with any request for approval. Any Owner requesting approval by the Executive Board by so doing agrees and covenants not to bring any action or suit to recover damages against the Executive Board, its members as individuals, or its advisors, employees or agents or the Association and its officers and members. Nothing contained herein shall prohibit an Owner from seeking injunctive or declaratory relief from a court of competent jurisdiction.

7. THE ASSOCIATION

7.01: Membership.

(a) Declarant shall be a Member of the Association for so long as Declarant is the Owner of any Unit. Each individual, corporation, partnership, limited liability company, joint venture, trust or other legal entity capable of holding title to real property in Colorado shall automatically become a Member of the Association upon becoming an Owner of a Unit. Membership shall be continuous throughout the period that such ownership continues and shall be appurtenant to and inseparable from ownership of a Unit. Membership shall terminate automatically without any Association action whenever Declarant or any other Owner ceases to own a Unit. Termination of Membership shall not relieve or release any former Member from

any liability or obligation incurred by virtue of or in any way connected with ownership of a Unit or impair any rights or remedies which the Association or others may have against such former Member arising out of or in any way connected with such ownership or Membership.

(b) The total number of votes in the Association shall be equal to the number of Units located on the Property as shown by the Declaration and Plat as amended from time to time. The votes are hereby allocated to each Unit in Phase 1 as follows:

Condominium Unit 1-A	one (1) vote
Condominium Unit 1-B	one (1) vote
Condominium Unit 1-C	one (1) vote
Condominium Unit 1-D	one (1) vote
Condominium Unit 1-E	one (1) vote

In the event of a stalemate over a decision that must be determined by a vote of the members, the parties may submit the matter to mediation pursuant to the terms of this Declaration, Section 17.02, or the Association may adopt Rules to address the resolution of potential stalemates.

(c) If there is only one Owner of a Unit, such Owner shall be entitled to cast the votes allocated to such Unit at any meeting of the members. If there are multiple Owners of a Unit and only one (1) of such multiple Owners is present at a meeting of the members, such Owner shall be entitled to cast the votes allocated to such Unit. If there are multiple Owners of a Unit and more than one (1) of the multiple Owners of such Unit are present at a meeting of the members, the votes allocated to such Unit may be cast only in accordance with the agreement of a majority in interest of such Owners as such agreement may be reasonably evidenced to the person presiding over such meeting. It is reasonable evidence of the agreement of a majority interest of multiple Owners of a Unit if any one of such Owners casts the votes allocated to such Unit without protest being made promptly to the person presiding over the meeting of the members by any of the other Owners of such Unit. Declarant and each Member which is a corporation, partnership, limited liability company, joint venture, trust or other legal entity capable of holding title to real property in Colorado shall from time to time designate in writing to the Association one (1) or more individuals who may represent it at a meeting, and vote on its behalf. Until the Association is notified in writing to the contrary, any action taken by any person(s) designated in writing to represent Declarant or such Member shall be binding upon Declarant or such Member, as the case may be.

(d) The rights and obligations of members of the Association are further delineated in the Articles, the Bylaws and the Rules and each Owner is advised to obtain copies of the then current Articles, Bylaws and Rules upon becoming an Owner.

(e) Each Member shall comply strictly with the provisions of the Declaration, the Articles, the Bylaws and the Rules. The failure of a Member to comply strictly with such provisions shall permit the Association to suspend a Member's voting rights while in noncompliance and to take the actions outlined in Section 17.01 hereof to enforce the

Declaration. In addition, the Bylaws and the Rules may permit the Association to take further actions in the event of noncompliance by a Member with such provisions.

7.02: Powers of the Association.

(a) Angelview Condominiums shall be administered and managed by the Association pursuant to the Declaration, the Articles, the Bylaws, the Rules and the Act. The Association shall have all of the powers expressed in, or implied from, the provisions of the Declaration, the Articles, the Bylaws, the Rules and the Act subject; however to the following limitations:

(i) Except for the power to grant easements, leases, licenses and concessions through or over the Common Elements set forth in Section 302(1) of the Act, the Association shall not convey or encumber the Common Elements unless all Owners, and all First Lienors have given their approval thereof;

(ii) The Association shall be organized and operated exclusively for pleasure, recreational and other non-profitable purposes as set forth in Section 501(c)(7) of the Internal Revenue Code of 1986, as it is now or may hereafter be amended, or in any corresponding provisions of any future law of the United States of America providing for the exemption of similar organizations from income taxation; and

(iii) No part of the net earnings of the Association shall incur to the benefit of any Member of the Association.

(b) Without limiting the generality of the foregoing, the Association shall have the power from time to time as it deems necessary and appropriate to adopt, amend and enforce the Rules in order to implement the provisions of the Declaration including without limitation, Rules intended to promote the general health, safety and welfare of persons within Angelview Condominiums, to protect and preserve property and to regulate the use of the Common Elements, and to comply with the requirements under the Act pertaining to the adoption of Responsible Governance Policies. All of the Rules adopted by the Association shall be reasonable and shall be uniformly applied. The Association may provide for enforcement of the Rules through reasonable and uniformly applied fines and penalties, which shall be collectable by the Association as a charge pursuant to the provisions of Article 9 hereof. Each Owner and such Owner's Guest shall be obligated to and shall comply with and abide by the Rules and pay such fines or penalties upon failure to comply with or abide by the Rules. The Association shall not be responsible to any Owner or Guest for the non-observance by any other Owner or Guest of the Rules.

7.03: Executive Board. The Executive Board is hereby designated to act on behalf of the Association and shall be responsible for the control and management of the Association and the disposition of its funds and property; provided, however that the Executive Board may not act on behalf of the Association to: (a) amend the Declaration; (b) terminate Angelview Condominiums except as set forth in Section 218 of the Act; or (c) elect Directors or determine

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
25 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

the qualifications, powers and duties, or terms of office of Directors, but the Executive Board may fill vacancies in the Executive Board for the unexpired portion of any term. The number of Directors, their terms of office and their qualifications shall be determined according to the Bylaws. Subject to Declarant Control set forth in Section 7.04 below and pursuant to the Act, the Members of the Association shall elect all Directors. Within five (5) days after the Owners other than Declarant elect a majority of the Directors, Declarant shall deliver to the Association all property of the Owners and of the Association held by or controlled by Declarant, including without limitation, the items specified in Section 303(9)(a) through (1) of the Act.

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

7.05: Officers. The officers of the Association shall be prescribed by the Bylaws. The terms of office of the officers of the Association and their qualifications shall also be determined according to the Bylaws.

7.06: Indemnification. The Association shall indemnify every officer and director against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or director in connection with any action, suit, or other proceedings (including settlement of any suit or proceeding, if approved by the then Executive Board) to which he or she may be a party by reason of being or having been an officer or director. The officers and Directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and Directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except for any liability that such officers or Directors may incur by also being members of the Association), and the Association shall indemnify and forever hold each such officer and direct free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association may, as a common expense, maintain insurance to fund this obligation, if such insurance is available to the Association without payment of a premium which is, in the judgment of the Association, excessive.

8. MAINTENANCE AND INSURANCE

8.01: Maintenance by Owners.

(a) Each Owner shall maintain and keep in repair (a) its Unit, at a minimum to the extent repair shall be necessary in order to avoid damaging other Unit Owners, (b) except as otherwise provided herein and in Section 8.02 below, its appurtenant Limited Common Elements and (c) the exterior surfaces of windows and doors attached to the Unit. All fixtures and equipment installed within the Unit commencing at a point where the utilities or systems enter the Unit shall be maintained and kept in repair by the Owner of such Unit. Notwithstanding, Owners shall notify the Association in advance of any maintenance or repair that may affect utilities or systems serving more than one Unit, and the Association may, at the Board's discretion, take responsibility for such maintenance or repair, if the Board determines the maintenance or repair is likely to have an effect on utilities or systems located outside the boundaries of a Unit. In addition, the Association shall have the authority to designate one or more approved contractors for service and repair of such services or utilities, and to require Owners to utilize the services of such approved contractors. Notwithstanding the foregoing, the Association shall be responsible exclusively for the installation and maintenance of the improvements and landscaping in the front yard Limited Common Elements appurtenant to each Unit. An Owner shall do no act or work which impairs structural integrity of the Common Elements, impairs any easement, or adversely affects the Common Elements in any manner. Each Owner shall be responsible for snow removal from any sidewalk or walkway designated as a Limited Common Elements appurtenant to his/her Unit.

(b) If a Unit or Limited Common Element is not properly maintained and repaired to the potential detriment of other Units or the Common Elements, and if such maintenance responsibility lies with an Owner, or if the Unit or Limited Common Element is damaged by a casualty and the Owner does not take reasonable measures to diligently pursue the repair and reconstruction of those portions of the damaged Unit or Limited Common Element to substantially the same condition in which they existed prior to the damage or destruction, then the Association, after notice to the Owner and with the approval of the Executive Board shall have the right to enter upon the Unit or Limited Common Element to perform such work as is reasonably required to restore the Unit to a condition of good order and repair. All costs incurred by the Association in connection with the restoration shall be reimbursed to the Association by the Owner upon demand. All unreimbursed costs shall be a lien upon the Owner's Unit until reimbursement is made. The lien may be enforced in the same manner as a lien for an unpaid Assessment.

8.02: Maintenance by the Association.

(a) The Association shall be responsible for the maintenance and repair of the Common Elements, whether located inside or outside of Units. This maintenance shall include, but shall not be limited to, upkeep, repair and replacement, subject to any insurance then in effect, of all walls, fences, gates and signage, irrigation systems, roads, alleys, sidewalks,

driveways, utility lines and related facilities, and improvements, if any, located in the Common Elements, which an Owner is not required to maintain as set forth in Section 8.01. Maintenance shall also include snow removal from the walkways and roadways. The Association shall also be responsible for installation, care, and replacement of all landscaping located in the Common Elements and shall have the exclusive right and duty for the installation and maintenance of landscaping in the front yard Limited Common Element allocated to the Units collectively and for installation and maintenance of landscaping in any General Common Elements. In the event the Association does not maintain, repair or replace the Common Elements, as set forth herein, Declarant or an Owner shall have the right, but not the obligation, to do so at the expense of the Association.

(b) Subject to the provisions of Section 8.02 (d) and (e) below, the cost of maintenance, repair or replacement by the Association of all General Common Elements shall be a Common Expense of all the Owners, to be shared by each Unit Owner according to the Allocated Interests set forth in Section 3.01(b) herein. Subject to the provisions of Section 8.02 (e) and (f), damage to the Common Elements or interior or any part of a Unit resulting from the maintenance, repair, emergency repair or replacement of any of the Common Elements or as a result of emergency repairs within another Unit at the insistence of the Association shall also be Common Expense. Subject to the provisions of 8.02 (e) and (f) below, the cost of maintenance, repair or replacement by the Association of the Limited Common Elements shall be a common expense to be paid only by the Owner(s) of the Unit(s) having an allocated interest in the subject Limited Common Elements in accordance with Section 3.01(c) herein.

(c) If damage is caused to the Common Elements or to the interior or any part of a Unit resulting from negligent or tortious acts of a Unit Owner or Owner's Guest, then such Unit Owner shall be responsible and liable for all of such damage and the cost thereof, to the extent of such negligence. Costs incurred by the Association for repair of such damages shall be paid by the responsible Owner(s) upon demand. All unreimbursed costs shall be a lien upon the Owner's Unit until reimbursement is made. The lien may be enforced in the same manner as a lien for an unpaid Assessment.

(d) If insurance proceeds are payable to an Owner but the maintenance responsibility of the area to which such proceeds relate is the Association's, the Owner shall promptly notify the Association of such insurance coverage. After reasonable notice to Owner from the Association, the Association shall complete any such repair or replacement at the Owner's cost and such costs shall constitute a lien upon such Owner's Unit until reimbursement is made. The lien may be enforced in the same manner as a lien for an unpaid Assessment.

8.03: General Insurance Provisions.

(a) The Association shall acquire and pay for, out of the Assessments levied under Article 9 below, the following insurance policies carried with reputable insurance companies authorized to do business in Colorado:

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
28 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

(i) Hazard insurance for fire, with extended coverage, vandalism, malicious mischief, all-risk, replacement cost, agreed amount (if the policy includes co-insurance), special condominium, building ordinance and inflation guard endorsements attached, in amounts determined by the Executive Board to represent not less than the full then current insurable replacement cost of the Building located on the Property, including all of the Units and Common Elements, including all fixtures, interior and perimeter walls, floors, and partitions, but excluding the decorated and finished interior surfaces of the walls, floors, and ceilings of the units, excluding any betterments and improvements made by Owners, and excluding building excavations and foundations. Maximum deductible amounts for such policy shall be determined by the Executive Board. In the event the Project has central heating or cooling or contains a steam boiler, coverage for loss or damage resulting from steam boiler and machinery equipment accidents in an amount equal to the lesser of \$1,000,000 or the insurable value of the building housing the boiler or machinery shall also be obtained. The Association shall obtain insurance covering the original specifications of each Unit. Any additional premiums attributable to the original specifications of a Unit for which the insurance is increased as herein provided may be the subject of a lien for nonpayment as provided in Section 9.08 hereof in the event the Association pays such premium for an Owner. The hazard insurance policy described herein must be written by an insurance carrier that has (a) a "B" or better general policyholder's rating or a "6" or better financial performance index rating in Best's Insurance Reports, or (b) an "A" or better general policyholder's rating and a financial size category of "VIII" or better in Best's Insurance Reports International Edition.

(ii) Comprehensive general public liability insurance for the protection of the Association, its officers and directors, all Owners, all First Lienors, the managing agent engaged by the Association (if any) and their respective employees, agents and contractors, as their interests may appear, insuring against any liability arising from the ownership, existence, use, or management of the Common Elements (including liability for death, personal injury and property damage) in the combined single limit amount as the Executive Board shall determine, provided that such coverage shall be for at least \$1,000,000 for bodily injury, including deaths and property damage arising out of a single occurrence. The Declarant shall be included as an additional insured in such Declarant's capacity as a Unit Owner and Board member. The Unit Owners shall be included as additional insureds but only for claims and liabilities arising in connection with the ownership, existence, use, maintenance, or management of the Common Elements. Such insurance shall cover claims of one (1) or more insured parties against other insured parties, and must include a "severability of interest" clause or specific endorsement. Such coverage shall also include legal liability arising out of contracts of the Association and such other risks as are customarily covered with respect to condominiums similar to the Project in the Chaffee County area, including automobile liability insurance if appropriate. The Executive Board shall not enter into employment contracts or independent contractor contracts of any kind unless the contracting party provides evidence (such as a Certificate of Insurance) to the Executive Board that such party has current and satisfactory insurance, including workers compensation insurance,

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
29 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

commercial general liability insurance and automobile insurance on all of which the Association is named as an additional insured.

(iii) Fidelity insurance in an amount not less than one-half (1/2) of the then current aggregate annual assessments of the Association plus reserves, as calculated from the then current Budget, covering any Owner or employee of the Association who disburses funds of the Association, and covering any managing agent engaged by the Association, all at the election of the Association, and only if such insurance is available to the Association without payment of a premium which is, in the judgment of the Association, excessive.

(iv) Directors and officers liability insurance and error and omissions insurance coverage in such amounts as the Association shall determine for the protection of the Association, its officers, directors and employees, but only if such insurance is available to the Association without payment of a premium or premiums which is or are, in the judgment of the Association, excessive.

(v) The Executive Board shall obtain workers' compensation or similar insurance with respect to its employees, if applicable, in the amounts and forms as may now or hereafter be required by law.

(vi) Such other insurance in such amounts as the Association may consider necessary or advisable against such other insurable hazards as the Association may from time to time wish to insure against.

(b) The insurance policies described in Section 8.03 (a) may be carried in blanket policy form naming the Association as the insured, for the use and benefit of and as attorney-in-fact for the Owners. Each policy of insurance carried by the Association pursuant to the terms of Section 8.03 (a) hereof shall contain the following provisions: (i) such policy shall not be materially modified or cancelled without at least thirty (30) days prior written notice to the Association and to each Owner and First Lienor whose or which address has been made known to the insurer; (ii) the insurer waives its rights of subrogation under such policy as to any claim against the Association, its officers, directors and employees, any Owner and members of such Owner's household and any First Lienor; (iii) each Owner is an insured person under such policy with respect to liability arising out of such Owner's membership in the Association; (iv) each Mortgagee and its successors or assigns shall be a beneficiary of the policy in the percentages of Common Expenses for the Unit which the Mortgage encumbers; (v) no act or omission of an Owner, unless acting within the scope of such Owner's authority on behalf of the Association, shall void such policy or operate as a condition to recovery under such policy; and (vi) if, at the time of loss under such policy, there is other insurance in the name of an Owner covering the risk covered by such policy, the Association's policy shall provide primary insurance.

(c) If the insurance described in Section 8.03 (a) hereof is not reasonably available, or the Association has elected not to carry such insurance, or if any policy of such insurance is cancelled or not renewed without a replacement policy therefore having been obtained, the

Association promptly shall cause notice of such fact to be hand delivered or sent prepaid by United States mail to all Owners and Mortgagees.

(d) The Owner(s) of each Unit shall maintain, to the extent reasonably available:

(i) Property damage insurance or additional or supplemental insurance covering the decorated and finished interior surfaces of the walls, floors, and ceilings of the Units and any additions, alterations or improvements to its Unit which increase the replacement value of its Unit. In the event that satisfactory arrangement is not made for additional insurance by the Owner, the Owner shall be responsible for any deficiency in any resulting insurance loss recovery and the Association shall not be obligated to apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the making of such additions, alterations or improvements. If the separate insurance coverage described herein is not reasonably available, or if any policy of such insurance is cancelled or not renewed without a replacement policy therefore having been obtained, the Owner(s) of such Unit shall promptly cause notice of such fact to be hand delivered or sent prepaid by United States mail to the Executive Board. Under such circumstances, the Association may elect to provide and maintain property damage insurance covering the decorated and finished interior surfaces of the walls, floors, and ceilings of the Units, and/or betterments and improvements contained within the Units pursuant to the terms set forth in Section 8.03 (a) (i) herein. Cost for such additional coverage shall be allocated to the Units pursuant to the terms of this Declaration.

(ii) Insurance covering loss or damage to personal property in such Owner's Unit and covering liability for injury, death or damage occurring inside such Owner's Unit. Any such policy shall also provide coverage for the Owner's share of the deductible on the Association's property damage policy and for assessment losses, if available. Any policy of such insurance shall contain waivers of subrogation as to any claim against the Association, its officers, directors and employees, any Owner and such Owner's Guests and any First Lienor and shall be so written that the liability of the insurers issuing insurance obtained by the Association shall not be affected or diminished thereby. Each Owner shall provide copies of said policies to the Association upon request.

(e) Common Expense. The costs of obtaining and maintaining all insurance which is carried by the Association pursuant to the provisions of Section 8.03 (a) hereof shall be a Common Expense to be allocated among the Units as set forth in the Declaration, notwithstanding the fact that the Owners may have disproportionate liability, provided, however, that if the Association's fire and extended coverage insurance covers insurance attributable to some but not all of the Units, the Association reserves the right to charge the Owners of such Units for which the Association provides additional insurance coverage, an amount equal to the premium attributable to such additional insurance coverage.

(f) Insurance Proceeds. Any loss covered by the property insurance policy described in Section 8.03 must be adjusted with the Association, but the insurance proceeds for that loss shall

be payable to any insurance trustee designated for that purpose, or otherwise to the Association, and not to any holder of a Security Interest. The insurance trustee of the Association shall hold any insurance proceeds in trust for the Owners and Mortgagees as their interests may appear. Subject to the provisions of Section 8.03 (h) below, the proceeds must be disbursed first for the repair or restoration of the damaged property, and the Association, Owners and Mortgagees are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the damaged property has been completely repaired or restored or the regime created by this Declaration is terminated.

(g) Insurer Obligation. An insurer that has issued an insurance policy for the insurance described in Section 8.03 or its agent shall issue certificates or memoranda of insurance to the Association and, upon request, to any Owner or Mortgagee. All policies required to be carried under this Article 8 shall provide a standard non-contributory mortgagee clause in favor of each First Mortgagee of a Unit. Unless otherwise provided by statute, the insurer issuing the policy may not cancel or refuse to renew it until thirty (30) days after notice of the proposed cancellation or nonrenewal has been mailed to the Association and to each Owner and Mortgagee to whom a certificate or memorandum of insurance has been issued or whose address is shown in the records maintained pursuant to the Association Documents.

(h) Repair and Replacement. Any portion of the Common Elements for which insurance is required under this Article which is damaged or destroyed must be repaired or replaced promptly by the Association unless:

(i) The common interest community created by this Declaration is terminated in which case, subject to the provisions of this Declaration and of the Act pertaining to termination, the approval must first be obtained of seventy-five (75%) of the Percentage Interests of all Owners;

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

(iii) There is a vote not to rebuild by (a) sixty-seven (67%) of the Percentage Interests of Owners entitled to vote and (b) every Owner of a Unit or appurtenant Limited Common Element that will not be rebuilt; or

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

(v) The cost of repair or replacement of Common Elements in excess of insurance proceeds and reserves is a Common Expense. If all the Common Elements are not required or replaced, the insurance proceeds attributable to the damaged Common Elements must be used to restore the damaged area to a condition compatible with the remainder of the Project, and except to the extent that other persons will be distributees, the insurance proceeds attributable to Limited Common Elements which are not rebuilt

must be distributed to all the Owners or Mortgagees of those Units to which such Limited Common Elements are allocated, as their interests may appear, and the remainder of the proceeds must be distributed to all the Owners or Mortgagees, as their interest may appear, in proportion to each Unit's Common Expense Allocated Interests.

9. ASSESSMENTS AND CHARGES

9.01: Annual Assessments.

(a) Until the Association establishes an Annual Assessment for Common Expenses for the initial fiscal year of the Association, Declarant shall pay all Common Expenses. The Association shall establish prior to the conveyance of any Unit by Declarant, an Annual Assessment with respect to the initial fiscal year of the Association for the purpose of paying or creating a reserve for Common Expenses. The amount of the Annual Assessment for the initial fiscal year of the Association and for each fiscal year thereafter shall be based upon the Budget adopted by the Association. The Budget shall be based upon a good faith estimate of the Common Expenses to be paid or reserved for the year covered by the Budget including, without limitation, an estimate of the costs of the maintenance and repair required to be performed by the Association pursuant to the provisions of Section 8.02 hereof during such year, an estimate of the costs of the insurance described in Section 8.03 hereof to be obtained by the Association during such year and an estimate of the amount of funds to be reserved during such year for the costs of the periodic refurbishing and replacement of those items which are to be maintained and repaired by the Association pursuant to the provisions of Section 8.02 hereof as such items wear out or become obsolete so that the costs of such periodic refurbishing or replacement may be paid through the Annual Assessments instead of Special Assessments. The Executive Board shall establish the Annual Assessment for the initial fiscal year of the Association without a vote of the Owners. The Annual Assessments for any fiscal year after the initial fiscal year shall be established only after a Budget is adopted in accordance with the provisions of Section 9.01(b) hereof.

(b) After the initial fiscal year of the Association or in the event the Association desires to make an adjustment to an Annual Assessment previously established during a fiscal year, the Executive Board shall adopt a proposed Budget to serve as the basis for the establishment of the Annual Assessment or the adjustments to the Annual Assessment (as the case may be). Within ninety (90) days after the adoption of such proposed Budget, the Executive Board shall mail, by ordinary first-class mail, or otherwise deliver a summary of such proposed Budget to all Owners and shall set a date for a meeting of Owners to consider ratification of such proposed Budget not less than fourteen (14) nor more than fifty (50) days after mailing or other delivery of the summary. Unless at that meeting, Owners holding sixty-six and two-thirds percent (66 2/3%) or more of the total votes of the Association reject such proposed Budget, such proposed Budget is ratified, whether or not a quorum is present. In the event such proposed Budget is rejected, the Budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent Budget proposed by the Executive Board and the proposed Annual Assessment or adjustment to the Annual Assessment shall be based upon such continued Budget.

9.02: Special Assessments. In addition to the Annual Assessments authorized above, the Association may establish at any time a Special Assessment for the purpose of paying or creating a reserve for, in whole or in part, the cost of any expense which the Association is entitled to incur pursuant to the provisions of the Declaration or the Bylaws and which is not scheduled to be paid in a Budget adopted by the Association. No Special Assessment may be levied by the Association unless such Special Assessment has been approved by the Executive Board and by the majority vote of the Owners present in person or proxy at a meeting called for such purpose at which a quorum was present.

9.03: Payments of Assessments. All Annual Assessments shall be payable in equal quarterly installments. Each quarterly installment of the Annual Assessments shall be due on the first day of each quarter in the amount specified in the most recent written notice from the Association until the Association notifies an Owner in writing of a different amount. At the option of the Association, all Special Assessments may be payable in a lump sum or in quarterly installments. Each Special Assessment shall be due thirty (30) days after the Association gives an Owner notice of the amount of such Owner's Assessment. The Association may charge and collect interest at an annual rate of twenty-four percent (24%) or the maximum allowed by law, whichever is less, on any Annual or Special Assessment which is not paid when due.

9.04: Charges. Each Owner shall be liable for all charges with respect to such Owner or such Owner's Unit as set forth in the Declaration. For the purposes of this Article the term "charges" shall mean the costs to be reimbursed to the Association by an Owner pursuant to the provisions of the Declaration including, without limitation, pursuant to the provisions of Sections 9.01(a), 9.01(b) and 9.02 hereof, and fines and penalties for violations of the Rules as described in Section 7.02(b) hereof. Any charge shall be due within ten (10) days after notice of the amount of such charge is delivered to an Owner and, if not paid when due, shall bear interest at an annual rate of twenty-four percent (24%) or the maximum allowed by law, whichever is less. Any charge collected by the Association shall be used by the Association in furtherance of its duties hereunder or to defray Common Expenses.

9.05: Liability of Owners.

(a) As a general rule, Common Expenses shall be allocated among the Units on the basis of the Allocated Interests for Common Elements, as set forth in Section 3.01, or otherwise in effect on the date of the Assessment. In the event Units are combined or subdivided pursuant to this Declaration, the Common Expenses shall be reallocated to account for such change. The new allocation of Common Expenses following combination or subdivision of Units shall be effective as of the date of recordation of the Supplemental Declaration and Map.

(b) The Association shall have the authority to allocate certain expenses on a basis other than the Allocated Interests for Common Elements when allocation pursuant to the Allocated Interests would be inequitable or unreasonable. The Association shall have the authority to adopt rules or policies related to allocation of such expenses, including, but not limited to, expenses for gas, water, sewer, and any other utilities or services serving more than one Unit. Such expenses shall be allocated pursuant to a formula that reasonably relates to each

Unit's proportionate share of usage. Declarant shall be solely responsible expenses related to Declarant's use of water in connection with the construction of Units or other improvements on the Property. The charges associated with the irrigation tap shall be a Common Expense.

(c) The Association shall allocate expenses that inherently relate only to one Unit to the Owner(s) of that Unit only. The Association shall allocate expenses that inherently relate to more than one but less than all Units to the Owners of those Units only.

(d) The amount of any Annual and Special Assessment and charges payable with respect to an Owner or such Owner's Unit shall be a personal obligation of the Owner of such Unit and such Owner's heirs, devisees, personal representatives, successors and assigns and, if there are multiple Owners of one (1) Unit, such obligation shall be a joint and several obligation of each Owner of such Unit. Except as set forth in Section 9.06 hereof, a party acquiring fee simple title to a Unit shall be jointly and severally liable with the former Owner of the Unit for all such amounts which had accrued and were payable at the time of the acquisition of fee simple title to the Unit by such party without prejudice to such party's right to recover any of such amounts paid by such party from the former Owner. No Owner shall be exempt from liability for payment of such Owner's share of the Common Expenses either by waiver of the use or enjoyment of the Common Elements or Easements or by abandonment of such Owner's Unit.

9.06: Liability of First Lienors. Any First Lienor holding a first mortgage of record against a Unit who obtains title to the Unit pursuant to remedies exercised in enforcing the mortgage, including foreclosure of the mortgage or acceptance of a deed in lieu of foreclosure, will be liable for all Assessments due and payable as of the date title to the Unit is acquired. Notwithstanding the forgoing, the liability of any First Lienor who is subject to the requirements of HUD, FHA, Fannie Mae, Freddie Mac or VA (or any similar federal department, agency, or program) shall be limited to six months of regularly budgeted Assessments, dues or charges accrued before the acquisition of title to the Unit by the Mortgagee, or the maximum amount as may be permitted by the requirements of HUD, FHA, Fannie Mai, Freddie Mac or VA (or any similar federal department, agency, or program), whichever is greater, together with fees and/or costs related to collection of the unpaid Assessments.

9.07: Effect of Nonpayment. Any Assessment installment whether pertaining to any Annual, Special, or Default Assessment, which is not paid on or before its due date shall be delinquent. If an Assessment installment becomes delinquent, the Association, in its sole discretion, may take any or all of the following action:

(a) Assess a late charge for each delinquency in such amount as the Association deem appropriate;

(b) Assess an interest charge from the due date at the yearly rate of six points above the prime rate charged by the Association's bank, or such other lawful rate as the Executive Board may establish;

- (c) Suspend the voting rights of the Owner during any period of delinquency;
- (d) Accelerate all remaining Assessment installments so that unpaid Assessments for the remainder of the fiscal year shall be due and payable at once;
- (e) Bring an action at law against any Owner personally obligated to pay the delinquent Assessments; and
- (f) Proceed with foreclosure as set forth in more detail in Section 9.08 below.

9.08: The Association's Lien. The Association shall have from the date of recording of this instrument a lien against each Unit to secure payment to the Association of all Annual and Special Assessments with respect to such Unit and all charges with respect to each Owner of such Unit together with interest thereon at the annual rate of twenty-four percent (24%) or the maximum allowed by law, whichever is less, from the due date thereof and together with all costs and expenses of collecting such Assessments and charges including, without limitation, reasonable attorney's fees without the necessity of commencing legal proceeding. The Association's lien shall be prior and superior to all other liens and encumbrances on a Unit except: (a) liens and encumbrances recorded prior to the recordation of this instrument; (b) the lien of a First Lienor with respect to such Condominium Unit except to the extent specified in Section 316(2) (b) of the Act; (c) liens for real estate taxes and other governmental charges against such Unit and (d) mechanic's and materialman's liens which by law may be prior to the Association's lien. The Association's lien shall attach from the date of recording of this instrument and shall be considered perfected without the necessity of recording a notice of default and claim of lien or as disclosed on such lienor's deed of trust or other document of record noting a change in such lienor's address. Nevertheless, the Association shall, as a condition to enforcement of the Association's lien, record a notice of default and claim of lien which shall be executed by an officer or director of the Association and which shall contain substantially the following information: (i) the legal description of the Unit against which the lien is claimed; (ii) the names of the defaulting Owners as indicated by the Association's records; (iii) the total unpaid amount together with interest thereon and the costs of collection as of the date of such notice; (iv) a statement that the notice of default and claim of lien is made by the Association pursuant to the Declaration, and (v) a statement that a lien is claimed and will be foreclosed against such Unit in an amount equal to the amount stated as then due and any additional amounts thereafter becoming due. The Association shall send a copy of such notice of default and claim of lien to the Owners and First Lienor of the Unit against which such lien is claimed at their addresses last known to the Association within ten (10) days after the recording of such notice of default and claim of lien or as disclosed on such lienor's deed of trust or other document of record noting a change in such lienor's address. The Association's lien may be foreclosed in the manner provided by Colorado for the foreclosure of mortgages encumbering real property. At its option, the Association may recover any amounts claimed to be due in a notice of default and claim of lien by an action for a money judgment. In any such foreclosure or action, the Owners of the Unit subject to such foreclosure or action shall be required to pay the costs and expenses of such proceedings including, without limitation, reasonable attorney's fees. Notwithstanding anything to the contrary contained herein, the foreclosure of the lien for

Assessments as set forth herein, shall have the effect of giving the Association a priority claim for monetary compensation to the extent of the priority of the lien claim over that of the First Lienor, but shall not extinguish or foreclose out the lien or lien position of the First Lienor. The Association shall be entitled to purchase the Unit at any foreclosure sale, and to acquire, hold, lease, mortgage or convey the same, subject to the lien of the First Lienor. In any such foreclosure or action, the Court may appoint a receiver to collect all sums alleged to be due from the Owners prior to or during the pendency of such foreclosure or actions. The Court may order the receiver so appointed to pay any sums held by such receiver to the Association during the pendency of such foreclosure or action to the extent of the unpaid Annual and Special Assessments and charges.

9.09: Statement of Unpaid Assessments and Charges. The Association shall furnish to an Owner of a Unit, a designee of such Owner, a holder of an indebtedness secured by a deed of trust, mortgage or other security document encumbering a Unit or a designee of such holder, upon written request, delivered personally or by certified mail, first-class postage prepaid, return receipt requested to the Association's registered agent, a statement setting forth the amount of the unpaid Annual and Special Assessments and charges, if any, with respect to such Unit. Such statement shall be furnished within fourteen (14) days after receipt of the request and is binding upon the Association, the Executive Board and every Owner. If no statement is furnished to the requesting party delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the requesting party within such fourteen (14) day period, then the Association shall have no right to assert a priority lien upon the Unit for unpaid Annual and Special Assessments and charges which were due as of the date of the request.

9.10: Surplus Funds. Upon the determination by the Executive Board that surplus funds of the Association remain after payment or provision for Common Expenses and any prepayment or provision for reserves, the Executive Board may decide either to distribute such surplus funds to the Owners in accordance with their respective Sharing Ratios or to credit such surplus funds to the Owners in accordance with their respective Sharing Ratios against their respective liabilities for future Common Expenses.

9.11: Capitalization of the Association. The Declarant shall establish an initial working capital fund equal to three-twelfths (3/12) of the estimated Annual Assessments for Common Expenses for each Unit subject to the terms of this Declaration, which amount shall be reimbursed to the Declarant upon the transfer of title to a Unit when that Unit Owner makes the required working capital contribution set forth in this Section. The working capital fund may be used by the Association for emergencies, insurance deductibles in the event of casualty or other loss, capital expenditures for repair or replacement of Common Elements, and such other expenses which do not occur on a regular and on-going basis, as may be determined by a majority of the Executive Board. The initial capital account shall be established and Annual Assessments shall commence upon conveyance of the first Unit by Declarant to a third-party purchaser. Thereafter, Annual Assessments shall begin and the capital account shall be established for all Units. Upon acquisition of record title to a Unit from Declarant or any seller after Declarant, each Owner shall contribute to the working capital and reserves of the Association an amount equal to three-twelfths (3/12) of the Annual Assessment determined by

the Executive Board for that Unit for the year in which the Owner acquired title. Such payments shall not be considered advance payments of Annual Assessments. The working capital deposit made by an Owner shall be returned to each Owner including Declarant upon the sale of his/her Unit, provided that the new purchaser of the Units has deposited the required working capital deposit with the Association. The working capital fund must be maintained by the Association in a segregated account, and may not be used by the Declarant to defray any of its expenses, reserve contributions, or construction costs, nor to make up any Budget deficits during the period of Declarant control.

9.12: Maintenance Accounts; Accounting. The directors and officers of the Executive Board shall at all times comply with the Act with regard to the collection, deposit, transfer or disbursement of Association funds, and shall maintain accounts, books and records in compliance with the Act and the Association Bylaws. If the Association delegates powers of the Executive Board or its officers relating to collection, deposit, transfer or disbursement of Association funds to other persons or to a Manager, then such other persons or Manager must (a) maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the other person or Manager, (b) maintain all reserve and working capital accounts of the Association separate from the operational accounts of the Association, (c) provide to the Association no less than once per quarter an accounting for the previous quarter, (d) provide to the Association an annual accounting and financial statement of Association funds prepared by the Manager, a public accountant or a certified public accountant, and (e) provide an audit or review upon request of the Owners only when all conditions of the Act are met.

10. APPOINTMENT OF ATTORNEY-IN-FACT

Each Owner, on such Owner's behalf and on behalf of such Owner's heirs, devisees, personal representatives, successors and assigns, by the acceptance of the conveyance vesting in such Owner an interest in a Unit does irrevocably constitute and appoint the Association with full power of substitution as such Owner's true and lawful attorney in such Owner's name, place and stead to deal with such interest upon damage to or destruction, obsolescence, or condemnation of such Owner's Unit with full power, right and authorization to execute, acknowledge and deliver any contract, deed, proof of loss, release or other instrument affecting the interest of such Owner, and to take any other action which the Association may consider necessary or advisable to give effect to the provisions of Articles 11 and 12 hereof. If requested to do so by the Association, each Owner shall execute and deliver a written instrument confirming such appointment. The action of the Association in settling any damage or condemnation claim shall be final and binding on all Owners.

11. DAMAGE OR DESTRUCTION

11.01: The Role of the Executive Board. In the event of damage to or destruction of all or part of any Common Elements improvement, or other property covered by insurance written in the name of the Association, the Executive Board shall arrange for and supervise the prompt

repair and restoration of the damaged property (the property insured by the Association is sometimes referred to as the "Association-Insured Property").

11.02: Estimate of Damages or Destruction. As soon as practicable after an event causing damage to or destruction of any part of the Association-Insured Property, the Executive Board shall, unless such damage or destruction shall be minor, obtain an estimate that it deems reliable and complete of the costs of repair and reconstruction. "Repair and reconstruction" as used in this Article shall mean restoring the damaged or destroyed improvements to substantially the same condition in which they existed prior to the damage or destruction.

11.03: Repair and Reconstruction. As soon as practical after the damage occurs and any required estimates have been obtained, the Association shall diligently pursue to completion the repair and reconstruction of the damaged or destroyed Association-Insured Property. As attorney-in-fact for the Owners, the Association may take all appropriate action to effect repair and reconstruction of any damage to the Association-Insured Property, and no consent or other action by any Owner shall be necessary. Assessments of the Association shall not be abated during the period of insurance adjustments and repair and reconstruction.

11.04: Funds for Repair and Reconstruction. The proceeds received by the Association from any hazard insurance carried by the Association shall be used for the purpose of repair, replacement, and reconstruction of the Association-Insured Property. If the proceeds of the Association's insurance are insufficient to pay the cost of such repair, replacement, or reconstruction, the Association may levy, assess, and collect in advance from the Owners, without the necessity of a special vote of the Owners, a Special Assessment sufficient to provide funds to pay such costs of repair and reconstruction. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair, replacement, or reconstruction.

11.05: Disbursement of Funds for Repair and Reconstruction. The insurance proceeds held by the Association and the amounts received from the Special Assessments constitute a fund for 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 the 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, it shall be distributed to the Owners in proportion to the contributions each Owner made as Special Assessments, then in proportion to the Units' Percentage Share of Common Expenses, first to the Mortgagees and then to the Owners, as their interests appear.

12. RESERVED DEVELOPMENT AND SPECIAL DECLARANT RIGHTS

12.01: Reserved Development Rights and Rights of Expansion. Declarant reserves the right for itself and any Successor Declarant at any time and from time to time to subject additional phases of the Property and the Expansion Property set forth on Exhibit "B" to the provisions of this Declaration to include up to two hundred forty-five (245) additional Units on the Expansion Property, and to withdraw, expand, convert or create Common Elements.

(a) Supplemental Declarations and Supplemental Plats. Such expansion may be accomplished by the filing for record by Declarant in the office of the Clerk and Recorder one or more Supplemental Declarations and Supplemental Plats setting forth the Units and Common Elements, and other real property, if any, to be included in the expansion, together with any covenants, conditions, restrictions and easements particular to such property.

(b) Expansion Rights and Limitations. The expansion, which shall contain no more than six (6) additional Units, may be accomplished in phases by successive supplements or in one supplemental expansion. Declarant may exercise such rights for expansion on all or any portion of the Property in whatever order of development Declarant in its sole discretion determines. Declarant shall not be obligated to expand the Project beyond the number of Units initially submitted to this Declaration. The exercise of Development Rights as to some portions of the Property will not obligate the Declarant to exercise them as to other portions. All improvements to be included in the expansion shall be substantially completed prior to the recording of the Supplemental Declaration and Map adding additional Units.

(c) Expansion of Definitions. In the event of such expansion, the definitions used in this Declaration shall be expanded automatically to encompass and refer to the Property subject to this Declaration as so expanded. For example, "Unit" shall mean the Units as shown on the Map plus any additional Units added by any Supplemental Declarations and Supplemental Maps, and reference to this Declaration shall mean this Declaration as supplemented. All conveyances of Units shall be effective to transfer rights in the Property as expanded.

(d) Declaration Operative on Expansion Property. Units and Common Elements added by Supplemental Declarations and Maps shall be subject to all of the terms and conditions of this Declaration and of any Supplemental Declarations, upon recording the Supplemental Map(s) depicting the additional Units and Common Elements and Supplemental Declaration(s) with the Clerk and Recorder. In the event that a portion of the Property is submitted to the provisions of this Declaration, Declarant shall retain the right to, but shall not be obligated to, submit any additional portion of the Property to the provisions of this Declaration. The rights of the Declarant and any Successor Declarant, as described herein, shall apply to all Units and Common Elements which are added to this Declaration in accordance with these provisions relating to enlargement thereof.

(e) No rights or obligations of any character of any Owner of any additional Unit in the Property shall attach until a Supplemental Declaration and Supplemental Map are filed with the Clerk and Recorder annexing the Units constructed in such area to the Common Interest Community.

(f) Effect of Expansion. Upon the construction of additional Units and their inclusion under this Declaration and the filing of the Supplemental Declaration(s) and Supplemental Map(s) thereof, the Allocated Interests applicable to a Unit shall set forth in the Supplemental Declaration(s) as set forth in Section 3.01(b) above.

(g) Notwithstanding any inclusion of additional Units under this Declaration, each Owner (regardless of whether such Owner is the Owner of a Unit shown on the original Map or is the Owner of an additional Unit constructed in the Property and included by a Supplemental Declaration and Map) shall remain fully liable with respect to his obligation for the payment of the Common Expenses of the Association, including the expenses for such new Common Elements, costs and fees, if any. The recording of a Supplemental Declaration or Supplemental Plat shall not alter the amount of the Common Expenses assessed to a Unit prior to such recording.

12.02: Reservation of Withdrawal Rights. Declarant reserves the right for itself and any Successor Declarant at any time and from time to time to withdraw from the provisions of this Declaration individual Units and/or Common Elements, subject to the terms of the Act; provided, no Unit may be withdrawn after a Unit has been conveyed by Declarant to a purchaser. Declarant may exercise such rights of Withdrawal on all or any portion of the Property and may withdraw those portions of real estate identified above in whatever order Declarant in its sole discretion determines.

12.03: Reservation to Subdivide or Convert Units. Declarant reserves the right, by recording a Supplemental Declaration and Map, to subdivide a Unit into further Units and to create Common Elements in connection with such subdivision, to convert a General Common Element or portion thereof into one or more Limited Common Elements, and to convert a Unit or portion thereof into Common Elements, subject to the requirements of the Act. The Supplemental Declaration and Map shall describe and depict the resulting Units and Common Elements, and apportion the Allocated Interests of all affected Units in a manner consistent with the principles used in Section 3.01(b) above.

12.04: Other Reserved Rights. Declarant reserves the right for itself and any Successor Declarant at any time and from time to time to: (a) complete improvements indicated on the Plats and Maps; (b) maintain and relocate sales offices, management offices, signs advertising the Project and models, of any size, within one or more Units and within the General Common Elements so long as Declarant or Successor Declarant continues to be an Owner of a Unit or, if earlier, twenty (20) years from the recording of this Declaration with the Clerk and Recorder; (c) use easements through the common elements for the purpose of making improvements within the Project or within real estate which may be added to the Project; (d) subject the Property to a master association, (e) merge or consolidate the Project with a common interest community of the same form of ownership, and (e) appoint or remove any officer of the association or any Executive Board Member during the period of Declarant control.

12.06: Termination of Rights Reserved. The rights reserved to the Declarant in this Article shall expire, unless sooner terminated by the Act, twenty (20) years from the date of recording this Declaration, unless such rights are (i) extended as allowed by law or (ii) reinstated or extended by the Association, subject to whatever terms, conditions, and limitations the executive Board may impose on the subsequent exercise of the rights by Declarant.

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
41 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

12.07: Interference with Declarant Rights. Neither the Association nor any Unit Owner may take any action or adopt any Rule that will interfere with or diminish any Declarant Right.

12.08: Combination of Units by Owner. An Owner may combine two contiguous Units into one Unit. Only an entire Unit may be so combined. If contiguous Units are combined by the Owner, such combination of Units shall also combine all appurtenant interests in the combined Units. The structural separations between such Units shall become Limited Common Elements appurtenant to the combined Unit. The Owner of a combined Unit shall have the right to separate the Unit back into its constituent Units as previously constituted. In such event, the interests and Limited and General Common Elements appurtenant to each Unit prior to their combination shall be thereupon restored. Before any combination or separation of Units, the Owner shall submit such plans, specifications and information to the Executive Board as it shall reasonably require, and shall pay all expenses of the Association incurred in connection with such action, including without limitation the cost of preparing and recording a Supplemental Declaration and Map that describe and depict the resulting Units and Common Elements, and apportion the Allocated Interests of all affected Units in a manner consistent with the principles used in Section 3.01(b) above.

13. LIMIT ON TIME SHARING AND HOUSE EXCHANGE

No Owner of any Unit shall offer or sell any interest in such Unit under a "timesharing" or "interval ownership" plan, or any similar plan.

14. CONDEMNATION

14.01: Rights of Owners. Whenever any part of the Common Elements shall be taken by any authority having power of condemnation or eminent domain or whenever any part of the Common Elements is conveyed in lieu of a taking under threat of condemnation by the Executive Board acting as attorney-in-fact for all Owners under instructions from any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice of the taking or conveying.

14.02: Partial Condemnation; Distribution of Award; Reconstruction. The award made for such taking shall be payable to the Association as Trustee for those Owners for whom use of the Common Elements was conveyed and, unless otherwise required under the Act, the award shall be disbursed as follow:

If the taking involves a portion of the Common Elements on which improvements have been constructed, then, unless within sixty (60) days after such taking all of the Owners shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Elements to the extent lands are available for such restoration or replacement in accordance with plans approved by the Executive Board. If such improvements are to be repaired or restored, the provisions regarding the disbursement of funds

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
42 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

in respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any improvements on the Common Elements, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be distributed among the Units according to each Unit's Allocated Interests of Percentage Share of Common Elements, first to the Mortgagees and then to the Owners, as their interests appear except that any part of the remaining award or net funds which relate to Limited Common Elements shall be distributed on a pro rata basis among the Units to which such Limited Common Elements are allocated, first to the Mortgagees and then to the Owners, as their interests appear.

14.03: Complete Condemnation. If all of the Property is taken, condemned, sold, or otherwise disposed of in lieu of or in avoidance of condemnation, then the common interest community created by the Declaration shall terminate, provided that approval must first be obtained of 51% of First Mortgagees of Units subject to First Mortgagee (which percentage is measured by votes allocated to such Units), and the portion of the condemnation award attributable to the Common Elements shall be distributed as provided in Section 8.03 (f) above.

15. MORTGAGEE PROTECTION

15.01: Introduction. This Article establishes certain standards and covenants which are for the benefit of the holders, insurers and guarantors of certain Security Interests. This Article is supplemental to, not a substitution for, any other provisions of the Documents, but in this case of conflict, this Article shall control.

15.02: Percentage of Eligible Mortgagees. Wherever in this Declaration the approval or consent of a specified percentage of Eligible Mortgagees is required, it shall mean the approval or consent of Eligible Mortgagees holding Security Interests in Units which in the aggregate have allocated to them that specified percentage of votes as compared to the total votes allocated to all Units in the Association then subject to Security Interests held by all Eligible Mortgagees.

15.03: Notice of Actions. The Association shall give prompt written notice as set forth in 15.04 (c) below to each Eligible Mortgagee and Eligible Insurer of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Common Interest Community or any Unit in which there is a first Security Interest held, insured or guaranteed by that Eligible Mortgagee or Eligible Insurer, as applicable;

(b) Any delinquency in the payment of Common Expense assessments by a Unit Owner which remains uncured for a period of sixty (60) days and whose Unit is subject to a first Security Interest held, insured or guaranteed by that Eligible Mortgagee or Eligible Insurer, as applicable;

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
43 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(d) Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees as specified in Section 15.02 of the Declaration; and

(e) Any judgment rendered against the Association.

15.04: Consent and Notice Required.

(a) Document Changes. Notwithstanding any requirement permitted by this Declaration or the Act, no amendment of any material Provision of the Documents by the Association or Unit Owners described in this Section shall be effective without notice to all Eligible Mortgagees and Eligible Insurers, as required by Section 15.03 above, without the vote of at least sixty-seven percent (67%) of the Unit Owners (or any greater Unit Owner vote required in this Declaration or the Act) and without approval by at least fifty-one percent (51%) (or a higher percentage, if indicated below) of the Eligible Mortgagees of Unit estates subject to mortgages. An amendment affecting a change to any of the following would be considered material:

(i) Voting rights;

(ii) Assessments, assessment liens or priority of assessment liens;

(iii) Reserves for maintenance, repair and replacement of Common Elements;

(iv) Responsibility for maintenance and repairs;

(v) Reallocation of interests in the Common Elements or Limited Common Elements, except that when Limited Common Elements are reallocated by agreement between Unit Owners, only those Unit Owners and only the Eligible mortgagees holding Security Interests in those Units need approve the action;

(vi) Redefinitions of boundaries of Units, except that when boundaries of only adjoining Units are involved, then only those Unit Owners and the Eligible Mortgagees holding Security Interests in the Unit or Units need approve the action;

(vii) Convertibility of Units into Common Elements or Common Elements into Units;

(viii) Expansion or contraction of the Common Interest Community, or the addition, annexation or withdrawal of property to or from the Common Interest Community;

(ix) Imposition of any restrictions on the leasing of Units;

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
44 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

- (x) Hazard or fidelity insurance requirements;
- (xi) Imposition of any right of first refusal or similar restriction on Unit Owners' right to sell or transfer their Units;
- (xii) Establishment of self-management by the Association where professional management has been required by any agency;
- (xiii) Restoration or repair of the project after hazard damage or partial condemnation in a manner other than that specified in the Declaration;
- (xiv) Termination of the Common Interest Community upon the occurrence of substantial destruction or condemnation; and
- (xv) Any provision that expressly benefits mortgage holders, insurers or guarantors, except as set forth in paragraph 15.04 (e) below.

(b) Actions. Notwithstanding any lower requirement permitted by this Declaration or the Act, the Association may not take any of the following actions, other than rights reserved to the Declarant as Special Declarant Rights, without notice to all Eligible Mortgagees and Eligible Insurers, as required by Section 15.04 (d) below, and approval of at least fifty-one percent (51%) (or the indicated percentage, if higher) of the Eligible Mortgagees of Unit estates that are subject to mortgages:

(i) By act or omission seek to abandon or terminate the Common Interest Community for reasons other than substantial destruction or condemnation, for which sixty-seven percent (67%) of the votes of Eligible Mortgagees is required;

(ii) By act or omission, seek to abandon, partition, subdivide, sell or convey the Common Elements or any portion of the Common Elements, other than the granting of easements for utilities or for other purposes consistent with the intended use of the Common Elements by the Common interest Community, except as such authority is reserved to the Declarant in this Declaration, for which sixty-seven percent 67% of the votes of Eligible Mortgagees is required;

(iii) Reallocate the Allocated Interest or obligation of any Unit in order to levy Assessments or charges, allocate distribution of hazard insurance proceeds or condemnation awards, or determine the Percentage Share of Ownership of Common Elements other than as such authority is reserved to the Declarant in this Declaration, for which sixty-seven percent (67%) of the votes of Eligible Mortgagees is required;

(iv) Partition or subdivide any Unit other than as set forth in Section 12.02, for which only the Owners of Units affected and Eligible Mortgagees of those Units need approve the action, for which sixty-seven percent (67%) of the votes of Eligible Mortgagees is required;

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
45 of 51 R\$260 D\$0 N\$0 S\$3 M\$0 E\$0 Chaffee County Clerk

(v) Use hazard insurance proceeds for losses to any part of the Project (whether Units or Common Elements) for other than the repair, replacement or reconstruction of the Project, for which sixty-seven percent (67%) of the votes of Eligible Mortgagees is required;

(vi) The alteration of any partition or creation of any aperture between adjoining Units (when Unit boundaries are not otherwise being affected), for which only the Owners of Units affected and Eligible Mortgagees of those Units need approve the action;

(vii) The granting of any easements, leases, licenses or concessions through or over the Common Elements (excluding, however, any utility easements serving or to serve the Common Interest Community and also excluding any leases, concessions lasting for no more than one (1) year);

(viii) The restoration or repair of the Property after hazard damage or a partial condemnation in a manner other than specified in the Declaration;

(ix) The merger of the Common Interest Community with any other Common Interest Community;

(x) The assignment of the future income of the Association, including its right to receive Common Expense Assessments;

(xi) Any action taken not to repair or replace the Property in the event of substantial destruction of any part of a Unit or the Common Elements, for which sixty-seven percent (67%) of the votes of Eligible Mortgagees is required;

(c) The Association shall send a dated, written notice and a copy of the proposed amendments set forth in paragraph 15.04 (a) above or proposed actions set forth in paragraph 15.04 (b) above by certified mail to each Eligible Mortgagee at its most recent address as shown on the recorded deed of trust or recorded assignment thereof. In addition, the Association shall cause the dated notice, together with information on how to obtain a copy of the proposed amendment or action, to be printed in full at least twice, on separate occasions at least one week apart, in a newspaper of general circulation in Chaffee County.

(d) The failure of an Eligible Mortgagee or Insurer to respond within sixty (60) days to any written request for approval of an addition or amendment to the Document wherever Eligible Mortgagee or Insurer approval is required, when such request is delivered by certified or registered mail, return receipt requested, shall constitute an implied approval of the addition or amendment.

(e) The foregoing approval requirements do not apply to amendments affected by the exercise of any Development Right, amendments made to correct clerical, typographical, or technical errors, or to any amendment made by Declarant solely for the purpose of complying

with the requirements, standards, or guidelines of recognized secondary mortgage markets, HUD, FHA, Fannie Mae, Freddie Mac, VA, or other similar federal department, agency, or program.

15.05: Inspection of Books. The Association must maintain current copies of the Declaration, Bylaws, Rules, books, records and financial statements. The Association shall permit any Eligible Mortgagee or Eligible Insurer, or other first mortgagee of Units, to inspect the books and records of the Association during normal business hours upon written request.

15.06: Financial Statements. The Association shall provide any Eligible Mortgagee or Eligible Insurer who submits a written request with a copy of an annual financial statement. It shall be provided within ninety (90) days following the end of each fiscal year of the Association.

15.07: Enforcement. The provisions of this Article are for the benefit of Eligible Mortgagees and Eligible Insurers and their successors and may be enforced by any of them by any available means, at law or in equity.

15.08: Title Taken by Mortgagee. Any Eligible Mortgagee holding a first mortgage of record against a Unit who obtains title to the Unit pursuant to remedies exercised in enforcing the mortgage, including foreclosure of the mortgage or acceptance of a deed in lieu of foreclosure, will be liable for all Assessments due and payable as of the date title to the Unit is acquired. Notwithstanding the forgoing, the liability of any First Lienor who is subject to the requirements of HUD, FHA, Fannie Mae, Freddie Mac or VA (or any similar federal department, agency, or program) shall be limited to six months of regularly budgeted Assessments, dues or charges accrued before the acquisition of title to the Unit by the Mortgagee, or the maximum amount as may be permitted by the requirements of HUD, FHA, Fannie Mai, Freddie Mac or VA (or any similar federal department, agency, or program), whichever is greater, together with fees and/or costs related to collection of the unpaid Assessments.

15.09: Right to Pay Taxes. Eligible Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Elements, and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for such Common Elements, and Mortgagees making such payments shall be owed immediate reimbursement therefore from the Association.

15.10: Action by Mortgagee. If this Declaration or any Association Documents require the approval of any Eligible Mortgagee, then if any Eligible Mortgagee fails to respond to any written proposal for such approval within thirty (30) days after such Mortgagee receives proper notice of the proposal (or such longer time as may be set forth in the notice), such Mortgagee shall be deemed to have approved such proposal provided that the notice was delivered to the Mortgagee by certified or registered mail, return receipt requested.

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
47 of 51 R\$260 D\$0 N\$0 S\$3 MS0 F\$0 Chaffee County Clerk

15.11: Attendance at Meetings. Any representative of an Eligible Mortgagee or Eligible Insurer may attend and address any meeting which a Unit Owner may attend.

16. DURATION OF COVENANTS AND AMENDMENT

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

16.02: Amendment. Subject to Article 15 above (concerning Mortgagee Protection) this Declaration may be amended at any time by Owners holding not less than sixty-seven (67%) of the votes possible to be cast under this Declaration at a meeting of the Owners called for that purpose (or cast by mail in accordance with the Act). No amendment may be made to the Association Documents which would add, delete, or revise any material provisions which establish, provide for, govern or regulate any of the subjects identified in Section 15.04 above, unless First Mortgagees have been given notice in accordance with Section 15.04 (c) above and the approval of fifty-one percent (51%) (or a higher percentage, if indicated in Section 15 above) of First Mortgagees of Units subject to a First Mortgage (which percentage is measured by votes allocated to such Units) has first been obtained.

16.03: Approval Required for Certain Actions. Notwithstanding anything else contained in this Declaration, and except as provided by the Act, as set forth in Section 15 above (concerning Mortgagee Protection), certain actions shall require the prior written approval of fifty one percent (51%) of Eligible Mortgagees of all Units subject to a first mortgage lien (which percentage is measured by votes allocated to such Units), while others shall require approval of sixty-seven percent (67%) of Eligible Mortgagees of all Units subject to a first mortgage lien (which percentage is measured by votes allocated to such Units), whether or not Association Documents are to be amended. None of the actions described in Section 15.04 above shall be taken, except in accordance with the provisions of Article 15 above.

16.04: Evidence of Amendment. Any amendment must be executed by the President of the Association and recorded, and approval of such amendment may be shown by attaching a certificate of the Secretary of the Association to the recorded instrument certifying the approval of a sufficient number of Owners of the amendment or by reciting such approval in the amendment. Notwithstanding the foregoing, Declarant, acting alone, reserves to itself the right and power to modify and amend this Declaration and the Map to the fullest extent permitted under the Act. During the period of Declarant Control, this Declaration shall not be amended without the written consent of the Declarant and the Executive Board.

17. MISCELLANEOUS PROVISIONS

17.01: Enforcement. The Declaration shall be enforceable by the Association; provided, however, if the Association shall fail to undertake any action to enforce the Declaration within thirty (30) days after the Association's receipt of a written request from an Owner to enforce the Declaration, such Owner shall be entitled to enforce the Declaration. In

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
48 of 51 R\$260 DS0 NS0 SS3 MS0 ES0 Chaffee County Clerk

enforcing the Declaration, the Association or an Owner entitled to enforce the Declaration in accordance with the provisions of the preceding sentence (as the case may be), shall be entitled to utilize any of the remedies set forth in this Declaration or shall be entitled to any other remedy at law or in equity including, without limitation, an action seeking a prohibitive or mandatory injunction or damages or both. In any civil action for the enforcement of the Declaration, the party or parties against which or whom enforcement is sought shall pay the reasonable attorneys' fees and costs (including, without limitation, the reasonable attorneys' fees and costs of any appeal) incurred by the Association in an amount determined by the Court if the Association is the prevailing party in such action. The issuance of a building permit or certificate of occupancy which may be in contravention of the Declaration shall not prevent enforcement of the Declaration. All costs incurred by the Association in the enforcement of the Declaration shall be a Common Expense.

17.02: Limited Liability. A director or an officer of the Association shall not be liable for actions taken or omissions made in the performance of his or her duties except for wanton and willful acts and except for acts specified in Section 7-24-111 of Colorado Revised Statutes. Neither Declarant nor any officer, director, agent or employee of Declarant shall be liable to any party for any action or for any failure to act with respect to any matter arising in connection with this Declaration if the action taken or failure to act was in good faith and without malice.

17.03: Successors and Assigns. Except as otherwise provided herein, the Declaration shall be binding upon and shall inure to the benefit of Declarant and each Owner and their respective heirs, devisees, personal representatives, successors and assigns. Declarant and each Owner shall be fully discharged and relieved of liability with respect to the obligations of such party under this Declaration upon ceasing to own an interest in a Unit and upon the payment of all sums and the performance of all other obligations of such party under this Declaration up to the time such party ceased to own an interest in a Unit.

17.04: Transfer by Declarant. Any and all rights, powers or reservations of Declarant herein contained may be transferred by Declarant to any person or entity who or which will assume any or all of the duties of Declarant related to the rights, powers or reservations assigned. Upon the recording of a document in the real property records of Chaffee County, Colorado executed by Declarant and the transferee by which Declarant transfers any of such rights, powers or reservations and the assignee assumes all of the duties of Declarant related to the rights, powers or reservations assigned, the transferee shall have the same rights and powers and be subject to the same obligations and duties with respect to the rights, powers or reservations assigned as are given to and assumed by the Declarant herein and Declarant shall be relieved from all prospective liabilities, obligations and duties hereunder which are assumed by the assignee subject, however, to the provisions of Section 304 of the Act. The provisions of Section 304 of the Act shall apply to any transfer of the rights, powers or reservations of Declarant herein upon the transfer of title to any Unit owned by Declarant or any portion of the Property pursuant to the foreclosure of any deed of trust, mortgage or other security document encumbering any Unit owned by Declarant or encumbering any portion of the Property as of the date of recording of this instrument, or any extensions, renewals or modifications thereof, or pursuant to any procedure in lieu of such foreclosure. Nothing contained herein shall be deemed

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
50 of 51 R\$260 D\$0 N\$0 SS3 M\$0 E\$0 Chaffee County Clerk

**EXHIBIT A
TO
CONDOMINIUM DECLARATION
OF
ANGELVIEW CONDOMINIUMS
CITY OF SALIDA
CHAFFEE COUNTY, COLORADO**

**Lot 1
Angelview Minor Subdivision
in the City of Salida, Chaffee County, Colorado
Per Plat recorded July 15, 2016
at Reception No. 428085**

443364

443364 6/6/2018 2:30 PM DECL Lori A Mitchell
51 of 51 RS260 DS0 NS0 SS3 MS0 ES0 Chaffee County Clerk

EXHIBIT B

Legal Description of the Expansion Property

**Lots 2, 3, 4, and 5
Angelview Minor Subdivision
in the City of Salida, Chaffee County, Colorado
Per Plat recorded July 15, 2016
at Reception No. 428085**

AND

**Parcels 1 and 2 described in that certain Warranty Deed recorded as Reception No. 422141
of the records of Chaffee County, Colorado, more particularly described as follows:**

PARCEL 1:

A tract of land located in the Northeast quarter of the Northwest quarter (NE $\frac{1}{4}$ NW $\frac{1}{4}$) of Section 6, Township 49 North, Range 9 East of the New Mexico Principal Meridian, being described as follows: Commencing at the brass cap witness corner to the North $\frac{1}{4}$ corner of said Section 6 (said witness corner being North 14.5 feet from said $\frac{1}{4}$ corner), thence South 6° 16' West 589.6 feet to the northerly boundary of County Road No. 10 and South 54° 07' West along said road boundary 216.65 feet to the point of beginning of the tract herein described, said beginning point beginning and each of the other three corners of said tract being marked by a $\frac{3}{8}$ inch steel reinforcing bar 2 feet long driven in the ground and having a one inch aluminum cap; thence proceeding around the tract continuing South 54° 07' West along said road boundary 100.0 feet; thence North 35° 53' West 125.0 feet; thence North 54° 07' East 100.0 feet; thence South 35° 53' East 125.0 feet to the point of beginning.

City of Salida, Chaffee County, Colorado

PARCEL 2:

A tract of land located in the Northeast quarter of the Northwest quarter (NE $\frac{1}{4}$ NW $\frac{1}{4}$) of Section 6, Township 49 North, Range 9 East of the New Mexico Principal Meridian, being described as follows: Commencing at the brass cap witness corner to the North $\frac{1}{4}$ corner of said Section 6 (said witness corner being North 14.5 feet from said $\frac{1}{4}$ corner), thence South 6° 16' West 589.6 feet to the northerly boundary of County Road No. 10 and South 54° 07' West along said road boundary 316.65 feet to the point of beginning of the tract herein described, said beginning point and each of the other three corners of said tract being marked by a $\frac{3}{8}$ inch steel reinforcing bar 2 feet long driven in the ground and having a one inch aluminum cap; thence proceeding around the tract continuing South 54° 07' West along said road boundary 100.0 feet; thence North 35° 53' West 125.0 feet; thence North 54° 07' East 100.00 feet; thence South 35° 53' East 125.0 feet to the point of beginning.

City of Salida, Chaffee County, Colorado