

CONDOMINIUM DECLARATION

FOR

PARK MODERN CONDOMINIUMS

Basalt, Colorado

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FOR PARK MODERN CONDOMINIUMS

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CONDOMINIUM DECLARATION

FOR

PARK MODERN CONDOMINIUMS

KNOW ALL MEN BY THESE PRESENTS that 4CD, Inc, does hereby declare and adopt the following Condominium Declaration (the "Declaration"), which shall run with the real property hereafter described, and shall be binding upon all parties acquiring any interest therein or thereto.

Article I RECITALS

Section 1.01 The Declarant.

4CD, Inc. is a corporation which is duly organized and existing under and by virtue of the laws of the State of Colorado (collectively the "Declarant").

Section 1.02 The Property.

The real property initially submitted to this Declaration is located in the Town of Basalt, County of Eagle, State of Colorado, and is described, as follows:

LOT 1, SOPRIS MEADOWS TWO, FILING NO. 3,
ACCORDING TO THE FIRST MINOR SUBDIVISION PLAT
THEREOF RECORDED SEPTEMBER 18, 2013 AS RECEPTION
NO. 201318901 OF THE EAGLE COUNTY, COLORADO
RECORDS

ALSO KNOWN AS: LOT 1 OF PARCEL 4C

(the "Initial Parcel").

Section 1.03 The Development.

Any additional property subsequently annexed and submitted to this Declaration may be subdivided and developed in phases by the filing of successive maps or plats depicting the additional Units and the appurtenant Common Elements created. Similarly, the Developer may de-annex and remove property from this Declaration in accordance with the reserved rights contained herein.

Section 1.04 The Community.

The Initial Parcel and any additional property subsequently annexed and submitted to this Declaration shall be developed as a common interest community within the meaning of the Colorado Common Interest Ownership Act (the "Act"). The Development will constitute a

“condominium,” within the meaning of the Act and shall be located, in its entirety, within Eagle County, Colorado.

Section 1.05 The Name of the Community.

The name of the common interest community is PARK MODERN CONDOMINIUMS.

Section 1.06 The Name of the Association.

The name of the Association which shall manage the Community in accordance with the provisions of this Declaration and the Act is PARK MODERN CONDOMINIUM ASSOCIATION.

Section 1.07 The Condominium Map.

The initial phase of the Development is depicted on the First Minor Subdivision Plat of Sopris Meadows Two, Filing No. 3 (Sub-Parcel 4C of Parcel 4) recorded as Reception No. 201318901 of the Eagle County, Colorado records and the Condominium Map of Park Modern Phase 1, Located in Lot , Sopris Meadows Two, Filing No. 3 (Sub-Parcel 4C of Parcel 4), recorded as Reception No. 201415895 of the Eagle County, Colorado records. Such Map creates the initial ten (10) Condo Units, the initial twenty-one (21) Parking Space Units and the initial ten (10) Storage Space Units.

Section 1.08 Maximum Number of Units.

The Community shall initially consist of ten (10) Condo Units, twenty-one (21) Parking Space Units and ten (10) Storage Space Units. Declarant reserves the right to annex additional properties to the Community and create up to a total of one hundred (100) Condo Units, two hundred fifty (250) Parking Space Units and one hundred (100) Storage Space Units.

Section 1.09 Master Covenants.

The Initial Parcel is hereby submitted and declared subject to the Sopris Meadows PUD Declaration of Covenants, Conditions and Restrictions (Multi-Family Parcels) recorded in Book 744, at Page 544, as Reception No. 640490 of the Eagle County, Colorado records. The provisions thereof are incorporated herein by this reference.

Section 1.10 The Purpose.

The purpose of this Declaration is to further the interests of the Community, to protect and enhance the property values, to set forth Declarant's reserved development rights and to otherwise effectuate the terms and provisions of the Act.

**Article II
DEFINITIONS**

The following terms shall have the following meanings when used herein unless the context otherwise requires:

Section 2.01 Association.

“Association” means and refers to PARK MODERN CONDOMINIUM ASSOCIATION, a Colorado nonprofit corporation.

Section 2.02 Common Elements.

“Common Elements” means and includes all parts of the Property, grounds, improvements, installations and facilities which are not included within a Unit or a Limited Common Element.

Section 2.03 Common Expenses.

“Common Expenses” means and refers to expenditures made or liabilities incurred by or on behalf of the Association, together with any allocations to reserves.

Section 2.04 Community.

“Community” means and includes all the Property at any time submitted to this Declaration.

Section 2.05 Condominium Map.

“Condominium Map” means the Condominium Map of Park Modern Condominiums, Filing No. 1, referenced in Section 1.07 above, as amended or supplemented by the submission of further Filings or otherwise.

Section 2.06 Condo Unit.

“Condo Unit” means the dwelling Units shown on the Condominium Map of any Filing and includes all the Units other than the Parking Space Units and the Storage Space Units.

Section 2.07 Declaration.

The terms “the Declaration” and “this Declaration” are interchangeable and each means and refers to this Declaration as amended or supplemented by the submission of further Filings or otherwise.

Section 2.08 Design Review Board.

“Design Review Board” means the Sopris Meadows Multi-Family Residential Design Review Board, established under the provisions of the Master Covenants.

Section 2.09 Executive Board.

“Executive Board” means the Executive Board of the Association.

Section 2.10 General Common Elements.

“General Common Elements” means the Common Elements exclusive of the Limited Common Elements.

Section 2.11 Limited Common Elements.

“Limited Common Elements” means that portion of the Common Elements allocated by the Declaration or the Condominium Map for the exclusive use of a single Unit.

Section 2.12 Manager.

“Manager” means that person or entity retained by the Executive Board to manage the business affairs of the Association.

Section 2.13 Master Covenants.

“Master Covenants” means the Sopris Meadows PUD Declaration of Covenants, Conditions and Restrictions (Multi-Family Parcels) recorded in Book 744 at Page 544, as Reception No. 640490 of the Eagle County, Colorado records.

Section 2.14 Mortgage.

“Mortgage” means and refers to any Mortgage, deed of trust or other security instrument by which a Unit or any part thereof is encumbered.

Section 2.15 Mortgagee.

“Mortgagee” means and refers to any person or entity named as a Mortgagee or beneficiary under any deed of trust or Mortgage under which the interest of any Owner is encumbered.

Section 2.16 Owner.

“Owner” or “Unit Owner” means and refers to any person or entity, including the Declarant, at any time owning a Unit.

Section 2.17 Parking Space Units.

“Parking Space Units” means and includes only those parking spaces which are specifically designated as a Parking Space Unit on the Condominium Map of any Filing. No parking space shown on a Condominium Map shall be considered a “Parking Space Unit” unless specifically so designated on the Condominium Map. After the period of Declarant control, a Parking Space Unit may be owned only by the Owner of a Condo Unit. Any parking spaces designated for the use and benefit of the Community shall be owned by the Association and shall not be considered a Parking Space Unit.

Section 2.18 Property.

“Property” means and includes the Initial Parcel and any additional property subsequently annexed and submitted to this Declaration.

Section 2.19 Storage Space Units.

“Storage Space Units” means and includes only those storage spaces which are specifically designated as a Storage Space Unit on the Condominium Map of any Filing. No storage space shown on a Condominium Map shall be considered a Storage Space Unit unless specifically so designated on the Condominium Map. After the period of Declarant control, a Storage Space Unit may be owned only by the Owner of a Condo Unit. Any storage spaces designated for the use and benefit of the Community shall be owned by the Association and shall not be considered a Storage Space Unit.

Section 2.20 Unit.

“Unit” means a physical portion of the Property designated for separate ownership and shall refer to any of the numbered Condo Units, Parking Space Units and Storage Space Units shown on the Condominium Map or on the Condominium Map of any subsequent Filing submitted to this Declaration.

**Article III
CONDOMINIUM OWNERSHIP**

Section 3.01 Separate Interests.

The Property shown on the Condominium Map is hereby divided into Common Elements and separate fee simple interests in the individual Units depicted thereon. The ownership of a Unit includes and is subject to the easements, rights, and obligations created by this Declaration and the By-Laws of the Association.

Section 3.02 Title.

Title to a Unit may be held or owned by any person or entity in any manner by which title to any other real property may be held or owned in the State of Colorado; provided that, title to a Parking Space Unit or a Storage Space Unit may be held or owned only by the owner of a Condo Unit. Notwithstanding anything contained in this Declaration to the contrary, the conveyance of a Parking Space Unit or a Storage Space Unit to a party other than the owner of a Condo Unit in the same building as where the Parking Space Unit or Storage Space Unit is located shall be void *ab initio*.

Section 3.03 Enjoyment of Common Elements.

Subject to the limitations contained in this Declaration, every Owner shall have the nonexclusive right to use and enjoy the General Common Elements and the exclusive right to use and enjoy those Limited Common Elements designated by the Condominium Map or this Declaration for the exclusive use of his Unit or as appurtenant to his Unit. Limited Common Elements designated by the Condominium Map or this Declaration as appurtenant to more than one, but fewer than all the Units, shall vest each of the Units so designated with the non-exclusive right to use and enjoy those Limited Common Elements.

Section 3.04 Inseparability.

Every conveyance, transfer, gift, devise, encumbrance, or other disposition of a Unit, or any part thereof (other than an undivided interest in the whole) shall be presumed to be a conveyance, transfer, gift, devise, encumbrance, or disposition, as the case may be, of the entire Unit, together with all appurtenant rights created by this Declaration. Any Parking Space Unit or Storage Space Unit owned by a Condo Unit Owner shall be deemed to pass with title to the Condo Unit unless expressly conveyed separate of the Condo Unit to another Condo Unit Owner in the same building. No part of a Unit or of the legal rights appurtenant thereto may be separated from any other part thereof.

Section 3.05 No Partition.

No Owner may bring any action for partition of the Common Elements.

Section 3.06 Separate Titles and Taxation.

Each Unit, together with its interest in the Common Elements, constitutes for all purposes a separate parcel of real estate and must be separately assessed and taxed. The value of the Common Elements shall be assessed proportionately to each Unit in accordance with such Unit's allocated interest in the Common Elements. The Common Elements shall not be separately taxed or assessed. Upon the filing for recordation of this Declaration and the Condominium Map, the Declarant shall deliver a copy of such filing to the Assessor of Eagle County, Colorado. Thereafter, all taxes, assessments, and other charges of the State, or any political subdivision, or of any special improvement district, or of any other taxing or assessing authority shall be assessed against and collected on each Unit, each of which shall be carried on the tax roles as a separate and distinct parcel for that purpose. No forfeiture or sale of any Unit for delinquent taxes, assessments, or other governmental charges shall divest or in any way affect the title of the other Units.

Section 3.07 Mechanic's Lien Rights.

No labor performed or materials furnished for use in connection with any Unit with the consent or at the request of an Owner, his agent, or subcontractor shall create any Mechanic's Lien or right to file a statement of Mechanic's Lien against the Unit of any other Owner, or against any interest in the Common Elements.

Section 3.08 Description of Units.

Every deed for the conveyance of a Unit and every other instrument affecting title to a Unit shall identify the County in which the Unit is located and may describe that Unit by the letter/number combination shown or referenced on the Condominium Map with appropriate reference to the Condominium Map and to this Declaration, as each shall appear in the records of Eagle County, Colorado, in the following fashion:

UNIT _____,
PARK MODERN CONDOMINIUMS PHASE __, BEING
LOCATED IN LOT __, SOPRIS MEADOWS TWO, FILING NO.
__, according to the Condominium Map of Park Modern Phase __,
recorded as Reception No. _____ and the Condominium
Declaration recorded as Reception No. _____ of the Eagle
County, Colorado records.

The numbering sequence for Parking Space Units shall be preceded by the letter "P" and for Storage Space Units shall be preceded by the letter "S".

Units shown on the Condominium Map of any subsequent Filing shall be described in similar fashion, however, the description shall reference both this Declaration and the Supplemental Declaration which submits the Filing to this Declaration.

Article IV
EASEMENTS; ENCROACHMENTS

Section 4.01 Condominium Map Dedications.

All dedicated easements shown on the Condominium Map, any plat or map depicting any property added to the Community, or provided herein are hereby dedicated or reserved for the purposes intended.

Section 4.02 Enjoyment and Access.

Every Owner shall have a non-exclusive right and an easement appurtenant to his Unit for the enjoyment and use of the Common Elements and for access to his Unit, including an easement for ingress and egress for pedestrian traffic over, through, and across sidewalks, paths, walks, and lanes as the same may from time to time exist upon the Common Elements and for pedestrian and vehicle traffic over, through, and across such roads, drives and parking areas as from time to time may be paved and intended for such purposes.

Section 4.03 Utilities.

The Property shall be subject to a blanket easement over, across, and through the Common Elements to install, repair, replace, and maintain all utilities, including, without limitation, water, sewer, gas, telephone, electricity, telecommunications and internet services and cable TV ("utility service lines"). The Units themselves shall be subject to easements in favor of the Association to maintain, repair, replace or reconstitute common utility service lines, fixtures, equipment and facilities serving the Units.

Section 4.04 Maintenance Easement.

The Common Elements, and to the extent necessary, the Units themselves, shall be subject to a non-exclusive right and easement in the Association, including its agents, employees, contractors, and subcontractors, as may be necessary or appropriate for the performance of the duties and functions which the Association is permitted or obligated to perform under this Declaration and for providing maintenance and repairs.

Section 4.05 Encroachments.

If a Unit shall encroach upon any other Unit by reason of original construction or by the non-purposeful or non-negligent act of the Owner, then an easement appurtenant to such encroaching Unit, to the extent of such encroachment, shall exist so long as such encroachment shall exist. If any Common Element shall encroach upon any Unit by reason of original construction, or the non-purposeful or non-negligent act of the Association, then an easement appurtenant to such Common Element to the extent of such encroachment shall exist so long as such encroachment shall exist.

Section 4.06 Constructive Grant of Reciprocal Easements.

All conveyances of Units hereafter made, whether by the Declarant or otherwise, shall be construed to grant and reserve such reciprocal easements as shall give effect to the preceding Sections of this Article, even though no specific reference to such easements appear in the

conveyance. Such easements and covenants are intended and hereby are declared to run with the land and to be appurtenant to the respective Units, and each of them.

Article V

BOUNDARIES AND COMMON ELEMENTS

Section 5.01 Unit Boundaries.

The boundaries of each Unit are shown on the Condominium Map. Unit boundaries of Condo Units and Storage Space Units consist of unfinished walls, floors and ceilings provided that:

- (a) All lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint and finished flooring and any other materials constituting any part of the finished surfaces thereof are a part of the Unit, and all other portions of the walls, floors or ceilings are a part of the Common Elements or any applicable Limited Common Element.
- (b) If any chute, flue, duct, wire, conduit, bearing wall, bearing column or other fixture lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element allocated solely to that Unit, and any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the General Common Elements.
- (c) Subject to the provisions of paragraph (b) of this Section, all spaces, interior partitions and other fixtures and improvements within the boundaries of a Unit are a part of the Unit.
- (d) Any shutters, awnings, window boxes, doorsteps, stoops, porches, balconies and patios and all exterior doors and windows or other fixtures designed to serve a single Unit, but located outside the Unit's boundaries, are Limited Common Elements allocated exclusively to that Unit.
- (e) With respect to those Condo Units which may encompass two (2) floor levels, all interior floors, floor systems and ceilings (i.e., those floors, floor systems and ceilings located within the vertical perimeter walls and between the first and second level of the Unit) are a part of the Unit.

With respect to the Unit boundaries of Parking Space Units, the horizontal boundaries of each Parking Space Unit shall be as shown on the Condominium Map. The paved floor shall form the lower boundary of the Parking Space Unit which shall extend to a vertical height of eight (8) feet (or the finished level of any ceiling), all within the perimeter of the horizontal boundary shown on the Condominium Map.

Section 5.02 Allocation of Additional Limited Common Elements.

In addition to the Limited Common Elements identified in Sections 5.01(b) and 5.01(d) above, the following portions of the Common Elements are designated Limited Common Elements:

- (a) Any parking space designated a Limited Common Element and allocated to a particular Condo Unit on the Condominium Map.

- (b) Any storage room or storage space designated a Limited Common Element and allocated to a particular Condo Unit on the Condominium Map.
- (c) Any deck or balcony designated a Limited Common Element and allocated to a particular Condo Unit on the Condominium Map.
- (d) Any porch, courtyard or patio designated a Limited Common Element and allocated to a particular Condo Unit on the Condominium Map.
- (e) Any other portion of the Common Elements, designated a Limited Common Element and allocated to a particular Condo Unit on the Condominium Map.
- (f) Doors and windows, including screens, storm windows and storm doors, are allocated to the Condo Unit which they serve.
- (g) Any other portion of the Common Elements, designated a Limited Common Element and allocated to the particular Condo Unit or group of Condo Units on the Condominium Map.
- (h) Any other portion of the Common Elements that may be designated by Declarant for the exclusive use and benefit of the Unit Owners of one or more building(s) within the Community but less than all of the Unit Owners of all the building(s) within the Community (e.g. a swimming pool, spa, entertainment room or similar facility that was for the exclusive use and benefit of the building in which it is located).

Section 5.03 Reallocation of Limited Common Elements

A Limited Common Element may be reallocated by the Association between or among Units only to the extent permitted and in the manner authorized by the Act. Likewise, a Common Element not previously allocated as a Limited Common Element may be allocated as a Limited Common Element only to the extent permitted and in the manner authorized by the Act.

Article VI

MAINTENANCE AND REPAIRS

Section 6.01 Owner's Duties - Units and Limited Common Elements.

Each Owner shall be responsible for maintenance and repair of his Unit and all Limited Common Elements serving only such Unit, including fixtures and improvements and all utility lines and equipment located therein and serving such Unit only. Each Owner shall, at all times, maintain and keep in good condition and repair, his Unit and all Limited Common Elements serving only his Unit. In the event that a Limited Common Element serving only one Unit, or a fixture, improvement or utility line/equipment serving only one Unit is covered by a warranty or right of repair held by the Association, the Association shall endeavor in good faith to have applicable maintenance and repair work performed under the Association's warranty or right of repair. In performing such maintenance or repair, or in improving or altering a Unit, an Owner shall obtain all necessary permits and licenses, and shall comply with all applicable laws, rules and regulations, including the rules and regulations of the Association. Notwithstanding the foregoing, no Owner

shall do any maintenance, repair or improvement work that impairs the structural soundness of the building in which such Owner's Unit is located or that interferes with any easement. No Owner shall have the right to make or cause to be made any additions, alterations or repairs to the Common Elements, except that each Owner shall maintain and keep in good condition and repair, the Limited Common Elements serving only his Unit; provided that no Owner shall change or alter the appearance or the structural integrity of any Limited Common Element without the written permission of the Association.

In the event that a Limited Common Element serves more than one Unit but fewer than all the Units in the Community, the Association shall be responsible for the maintenance and repair of any such Limited Common Element. Any common expense associated with the maintenance, repair, or replacement of such limited common element(s) shall be assessed against the units served by the Limited Common Element based on the weighted values provided in Section 9.01. Assessments for Limited Common Element(s) shall be collectable and constitute a lien against the Units served by the Limited Common Element(s) in the manner provided in Article VII.

Section 6.02 Association's Duties - Common Elements.

The Association shall be responsible for the maintenance and repair of all the Common Elements, except for those Limited Common Elements which serve only one (1) Unit. Without limiting the generality of the foregoing, the Association shall provide lawn, grounds and landscaping care, shall water, trim, and prune trees and shrubs, maintain and operate the raw water irrigation system for the benefit of the Community and otherwise maintain and keep in good repair and condition all sidewalks, yards, grounds, greenbelt areas, all drives, all parking lots and facilities, traffic control devices and signage, recreational equipment and all other improvements and facilities which form a part of the General Common Elements or a part of those Limited Common Elements which serve more than one (1) Unit. The Association shall provide for the removal of snow from steps, stairs, walkways, sidewalks, roadways, drives and parking lots which form a part of the General Common Elements or a part of those Limited Common Elements which serve more than one (1) Unit. The Association shall provide for the removal of snow and ice from the roofs and gutters, as and when necessary or otherwise advisable. The Association shall maintain the General Common Elements and those Limited Common Elements which serve more than one (1) Unit to substantially the same or better standards as originally installed.

Section 6.03 Maintenance Costs - Common Elements.

The costs of the maintenance, repair and upkeep of the General Common Elements shall be a Common Expense of all the Owners; provided that, the cost of maintenance, repair and upkeep of any of the Common Elements necessitated by excessive wear or abuse caused by or attributable to the Owner or Owners of one or more of the Units, or the excessive use of a General Common Element or Limited Common Element which serves more than one (1) Unit that is attributable to the Owner or Owners of one or more units, may by resolution adopted by the Executive Board, be assessed to the Owner or Owners responsible for the excessive wear or abuse in such proportions as the Executive Board, in its sole discretion, determines to be proper. The costs of maintenance, repair and upkeep of the façade and exterior of a building within the Community may be assessed against only the Unit Owners in that building.

Section 6.04 Parking Spaces.

Notwithstanding anything herein contained to the contrary, all parking spaces and parking areas (including Parking Space Units and parking spaces designated as Limited Common Elements) shall be maintained exclusively by the Association. The Association shall keep and maintain the markings and striping which delineates the parking spaces in good condition and well evident. The Association shall maintain all parking spaces and parking areas in a uniform manner and all such costs shall be assessed against Parking Space Unit Owners in a manner approximately pro-rata to their Parking Space ownership interest.

Section 6.05 Association's Right of Access.

To perform the maintenance and repairs, the Association shall have the right of access to any Unit during reasonable hours, or at any time for the purpose of making emergency repairs necessary to prevent damage to the Common Elements or to another Unit or Units. The costs of repairing any damage to a Unit resulting from entry therein for the purpose of repairing or maintaining the Common Elements or preventing damage to the Common Elements or another Unit, shall be a Common Expense of all the Owners. The costs of repairing any damage to a Unit resulting from entry therein for the purpose of repairing or maintaining a Limited Common Element serving only one (1) Unit, shall be charged to the Owner of the Unit served by such Limited Common Element.

Section 6.06 Snow Removal.

No Owner of any Condo Unit located other than on the ground floor of any building, shall allow any snow or ice to accumulate or remain upon any deck or balcony which constitutes a Limited Common Element to his Unit only, for more than twenty-four (24) hours from the time the latest accumulation of snow has occurred. Should the Owner fail to remove the snow in compliance with the provisions of this Section, the Association shall have the right to access any such deck or balcony at reasonable hours, through the Unit or otherwise, in order to perform the snow removal function mentioned. The Owner of any Unit subject to the provisions of this Section may make advance arrangements with the Association to perform the snow removal function mentioned for those periods during which the Owner intends to be traveling or otherwise absent from the Unit. The costs of performing the snow removal function, whether by prior arrangement with the Association or by reason of the Owner's neglect or failure to maintain the same, shall be charged to the Owner of the Unit to which the deck or balcony is allocated as a Limited Common Element. In the event the Association finds it necessary to perform such snow removal by reason of the Owner's neglect or failure to remove the snow without having made prior arrangements with the Association for removal of the snow, the Association may also levy a fine or successive fines in accordance with such rules and regulations as the Executive Board may adopt. (The purpose of this provision is to minimize or eliminate the discharge or release of waters from snow melt dripping from the upper decks or balconies which may damage the Common Elements, pose a hazard by the buildup of ice on walkways below or inconvenience persons passing below). The Association may designate areas within the Community where snow is to be deposited after removed from decks or balconies.

Section 6.07 Owner Caused Damage.

Notwithstanding the foregoing, if damage to the Common Elements, Limited Common Elements, or to any Unit is caused by the negligence or intentional act of an Owner or if entry into a Unit is required because of any negligence or intentional act on the part of an Owner, such Owner shall

pay, or reimburse the Association or the impacted Unit owner, for all costs of repairing such damage and shall be liable to the Association and the other Owners for all additional losses or expenses suffered as a result of his negligence or intentional acts, including without limitation, reasonable attorney's fees.

Section 6.08 Association's Right to Maintain.

If in the sole judgment of the Executive Board, any Owner has failed to keep and maintain his Unit or any Limited Common Element serving his Unit in good condition and repair, the Association may, after thirty (30) days notice to the Owner, perform all work necessary to maintain the Unit or the Limited Common Elements in good condition and repair and the Association shall have access to the Unit for such purposes. The Owner shall reimburse the Association for the cost of such work.

Section 6.09 Declarant's Right to Maintain.

If, in the sole judgment of Declarant, the Association has failed to keep and maintain the Common Elements in good condition and repair, the Declarant may, after thirty (30) days notice to the Association, perform all work necessary to maintain the Common Elements in good condition and repair and Declarant shall have access to any Unit and the Common Elements for such purposes. The Association shall reimburse Declarant for the cost of such work, which shall be a Common Expense of all Owners.

Section 6.10 Landscaping and Lawn Care.

Any landscaping in addition to that provided by the Declarant in connection with the initial construction of the buildings shall be at the discretion of the Association and subject to the prior approval of the Design Review Board, which may assess a review fee.

Section 6.11 Owner Responsibility.

Any maintenance or repair required by reason of the willful or negligent act of the Owner, members of his family or guests, tenants or occupants of the Owner's Unit, shall be attributed to the Owner and shall be the responsibility and obligation of such Owner. The Association shall have the right to perform any such maintenance or repairs and recover such costs from the Owner responsible.

Section 6.12 Determination of Obligation and Supervision.

The responsibility for the performance of any maintenance, repair, lawn care, snow removal or other work not expressly delineated above shall be determined by the Association acting through the Executive Board. In the event any dispute should arise as to the construction or interpretation of the foregoing Sections, the determination with regard thereto made by the Association shall be conclusive. The Association shall have the right to prescribe minimum standards with regard to an Owner's performance of any maintenance for which the Owner is responsible. The Owner shall comply with all guidelines and requirements prescribed by the Association in this connection, and in furtherance hereof, the Association shall have the right to require any Owner at any time, to forthwith correct any repair or any maintenance deficiency then existing.

Article VII

THE ASSOCIATION

Section 7.01 Purposes and Powers.

The Association through the Executive Board or a Managing Agent shall perform the functions and hold and manage property as provided in this Declaration so as to further the interests of the Unit Owners in the Project. The Association shall have all the powers necessary or desirable to effectuate such purposes.

Section 7.02 Membership.

Every Owner shall be entitled and required to be a member of the Association. An Owner shall be entitled to one (1) membership for each Unit owned. Each such membership shall be appurtenant to and inseparable from the Unit upon which it is based, and shall be transferred automatically by the transfer (in whatsoever form) of that Unit. Ownership of a Unit shall be the sole qualification for membership. No person or entity other than an Owner may be a member of the Association.

Section 7.03 The Executive Board.

The affairs of the Association shall be managed by an Executive Board which may by resolution delegate any portion of its authority to an Executive Committee or to a Managing Agent for the Association. There shall be no fewer than three members of the Executive Board, the specific number to be set forth from time to time in the Bylaws. Each building within the Community shall have the right to elect a member to the Executive Board.

Section 7.04 Bylaws.

The purposes and powers of the Association and the rights and obligations with respect to Owners set forth in this Declaration may and shall be amplified by provisions of the Bylaws of the Association.

Section 7.05 Voting.

Each Condo Unit shall be entitled to one (1) vote. Owners of more than one (1) Condo Unit shall have the right to cast the aggregate number of votes that the Condo Units which they own represent. If any Condo Unit is owned by multiple parties, all such parties shall be members; provided, however, that the vote to which such Unit is entitled shall be exercised as the several Owners among themselves shall determine, but in no event shall more than one (1) vote be cast with respect to any one (1) Condo Unit. After the period of Declarant control, Parking Space Units and Storage Space Units may be owned only by the owner of a Condo Unit. The ownership of a Parking Space Unit or a Storage Space Unit shall carry no voting rights in addition to or independent of the Condo Unit. A quorum of Unit Owners for purposes of conducting the business of the Association shall be forty (40) percent, whether in person or by proxy, of the total Unit Owners. A majority of the Unit Owners present shall determine all matters. No Unit Owner who is more than thirty (30) days late in paying any Assessment (whether periodic or special) shall be entitled to vote.

Cumulative voting shall not be permitted in the election of the Executive Board or for any other purpose.

Section 7.06 Exercise of Powers.

The Association may exercise any right or privilege given it expressly by this Declaration, by the Act or otherwise by law, and every other right, privilege, and power reasonably to be implied from this Declaration or reasonably necessary to effectuate its function and purposes.

Section 7.07 Assessments.

The Association shall have the right to levy and make assessments for Common Expenses, in accordance with this Declaration and its By-Laws, for the following purposes:

- (a) To promote the recreation, health, safety, and welfare of the Owners and the residents of the property;
- (b) To pay that part of the monthly user fees assessed by the Mid Valley Metropolitan District, for the raw water irrigation of the lawns, grounds and landscaped areas of the Common Elements;
- (c) To pay the costs and expenses of maintaining the Common Elements as set forth in this Declaration;
- (d) To pay the premiums for all insurance which the Association is required or permitted to maintain;
- (e) To pay taxes and special assessments levied against any property of the Association, whether real or personal;
- (f) To provide lawn, grounds, and landscaping care for the common elements, maintain and operate the raw water irrigation system for the benefit of the common elements, and to otherwise maintain the common elements;
- (g) To provide for the removal of snow from sidewalks, roadways, driveways, and parking lots which form a part of the Common Elements and from the roofs and gutters as needed;
- (h) To pay all charges for lighting, utilities, irrigation water, trash removal and other services attributable to the common elements;
- (i) To pay wages for Association employees, Association management expenses, legal and accounting fees;
- (j) To pay any deficit remaining from any previous assessment period;
- (k) To create a reasonable contingency reserve, surplus and/or sinking fund;
- (l) To pay any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under or by reason of this Declaration, its Articles of Incorporation or By-Laws; and
- (m) For any other purpose permitted by the Act.

Section 7.08 Assessments for Common Expenses.

Each Owner shall pay his prorata share of the Common Expenses. Such proration shall be made on the basis of each Owner's allocated interest in the Common Elements. Nothing contained in this subsection shall prohibit certain Common Expenses from being apportioned to a particular Unit or Units as provided elsewhere in this Declaration.

Section 7.09 Special Assessments.

In order to meet the financial needs of the Association which are not reasonably included in Periodic Assessments, such as emergency repairs or capital improvements, the Board may propose a Special Assessment to the Unit Owners. A Special Assessment shall be considered by the Unit Owners at a meeting no sooner than fourteen (14) days from when notice to the Unit Owners is sent as provided for in the Bylaws. Approval of a Special Assessment shall be in accordance with the provisions of Section 7.05.

Section 7.10 Payment of Assessments.

Each Owner shall pay to the Association, in accordance with its By-Laws, such assessments as may be periodically made by the Association. Until the Association makes an assessment for Common Expenses, the Declarant shall pay all Common Expenses.

Section 7.11 Periodic Assessments.

After any assessment has been made by the Association, assessments shall thereafter be made monthly or on such other periodic basis as the Executive Board shall determine, but no less frequently than annually, and shall be based on a budget adopted no less frequently than annually.

Section 7.12 Added Charges.

The Association may impose charges for late payment of assessments, recover reasonable attorney's fees and other costs of collection and levy fines for violations of the Declaration, the By-Laws or the Rules and Regulations of the Association. All such charges shall be enforceable as assessments. Any past due common expense assessment or installment shall bear interest at the rate of eight percent (8%) per annum or at such greater rate as may be established by the Executive Board, but not exceeding twenty-one percent (21%) per year. The Association must adopt standards and procedures for notice and hearing as required by the Colorado Common Interest Ownership Act in order to levy and collect fines.

Section 7.13 Collection of Assessments.

The Association shall have the right to bring an action at law against the Owner personally obligated to pay any delinquent assessment or fines.

Section 7.14 Assessment Liens.

The Association shall automatically have a statutory lien (including a super-priority lien as provided in CRS §38-33.3-316) on any Unit for any assessment levied against that Unit against the Unit Owner. The amount of the lien shall include any fees, charges, late charges, attorney's fees, fines and interest. This Declaration constitutes record notice and perfection of the statutory lien. No further recordation of any claim of lien or assessment is required. The statutory lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within six (6) years after the full amount of the assessments become due. The Association's lien for assessments and enforcement rights in respect thereto shall be governed by the applicable provisions of the Colorado Common Interest Ownership Act, as now in effect or hereafter amended.

Section 7.15 Budgets to be Approved by the Members.

It shall be the duty of the Executive Board to formulate and propose a budget of expenses and Periodic Assessments, not less frequently than annually. Within ninety (90) days after adoption of any proposed budget for the common interest community, the Executive Board shall mail, by ordinary first-class mail, hand deliver, or send by electronic mail a summary of the budget to all the Unit Owners and shall set a date for a meeting of the Unit Owners to consider the budget. Such meeting shall occur within a reasonable time after mailing or other delivery of the summary, or as allowed for in the Bylaws. The Executive Board shall give notice to the Unit Owners of the meeting as allowed for in the Bylaws. Unless the Declaration requires otherwise, the budget proposed by the Executive Board does not require approval from the Unit Owners and it will be deemed approved by the Unit Owners in the absence of a veto by two-thirds (2/3) of the Unit Owners at the noticed meeting. In the event that the proposed budget is vetoed, the periodic budget (including Periodic Assessments) last proposed by the Executive Board and not vetoed by the Owners of the Condo Units shall be continued until a subsequent budget proposed by the Executive Board is not vetoed.

Section 7.16 Rules and Regulations.

In furtherance of the intent, purposes and provisions of this Declaration, rules and regulations may be adopted, amended or repealed from time to time by the Executive Board. All rules and regulations adopted by the Association shall be applied uniformly in a non-discriminatory manner. The Executive Board may also establish and enforce penalties and fines for the infraction of any rule or regulation, which fines shall be collectable as assessments in the manner provided above.

Article VIII

ARCHITECTURAL CONTROL - DESIGN REVIEW BOARD

An Architectural Review Committee, known as the Sopris Meadows Multi-Family Residential Design Review Board (the "Design Review Board"), consisting of three (3) members, is established under the provisions of the Master Covenants recorded in Book 744 at Page 544 as Reception No. 640490 of the Eagle County, Colorado records. Architectural and design controls set forth in the Master Covenants apply and shall govern the development of the Property.

Article IX

ALLOCATED INTERESTS

Section 9.01 Undivided Interest in the Common Elements.

For the purpose of determining the undivided interest in the Common Elements allocated to each Unit (including any Units hereafter created and added to the Community) the following formula shall apply. One-bedroom Condo Units shall be assigned a weighted value of 1, two-bedroom Condo Units a weighted value of 1.5 and three-bedroom Condo Units a weighted value of 2.0 (a Unit that has two bedrooms plus a "media room," "study" or like room shall be considered a three-bedroom Condo Unit), Parking Space Units a weighted value of 0.01 and Storage Space Units a weighted value of 0.01. For any Condo Unit that has more than three bedrooms, the weighted value for said Condo Unit shall be increased in the amount of 0.5 for each additional

bedroom (a "media room," "study" or like room shall be considered a bedroom). The number of bedrooms in a Unit shall be determined on the basis of original construction. The weighted value assigned a Unit shall not be subject to modification by the remodeling or reconfiguration of the Unit's interior space. A Unit's undivided interest in the Common Elements, determined at any given time, shall be a fractional interest, the numerator of which shall be the weighted value assigned to that Unit and the denominator of which shall be the weighted value assigned to each of the Units then submitted to this Declaration, added together.

<u>UNIT</u>	<u>NUMBER OF BEDROOMS</u> (Original Construction)	<u>WEIGHTED VALUE</u> (For purposes of determining the Unit's Allocated Interest in the Common Elements)
Condo Unit	1 Bedroom	1.0
Condo Unit	2 Bedroom	1.5
Condo Unit	3 Bedroom	2.0
Parking Space Unit	N/A	0.01
Storage Space Unit	N/A	0.01

Section 9.02 Liability for Common Expenses.

The share of liability for Common Expenses allocated to each Unit (including any Units hereafter created and added to the Community) shall be equivalent to that Unit's undivided fractional interest in the Common Elements as determined above. Nothing contained in this subsection shall prohibit certain Common Expenses from being apportioned to a particular Unit or Units, as provided elsewhere in this Declaration.

Section 9.03 Voting Rights.

As stated elsewhere in this Declaration, each Condo Unit (including any Units hereafter created and added to the Community) shall be entitled to one (1) vote and one (1) vote only. Parking Space Units and Storage Space Units carry no voting rights.

Section 9.04 Addition of Other Property.

Additional real property hereinafter more particularly identified, may be submitted to this Declaration, added to and made a part of the Community through one or more subsequent Filings. The Owners of any Units added to the Community shall become Members of the Association, the same as if such Units were originally a part of the Community. The addition of such property and inclusion within the Community shall be accomplished by recording in the office of the Clerk and Recorder of Eagle County, Colorado, a Supplemental Declaration and Condominium Map of the Filing, executed by the Declarant and any other party having an ownership interest in the property to be added. The Supplemental Declaration shall contain the legal description of such additional

real property, declare the same an addition to the Community, assign the appropriate weighted value to each Unit for the purpose of determining each Unit's undivided interest in the Common Elements and submit such additional property to this Declaration. Such Supplemental Declaration may contain and establish such additional provisions as are consistent with the intended development of such additional property. The Common Elements established through any and all subsequent Filings shall be merged for the common benefit of all Units which form a part of the Community and the undivided interest in the Common Elements and other allocated interests of each Unit shall automatically be adjusted and reallocated in compliance with the formula stated in Sections 9.01, 9.02 and 9.03 above.

Section 9.05 Combining Units.

An Owner may combine two (2) or more contiguous Units into one (1) Unit, upon compliance with all provisions of the Act and the requirements of the Town of Basalt and the Association (including all building and fire codes). If an Owner combines two or more Units with the intent of creating one (1) Unit therefrom, such resulting Unit shall continue to have the full allocated interests and voting rights originally assigned to the Units so combined. 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 (after obtaining any necessary approvals from the Town of Basalt and the Association) as previously constituted and thereupon restore the interests and Limited and General Common Elements appurtenant to each Unit as existing prior to their combination. Before any combination or separation of Units, the Owner shall submit such plans, specifications and information to the Executive Board as they shall reasonably require, and shall pay all expenses of the Association incurred in connection with such action, including without limitation, the cost of engineering and architectural review, preparing and recording an Amended or Supplemental Declaration and Condominium Map that describe and depict the resulting Units and Common Elements and apportion the Allocated Interests of the affected Units in a manner consistent with the principles set forth in this Article IX.

Section 9.06 Reallocation Upon Declarant's Exercise of Development Right To Subdivide.

In the exercise of its reserved development rights, if the Declarant subdivides a Unit into two (2) or more Units, whether or not any part of the Unit is converted into Common Elements, the Declarant shall prepare, execute and record the requisite supplements or amendments to this Declaration and the Condominium Map and assign an identifying number to each new Unit created. Any such supplement or amendment to this Declaration shall reallocate all of the allocated interests of the Unit so subdivided among the Units created by the subdivision in the manner described above or in such other reasonable manner as the Declarant may prescribe. No such subdivision or reallocation of the allocated interests in the Unit subdivided shall change the allocated interests of any Unit which is not then owned by the Declarant or cause the number of Units within the Community to exceed the maximum number of Units indicated in Section 1.08. above.

Article X
DECLARANT'S RESERVED DEVELOPMENT RIGHTS

Section 10.01 Rights Reserved.

The Declarant hereby reserves, to the fullest extent permitted by law, the following development rights and the right to supplement and amend this Declaration in the exercise of all or any of the following development rights:

- (a) The right to create Units, Common Elements and Limited Common Elements within the Community;
- (b) The right to construct and complete the Units and Common Elements shown on the Condominium Map and any additional Units and Common Elements hereafter added, platted and approved, in any sequence and order that the Declarant shall determine;
- (c) The right to develop the Community in phases and to annex and add all or some part of property identified below to the Community in the manner described in Section 9.04 above or in such other manner as the Act may permit;
- (d) The right to construct underground utility lines, pipes, wires, ducts, conduits and other facilities across any portion of the Property for the purpose of furnishing utilities and other services to buildings and improvements to be constructed on the Property;
- (e) The right to withdraw and grant easements and licenses to public utility companies and to convey improvements within those easements anywhere in the Community not occupied by buildings for the purposes mentioned.
- (f) The right to reconfigure all or any of the Units, with the approval of the Town of Basalt and construct and complete the Units as reconfigured, together with the Common Elements and Limited Common Elements, provided that the Declarant shall have no right to reconfigure a Unit the Declarant does not own;
- (g) The right to phase the construction of the buildings, Units and Common Elements;
- (h) The right to use so much of the Common Elements as it may deem necessary or convenient for the purpose of the construction and development of the buildings, and other improvements on the Property; provided, however, that such use shall not unreasonably interfere with an Owner's access to his Unit.
- (i) The right to prepare, execute and record an Amendment or Amendments to this Declaration, by way of a Supplemental Declaration or otherwise, assigning or reassigning identifying numbers to each Unit created and describing the Common Elements and any Limited Common Elements thereby changed or created, and in the case of Limited Common Elements, designating the Unit or Units to which such Limited Common Elements are allocated, and to prepare, execute and record therewith, an additional, supplemental or amended Condominium Map depicting and addressing the matters required by the Act or deemed proper by the Declarant in connection with any such amendment;

- (j) To assign or reassign parking spaces within the Common Elements, which are not designated Limited Common Elements, without discriminating among the Units;
- (k) To annex and develop and include in the Community all or any part of the additional real estate mentioned below;
- (l) To exercise those development rights extended with respect to the Property by virtue of the Amended Annexation Agreement recorded as Reception No. 585757, the First Addendum to Amended Annexation Agreement recorded as Reception No. 595886 and the Second Addendum to Amended Annexation Agreement, recorded as Reception No. 763050 of the Eagle County, Colorado records;
- (m) The right to combine two (2) or more contiguous Units into one (1) Unit and reallocate the allocated interests attributable to the resulting Unit in any reasonable manner, together with the right to reconstruct and complete the resulting Unit and Common Elements as so reconfigured;
- (n) The right to subdivide and successively subdivide and convert a Unit previously created into additional Units, Common Elements or both and to reallocate all of the allocated interests of the Unit among the Units created by the subdivision in any reasonable manner, together with the right to construct and complete the additional Units and Common Elements created, in any sequence and order that the Declarant shall determine; provided always that, the number of Units shall in no event exceed the maximum number of Units indicated in Section 1.08. above;
- (o) The right to reallocate the Common Elements, including any Limited Common Element designated as appurtenant to a Unit or Units owned by the Declarant, in the exercise of Declarant's reserved development rights to further subdivide a Unit or to combine two (2) or more Units into one (1) Unit;
- (p) The right to designate Common Elements as Limited Common Elements for the exclusive use of less than all of the Unit Owners for purposes including, but not limited to, providing exclusive amenities, design elements, and community spaces for the Owners of Units in specific building(s) within the Community.
- (q) To exercise the "Special Declarant Rights" defined in the Act, including the rights to construct and complete the improvements, to exercise any development right, including those expressly reserved in this Declaration, to maintain sales offices, management offices, model units and signs advertising the Community and models, to use easements through the Common Elements for the purpose of making improvements within the Community, to make the Community subject to a Master Association, to merge or consolidate the Community with a common interest community of the same form of ownership, to appoint and to remove any officer of the Association or any Executive Board member during the period of Declarant Control herein set forth.

Section 10.02 Right to Annex Additional Real Estate.

Developer further reserves the right to add and annex to the Community any, all or any part of the remainder of Parcel 4C and all or any part of Parcel 4D of the Sopris Meadows Planned Unit Development according to the Final Plat thereof recorded as Reception No. 595887 of the Eagle County, Colorado records; such parcels are depicted on Exhibit "A" hereto (Parcel 4C and Parcel

4D are separated by Willow Road at a distance of approximately 60 feet); and to annex unspecified real estate not yet described or located, which unspecified real property shall not exceed ten percent (10%) of the total combined areas of Parcel 4C and Parcel 4D of the Sopris Meadows Planned Unit Development. The maximum number of each type of Unit that will compose the Community, if all such real estate is annexed, shall not exceed the maximum number of each type of Unit as specified in Article I above. Any real estate annexed to the Community not already subject to the Master Covenants shall be submitted to the same upon such annexation.

Section 10.03 Exercise of Development Rights.

Any development right may be exercised with respect to different portions of the Property, at different times and in such sequence as the Declarant may determine. No assurances are made as to which portions of the Property may be subjected to the exercise of each development right, or in which order each development right may be exercised or applied to any portion of the Property. If any development right is exercised in any portion of the Property that development right need not be exercised in all or any portion of the remainder of the Property. Declarant may, but has no obligation to add or annex all, any or any portion of the additional real estate described above. The exercise of development rights with respect to some portions of the Property will not obligate the Declarant to exercise any development rights as to other portions. No assurances are made by Declarant as to whether Declarant will exercise its development rights herein reserved or any of them or as to the order in which any portion of the Property may be developed.

Section 10.04 Development Rights/Allocated Interests.

Regardless of the manner or nature in which the development rights are exercised, and whether or not any additional Parcel(s) or unspecified lands are annexed, the Common Elements and the Common Expenses shall always be allocated among the total number of Units within the Community in the manner described in Article IX above, and each Condo Unit shall be allocated one vote and one vote, only.

Section 10.05 Reserved Construction Easement.

Declarant reserves the right to perform warranty work, repairs and construction work in the Units and Common Elements, to store materials in secure areas, and to control and have the right of access to work and make repairs until completion of the entire Community. All work may be performed by the Declarant without the consent or approval of the Executive Board or the Association. The Declarant has an easement through the Common Elements as may be reasonably necessary for the purpose of discharging the Declarant's obligations or exercising Declarant's rights, whether arising under the Act or reserved in this Declaration. This easement and the reserved rights attendant thereto includes the right to convey access, utility and drainage easements to the Town of Basalt and Midvalley Metropolitan District or any other special district, governmental authority, public utility or the State of Colorado.

Section 10.06 Signs and Marketing.

Declarant reserves the right to post and maintain signs and displays in Units owned by the Declarant and in the Common Elements in order to promote sales of Units. Declarant also reserves the right to conduct general sales activities in a manner which will not unreasonably disturb the rights of Unit Owners.

Section 10.07 Removal of Declarant's Property.

Declarant reserves the right to remove and retain all of its property and equipment used in the sales, management, construction and maintenance of the property whether or not the same have become fixtures.

Section 10.08 No Interference.

Neither the Association nor any Unit Owner may take any action or adopt any rule or amendment to this Declaration that will interfere with or diminish any reserved rights of the Declarant, without the prior written consent of the Declarant.

Section 10.09 Location of the Buildings.

The Declarant reserves the right to establish or change the building envelopes with the approval of the Town of Basalt, provided that the Declarant shall have no right to alter the boundaries of any Unit which the Declarant does not own. This Declaration shall not be deemed to restrict the improvements to be constructed by Declarant to any predetermined location.

Section 10.10 Promotional Activity of the Declarant.

The Declarant may maintain a sales office or management office within any Unit or Units located on the Property. Any Unit or Units may be used as a model for promotional purposes. The Declarant reserves the right to maintain signs on the Common Elements, so long as the Declarant owns any Unit held for sale within the Community.

Section 10.11 Time Limit.

Development rights and other special declarant rights reserved to the Declarant must be exercised within twenty-five (25) years from the date of this Declaration.

Section 10.12 Release or Assignment of Declarant's Rights.

Declarant may release or transfer any or all the Declarant's rights reserved under this Article or elsewhere in this Declaration, but only by instrument acknowledged in the manner of a Deed and recorded in the records of the Clerk and Recorder of Eagle County, Colorado. Declarant may restrict or limit the exercise of any rights and interest so assigned. Any successor in interest to Declarant, in respect to any portion of the Declarant's rights hereunder, may further assign and transfer such rights and interests in like manner, but only to the extent expressly permitted in the assignment from the Declarant.

Article XI

**DECLARANT'S RIGHTS TO CONTROL THE ASSOCIATION
AND LIMITATIONS**

Section 11.01 This Article Controls.

The provisions of this Article shall control all inconsistent and conflicting provisions contained elsewhere in this Declaration or in the Bylaws of the Association, including those provisions which otherwise apply to the Declarant as a Unit Owner.

Section 11.02 Period of Declarant Control.

There shall be a period of Declarant control of the Association, during which a Declarant, or persons designated by the Declarant, may appoint and remove the officers of the Association and members of the Executive Board.

- (a) The period of Declarant control shall terminate no later than the earlier of (i) sixty (60) days after conveyance of seventy-five percent (75%) of the Units that may be created in the Community to Unit Owners other than a Declarant; or (ii) two years after the last conveyance of a Unit by the Declarant in the ordinary course of business; or (iii) two years after any right to add new Units was last exercised.
- (b) Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units in the Community that may be created to Unit Owners other than a Declarant, at least one member and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Unit Owners other than the Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units in the Community that may be created to Unit Owners other than a Declarant, not less than thirty-three and one-third percent (33 1/3%) of the members of the Executive Board must be elected by Unit Owners other than the Declarant.
- (c) Except as otherwise provided in C.R.S. § 38-33.3-220(5), not later than the termination of any period of Declarant control, the Unit Owners shall elect an Executive Board of at least three members, at least a majority of whom must be Unit Owners other than the Declarant or designated representatives of Unit Owners other than the Declarant; and the Executive Board shall elect the officers and the Executive Board members and officers shall take office upon election.
- (d) Notwithstanding any provision of this Declaration or the Bylaws to the contrary, following notice under C.R.S. § 38-33.3-308, the Unit Owners, by a vote of sixty-seven percent (67%) of all Unit Owners present and entitled to vote at a meeting of the Unit Owners at which a quorum is present may remove a member of the Executive Board with or without cause other than a member appointed by the Declarant.

Section 11.03 Voluntary Surrender.

The Declarant may voluntarily surrender the right to appoint and remove officers and members of the Executive Board before termination of the period of Declarant control set forth above. In that event, the Declarant may require that, for the duration of the period of Declarant control, specified actions of the Association or Executive Board as described in a recorded instrument executed by the Declarant, be approved by the Declarant before becoming effective.

Section 11.04 Association's Records.

Within sixty (60) days after termination of Declarant's control and the election of a new Executive Board by the members, the Declarant shall deliver to the Association all records and property of the Association held or controlled by the Declarant as prescribed by the Colorado Common Interest Ownership Act.

Article XII

USE RESTRICTIONS

Section 12.01 No Resubdivision.

No further subdivision of any Unit shall be permitted, except pursuant to the reserved rights of the Declarant set forth above.

Section 12.02 Leases.

Any lease agreement shall provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration, the Articles of Incorporation, By-Laws and duly promulgated Rules and Regulations of the Association, and that any failure by the tenant to comply with the terms of such documents shall be a default under the lease. All leases shall be in writing. No Owner shall be permitted to lease a Unit for transient or hotel purposes; nor shall any Owner lease only a room or rooms which consist of less than the entire Condo Unit. No Parking Space Unit or Storage Space Unit shall be rented or leased to other than an Owner or lessee of a Condo Unit. Other than as provided in this Section, there is no restriction on the right of any Owner to lease his Unit.

Section 12.03 Master Covenants.

The Master Covenants, identified in Article I above, set forth use restrictions which apply to the Property and all Parcels approved for multi-family development within the Sopris Meadows Planned Unit Development. The Master Covenants further govern the use of the Property.

Section 12.04 Animals.

No animals of any kind shall be raised, bred or kept on the Property, except that dogs and cats may be kept, provided that they are not kept, bred or maintained for any commercial purpose and that such pets are at all times under the control of their Owner, well-mannered and behaved; and provided further that, in no event shall any Owner(s) or occupant(s) of any Unit keep more than a total of two (2) such animals, in any combination, at any time. Any Owner(s) or occupant(s) of a Unit harboring an animal upon the Property shall at all such times keep and maintain, in full force and effect, a homeowners insurance policy or other liability insurance coverage, with limits of not less than \$500,000, the covered risks of which shall include bodily injury, death and property damages caused by such animal. Notwithstanding the foregoing, the Executive Board, in its discretion, may promulgate rules and regulations concerning the keeping of dogs and cats within the Community, which are more restrictive than those limitations set forth above. By way of example and not by way of limitation, the Executive Board shall have the right to absolutely prohibit the keeping of dogs or cats, or to implement a plan of special pet assessment dues which shall be payable by any Owner who keeps a dog or cat upon the Property.

Section 12.05 Vehicle Repairs.

No maintenance, servicing, repair, dismantling or repainting of any type of vehicle, boat, camper, trailer, machine or equipment may take place on the Property.

Section 12.06 Trailers, Campers, Recreational and Junk Vehicles.

Except where the criteria set forth in C.R.S. §38-33.3-106.5 applies, no boat, camper, snowmobile, four-wheeler, not street legal motorcycle (on or off supporting vehicles), trailer, tractor, truck, industrial or commercial vehicle (cab or trailer), towed trailer unit, disabled, junk or abandoned vehicles, motor home, mobile home, recreational vehicle or any vehicle, the primary purpose of which is recreational, sporting or commercial use, shall be parked or stored on the Property. For purposes of this covenant, any three-quarter ton or smaller vehicle commonly known as a pickup truck, shall not be deemed a commercial vehicle or truck.

Section 12.07 Use of Parking Facilities.

The below-grade parking facilities, including all parking spaces and all Parking Space Units shall be used for the parking of currently licensed operable vehicles only. No storage, other than vehicles, is permitted in a Parking Space Unit. Except where the criteria set forth in C.R.S. 38-33.3-106.5 applies, no oversize vehicles (vehicles with a height in excess of 7½ feet (inclusive of roof mounted racks and accessories), a width in excess of 6½ feet or a length in excess of 19 feet) shall be parked or permitted within the parking facilities.

Section 12.08 Use of Storage Space Units.

Storage Space Units shall be used for the storage of non-flammable, non-hazardous supplies and other items of personal property. Storage Space Units shall not be used as habitable space, shall not be open to the public and shall not be occupied by any person or persons. The space shall have minimum lighting and shall be provided with no heat, no operable windows and without any floor covering. Storage Space Units shall be kept locked except when accessed for storage purposes. No Storage Space Unit shall be converted to habitable space.

Section 12.09 Restrictions on Floor Loads.

No Owner may place a load on any floor which exceeds the load for which the floor was designed. No Owner shall install or maintain any item of heavy furniture or equipment or make any other installation, except in a manner designed to achieve a proper distribution of weight.

Section 12.10 Signs.

Before the Owner of any Unit shall display any signage, posters or other advertising devices upon any part of the Common Elements, the written approval of the Executive Board must first be procured. The provisions of this Section are in addition to any approvals that may be required by the Design Review Board.

Section 12.11 No Nuisance or Hazard.

No nuisance shall be permitted within the Unit or upon the Property, nor any use, activity or practice which would reasonably constitute an annoyance or hazard or which otherwise would tend to disturb or offend any Unit Owner or interfere with another Unit Owner's peaceful possession or enjoyment of his Unit or any part of the Common Elements shall be permitted. No loud noises, such as the playing of televisions, audio devises, radios, and home theater systems, shall occur in any Unit in a manner where the sound therefrom would be unreasonably audible in an adjoining Unit. No unsafe, hazardous or unlawful use shall be permitted upon the Property or

any portion thereof. All applicable laws, ordinances and governmental regulations shall, at all times, be observed.

Section 12.12 Single Family Usage.

Condo Units shall be used for single family residential purposes only, provided that, in-home businesses or occupations which do not involve employees other than the Unit Owner(s), the solicitation or invitation of the general public, or the servicing of customers shall be permitted, so long as activities are conducted entirely within the Unit and do not cause additional traffic, increase the parking burden within the development or otherwise create a nuisance. Any in-home business or occupation must also fully comply with all applicable requirements of the Basalt Town Code.

Section 12.13 Restrictions on Use of Common Elements.

Decks, patios, balconies, porches, Parking Space Units and General and Limited Common Elements shall not be used for the storage of personal property of any kind. Nothing shall be placed on or in windows or doors or otherwise on the exterior of any Unit or on the Common Elements, which creates an unsightly appearance. Skis, snowboards, bikes, mountain bikes, kayaks and other items of personal property shall not be allowed to remain outside except when in actual use. No laundry shall be dried or hung outside.

Section 12.14 Required Floor Coverings on Second Level.

The provisions of this Section shall apply to all Condo Unit floors located on the second level (second floor) of any building. Wood and tile floor substrates located below the finished flooring materials are part of the noise mitigation assembly and must be maintained in their original condition. Replacement of wood and tile floor substrates must be approved by the Executive Board. The provisions of this Section are adopted for the purpose of minimizing the transfer of sound through the floors of upper Units to Units located below and shall be strictly enforced by the Association.

Section 12.15 Integrity of Noise Mitigation.

Common walls between Units and floor/ceiling assemblies have been designed and constructed to meet Sound Transmission Class (STC) 55 and Impact Insulation Class (IIC) 55 standards (the "Standards") in order to mitigate noise transfer between Units. Common walls between Units and floor/ceiling assemblies have also been constructed to meet fire code requirements. No modifications to common walls or floor ceiling assemblies shall be undertaken by any Owner that compromise the sound transmission Standards. Any modification to common walls and floor ceiling assemblies shall first require obtaining the written approval of the Executive Board and if applicable the Town of Basalt. Further, in order to prevent noise transfer between Units, no Owner shall install any sound producing device (i.e. speakers) in any common wall or ceiling area.

Section 12.16 Wall Materials.

All walls in the Unit have been designed to comply with the applicable building codes and fire codes. Gypsum drywall on all of the Unit common walls has been designed and constructed to fire-rated standards. No common wall of any Unit may be modified by the Unit Owner without approval of the Executive Board after the Unit Owner presents evidence that the requested modifications will meet all applicable codes and insurance requirements.

Article XIII
WATER AMENITIES

Section 13.01 Notice.

Notice is hereby given that the Property is located near the Roaring Fork River. A lake and certain irrigation ditches exist on or near the property. There are inherent hazards and risks associated with these amenities.

Section 13.02 No Liability.

Neither the Declarant, the Association, the Town of Basalt, the Mid Valley Metropolitan District, nor any rightful owner or user of the irrigation ditches or waters that exist on or near the Property shall have any liability to any Owner, tenant or occupant of the Property in respect to bodily injury, death or property damages caused by, arising out of, or in connection with such amenities or otherwise related to such amenities or the use thereof.

Section 13.03 Prohibitions.

No Owner, tenant, guest, invitee or family member of an Owner or tenant, nor any other person claiming any interest in a Unit or occupying or using any Unit shall: (a) take water from, disturb or otherwise interfere with the operation of any irrigation ditch or the use of any such ditch by the rightful owners and users thereof; (b) use any ditch or the lake for swimming, tubing, boating or similar recreational activities; (c) trespass on any irrigation ditches or embankments; (d) block, obstruct or interfere with the flow of any irrigation ditch; (e) install, construct or place any planks, boards or bridges on or across any irrigation ditches or ditch embankments; or (f) claim damages or otherwise seek to hold the Declarant, the Association, the Town of Basalt or Mid Valley Metropolitan District or any ditch company or rightful owner or user of the irrigation waters and ditches, responsible or liable for any damages whatsoever, to persons or property, for bodily injury, death or property damage, in any way connected with, caused by, arising out of or related to any irrigation ditch, the lake, the river, the use of those amenities for any purpose, any flooding of the irrigation ditches or river, or the proximity of the Property or any particular Unit to such amenities, whether or not foreseeable.

Section 13.04 Release.

The mere acquisition, rental or occupancy of any Unit within the Property or any portion thereof, shall signify that the provisions of this Article are accepted and ratified, and that the parties mentioned are released and absolved from any and all responsibility or liability in respect to said amenities to the full extent permitted by law. Should any claim be asserted or suit brought in violation of this Section, the party or parties against which the claim is made or suit brought, shall be entitled to recover all costs and expenses incurred in connection therewith, including reasonable attorney's fees.

Article XIV

INSURANCE

Section 14.01 Association to Maintain Insurance.

Commencing not later than the time of the first conveyance of a Unit to a person other than the Declarant, the Association shall maintain to the extent reasonably available:

- (a) Property insurance on the Common Elements for broad form covered causes of loss. Such coverage shall afford protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement and such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use, as the buildings on the Property, including, but not limited to vandalism and malicious mischief. The amount of insurance must be not less than the full insurable replacement cost of the insured property, less applicable deductibles at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations and other items normally excluded from property policies; provided that the casualty protection on the buildings and improvements maintained by the Association shall insure the improvement only to the interior bare walls as initially constructed and installed by the Declarant. It shall be the responsibility of each Owner to insure the finish of the interior walls and all cabinets, furnishings, fixtures, appliances, personal property, and other contents of his Unit. The named insured shall be the Association, individually, and as agent for the Owners and their Mortgagees, without naming them. Provisions shall be made for the issuance for mortgagee endorsements and memoranda of insurance to the Mortgagees of the Owners. Such insurance policy shall provide that payments by the insurer for losses shall be made to the Association or to an insurance trustee in the State of Colorado designated by the Association for that purpose. Such insurance policy shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of a Unit Owner because of negligent acts of the Association or other Unit Owners. The scope of coverage must include all other coverage in the kinds and amounts commonly required by private institutional mortgage investors for projects similar in construction, location, and use.

- (b) Commercial general liability insurance against claims and liabilities.

Insurance against claims arising in connection with the ownership, existence, use or management of the Common Elements with coverage limits as deemed sufficient in the judgment of the Executive Board, but in no event less than \$1,000,000 per occurrence and \$2,000,000 aggregate, insuring the Executive Board, the Association, the management agent, if any, and their respective employees, agents, and all persons acting as agents. The Declarant shall be included as an additional insured in Declarant's capacity as a Unit Owner and board member. The Owners (Unit Owners) shall be included as additional insureds, but only for claims and liabilities arising in connection with the ownership, existence, use or management of the Common Elements. The insurance shall cover claims of one (1) or more insured parties against other insured parties. The Town of Basalt shall also be included as an additional insured. The maintenance of such insurance by the

Association and the acceptance of such coverage by the Town of Basalt, does not waive or purport to waive the provisions of the Colorado Governmental Immunity Act as applicable to the Town of Basalt.

Section 14.02 Non-Availability.

If the insurance described above is not reasonably available, or if any policy of such insurance is canceled or not renewed, without a replacement policy therefore having been obtained, the Association promptly shall cause notice of that fact to be hand delivered, or sent prepaid, U.S. mail, to all Unit Owners.

Section 14.03 Additional Coverage Required.

Pursuant to the Act, the Property Insurance and the Commercial General Liability Insurance required above, must provide that:

- (a) Each Owner is an insured person under the policy with respect to liability arising out of such Unit Owner's interest in the Common Elements or membership in the Association;
- (b) The insurer waives its rights to subrogation under the policy against any Unit Owner or member of his household;
- (c) No act or omission by any Unit Owner, unless acting within the scope of such Unit Owner's authority on behalf of the Association, will void the policy or be condition to recovery under the policy; and
- (d) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

Section 14.04 Adjustment of Property Loss.

Any loss covered by the Property Insurance described above, must be adjusted with the Association, but shall be held, administered and applied in the manner provided by the Colorado Common Interest Ownership Act, C.R.S. §38-33.3-313(5) - (9).

Section 14.05 Procedures; Deductibles; Assessments.

The Association may adopt and establish written nondiscriminatory policies and procedures relating to the submittal of claims, responsibility for deductibles, and any other matters of claims adjustment. To the extent the Association settles claims for damages to real property, it shall have the authority to assess negligent Unit Owners causing such loss or benefitting from such repair or restoration, all deductibles paid by the Association. In the event that more than one (1) Unit is damaged by a loss, the Association, in its reasonable discretion, may assess each Unit Owner a pro rata share of any deductible paid by the Association.

Section 14.06 Owner's Insurance.

An insurance policy issued to the Association does not obviate the need for Unit Owners to obtain insurance for their own benefit. Unit Owners shall maintain separate insurance policies in a minimum amount of \$250,000 for property damage and general liability. The Association shall be a "named insured" on all Unit Owner insurance policies for their Unit.

Section 14.07 Officers and Directors.

The Association shall keep and maintain Officers and Directors errors and omissions and personal liability coverage, with coverage limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate, to protect the officers and directors from personal liability in relation to or arising out of their duties on behalf of the Association.

Section 14.08 Fidelity Bonds and Insurance.

The Association shall obtain adequate fidelity bonds or insurance coverage to protect against dishonest acts of any Unit Owner, Executive Board member, Officer, employee or Manager of the Association handling or responsible for Association funds. Such fidelity bonds or insurance coverage shall not be less than the aggregate amount of two (2) months current assessments for the entire Property, plus reserves as calculated from the current budget of the Association, or \$50,000, whichever is greater. The Association may carry fidelity bonds or insurance in such greater amount as the Executive Board deems prudent.

Section 14.09 Managing Agent Insurance.

The Association shall require any independent contractor employed for purposes of managing the Common Interest Community to carry fidelity bonds or insurance for the benefit of the Association to the same extent as the Association or with such greater coverage limits as the Association or the Act may require, for the benefit of the Association and any such Manager shall maintain and submit evidence of such coverage to the Association.

Section 14.10 Worker's Compensation and Employer's Liability Insurance.

The Association shall obtain worker's compensation and employer's liability insurance and all other similar insurance with respect to its employees in the amounts and forms as may now or hereafter be required by law.

Section 14.11 Other Insurance.

The Association may also obtain insurance coverage against any such other risks of a similar or dissimilar nature, as deemed appropriate.

Section 14.12 Insurance Expense.

The cost of all insurance which the Association is required or permitted to maintain, shall be assessed to the Unit Owners as a Common Expense.

Section 14.13 Annual Review.

The Executive Board shall review the insurance coverage for the Association at least annually for the purpose of determining the amount of insurance required.

Section 14.14 Duty to Repair.

Any portion of the Community for which insurance is required under this Article which is damaged or destroyed must be repaired or replaced promptly by the Association unless: the Community is terminated in accordance with the Act; the repair or replacement would be illegal; sixty-seven percent (67%) of the Unit Owners, including every Owner of a Unit or assigned Limited Common Element that will not be rebuilt, vote not to rebuild; or, prior to the conveyance

of any Unit to a person other than the Declarant, the holder of a Deed of Trust or Mortgage on the damaged portion of the Community rightfully demands all or a substantial part of the insurance proceeds.

Article XV
ASSESSMENT CERTIFICATES AND NOTICES

Section 15.01 Assessment Certificates.

Upon request, the Association shall provide any Owner, prospective purchaser, Mortgagee or prospective Mortgagee, of any Unit in the Community a certificate in writing signed by an officer or the Manager of the Association setting forth the amount of any assessments, interest or late charges due in connection with any specified Unit. A reasonable charge may be made by the Association for the issuance of such certificates.

Section 15.02 Notice of Assessment Liens.

Upon written request, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the Association's registered agent, the Association shall furnish to a Unit Owner or his designee, or to a holder of a Security Interest, mortgage or deed of trust, or its designees, a written statement setting forth the amount of unpaid assessments currently levied against such Owner's Unit. This statement shall be furnished within fourteen (14) days after receipt of the request, and is binding on the Association, the Executive Board and every Unit Owner. If no statement is furnished to the Unit Owner or holder of the Security Interest, mortgage or deed of trust, or to his designee, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the inquiring party, then the Association shall have no right to assert a lien upon the Unit for unpaid assessments which were due as of the date of the request.

Article XVI
MASTER ASSOCIATION

Section 16.01 Master Association.

The Executive Board of the Association may delegate to a Master Association, such powers of the Association as may be permitted by the Act and as the Executive Board deems appropriate. The Executive Board of any Master Association to which powers of the Association are delegated shall be elected after the period of Declarant control as follows:

All members of the Executive Boards of all common interest communities subject to any such Master Association shall elect all members of the Master Association's Executive Board.

Section 16.02 Merger or Consolidation.

The Community may be merged or consolidated with one (1) or more other common interest communities of the same form of ownership in accordance with the Act and upon compliance with the provisions of C.R.S. § 38-33.3-221.

Article XVII

GENERAL PROVISIONS

Section 17.01 Notices to Owners.

Notice to an Owner of matters effecting the Community by the Association or by another Owner, shall be sufficiently given if such notice is in writing and is delivered: (a) personally, (b) by courier or private service delivery, (c) by electronic mail to the address furnished by the Owner to the Association in accordance with the Bylaws, or (d) by deposit in the U.S. mail, postage prepaid, addressed to such Owner at the registered mailing address furnished by the Owner to the Association in accordance with the By-Laws. Such mailing shall be deemed adequate, whether mailed ordinary mail, certified mail or registered mail.

Section 17.02 Recording Data.

The recording data for all recorded easements and licenses appurtenant or included in the Community, is set forth in Exhibit "B" attached. In addition, the Community will be subject to the easements and licenses granted or reserved pursuant to this Declaration and the Condominium Map.

Section 17.03 Easement Rights.

The Declarant has an easement through the Common Elements as may be reasonably necessary for the purpose of discharging a Declarant's obligations or exercising Special Declarant Rights, whether arising under this Declaration or the Act.

Section 17.04 Covenants to Run with the Land.

This Declaration shall run with the land and be a burden and a benefit to the Units within the Community.

Section 17.05 Enforcement.

The failure of any Owner to comply with the provisions of this Declaration or with the Articles of Incorporation, By-Laws or the duly promulgated Rules and Regulations of the Association, shall give rise to a cause of action in the Association, as well as any aggrieved Unit Owner for the recovery of damages or injunctive relief, or both. The failure of the Association or any Owner to enforce any such rights, shall in no event be deemed a waiver of the right to do so in the future. The Town of Basalt is recognized as a third-party beneficiary with respect to the use restrictions described in Article XII, and may enforce the same in its own right. The substantially prevailing party to any action to enforce the provisions of this Declaration, Articles of Incorporation, or By-Laws shall be entitled to have awarded to it its reasonable attorney fees and costs associated with such action.

Section 17.06 Amendments.

The Declarant may amend the Declaration and any Condominium Map to correct clerical, typographical or technical errors or to comply with the requirements, standards or guidelines of recognized secondary mortgage markets, the Department of Housing and Urban Development, the Federal Housing Administration, the Veterans Administration, the Federal Home Loan Mortgage

Corporation, the Government National Mortgage Association or the Federal National Mortgage Association. The Declarant may also amend this Declaration in the exercise of Declarant's reserved development rights and as otherwise permitted by the Act. The Association may amend this Declaration with respect to those matters expressly permitted by the Act. Except as provided above, this Declaration may be amended only by the vote or agreement of Unit Owners representing at least sixty-seven percent (67%) of the Units within the Community and by the recordation of a certified copy of the Resolution of Amendment, signed and acknowledged by the President and Secretary of the Association, recorded in the records of the Clerk and Recorder of Eagle County, Colorado. Notwithstanding the provisions hereof, this Declaration shall not be amended without the prior written consent of the Town of Basalt, and no amendments of this Declaration shall in any manner be inconsistent with the Development approvals of the Town.

Section 17.07 Termination of Declaration.

This Declaration shall not be terminated except upon the written agreement of Owners representing not less than sixty-seven percent (67%) of the Units within The Community, and must be evidenced by a Termination Agreement or ratifications thereof, in the same manner as a deed, by the requisite number of Unit Owners. The Termination Agreement must specify a date after which the agreement will be void unless it is recorded before that date. The Termination Agreement and all ratifications thereof must be recorded in Eagle County, Colorado, and shall be effective only upon recordation. Notwithstanding the provisions hereof, this Declaration shall not be terminated without the prior written consent of the Town of Basalt.

Section 17.08 Condemnation.

If part or all of the Common Interest Community is taken by any power having the authority of eminent domain, all compensation and damages for, and on account of, the taking shall be payable in accordance with C.R.S., §38-33.3-107.

Section 17.09 Restoration.

If at any time all Owners and all holders of first mortgages shall agree that the Community has become obsolete and shall approve a plan for its renovation or restoration, the Association shall promptly cause such renovation or restoration to be made according to such plan. All Owners shall be bound by the terms of such plan and the cost of the work shall be a Common Expense.

Section 17.10 Duration.

This Declaration shall continue in effect until revoked or terminated in the manner provided above.

Section 17.11 Severability.

If any clause or provision of this Declaration is determined to be illegal, invalid or unenforceable under present or future laws, all other terms and provisions hereof shall nevertheless remain in full force and effect.

[Signature and Acknowledgement on Following Page]

EXHIBIT A

EXHIBIT B

RIGHT OF WAY FOR DITCHES OR CANALS CONSTRUCTED BY THE AUTHORITY OF THE UNITED STATES AS RESERVED IN UNITED STATES PATENT RECORDED NOVEMBER 16, 1907, IN BOOK 48 AT PAGE 287.

TERMS, CONDITIONS AND PROVISIONS OF SYSTEM DEVELOPMENT FEE PURCHASE AGREEMENT RECORDED DECEMBER 28, 1992 IN BOOK 597 AT PAGE 546.

TERMS, CONDITIONS AND PROVISIONS OF SOPRIS MEADOWS PUD AGREEMENT RECORDED MARCH 12, 1996 IN BOOK 689 AT PAGE 757 AND FIRST ADDENDUM TO THE AMENDED ANNEXATION AGREEMENT (SOPRIS MEADOWS PUD) RECORDED JULY 16, 1996 IN BOOK 699 AT PAGE 896 AND SECOND ADDENDUM RECORDED JULY 25, 2001 AT RECEPTION NO. 763050 AND FIRST AMENDED SITE SPECIFIC DEVELOPMENT PLAN AND FINAL SUBDIVISION IMPROVEMENT AGREEMENT RECORDED SEPTEMBER 18, 2013 RECEPTION NO. 201318902

EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS, RESERVATIONS AND NOTES AS SHOWN OR RESERVED ON THE PLAT OF SOPRIS MEADOWS PLANNED UNIT DEVELOPMENT RECORDED JULY 16, 1996 IN BOOK 699 AT PAGE 897.

TERMS, CONDITIONS AND PROVISIONS OF ORDINANCE RECORDED MARCH 12, 1996 IN BOOK 689 AT PAGE 758, AND ORDINANCE RECORDED JULY 16, 1996 IN BOOK 699 AT PAGE 895.

RIGHT OF WAY FOR THE FOLLOWING DITCHES: PIONEER DITCH, HENRY DITCH, AND THE HARRIS AND REED DITCH.

TERMS, CONDITIONS AND PROVISIONS OF EAST VALLEY ROAD WATER LINE CONSTRUCTION/REIMBURSEMENT AGREEMENT RECORDED JUNE 04, 1997 IN BOOK 728 AT PAGE 445 AND AS AMENDED IN INSTRUMENT RECORDED SEPTEMBER 21, 2009 UNDER RECEPTION NO. 200920785.

TERMS, CONDITIONS AND PROVISIONS OF SOPRIS MEADOWS PUD - DEDICATIONS CONSENT, RATIFICATION, AND JOINDER OF MORTGAGEES RECORDED JULY 16, 1996 IN BOOK 699 AT PAGE 901.

RESTRICTIVE COVENANTS AS CONTAINED IN INSTRUMENT RECORDED NOVEMBER 25, 1997, IN BOOK 744 AT PAGE 544.

RESTRICTIVE COVENANTS AS CONTAINED IN INSTRUMENT RECORDED JULY 25, 2001, UNDER RECEPTION NO. 763051 AMENDMENT RECORDED NOVEMBER 10, 2004 AT RECEPTION NO. 897437.

TERMS, CONDITIONS AND PROVISIONS OF SITE SPECIFIC DEVELOPMENT PLAN AND FINAL SUBDIVISION IMPROVEMENT AGREEMENT RECORDED MAY 21, 2003 AT RECEPTION NO. 834229.

EASEMENTS, CONDITIONS, COVENANTS, RESTRICTIONS, RESERVATIONS AND NOTES ON THE PLAT OF SOPRIS MEADOWS TWO, FILING NO. 3 RECORDED 5 21, 2003 AT RECEPTION NO. 834226 AND RATIFICATION RECORDED MAY 21, 2003 AT RECEPTION NO. 834230, AND PLAT RECORDED SEPTEMBER 18, 2013 RECEPTION NO. 201318901.

TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN TCR CERTIFICATE #10 RECORDED OCTOBER 01, 2004 UNDER RECEPTION NO. 893076.

TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN TCR

CERTIFICATE #1 RECORDED FEBRUARY 26, 2010 UNDER RECEPTION NO. 201003734.

TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN ORDINANCE #5, SERIES OF 2010 RECORDED APRIL 19, 2010 UNDER RECEPTION NO. 201007313.

TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN TRC CERTIFICATE #5 RECORDED JUNE 15, 2010 UNDER RECEPTION NO. 201011708.

TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN ORDINANCE #4, SERIES OF 2011 RECORDED APRIL 05, 2011 UNDER RECEPTION NO. 201106427.

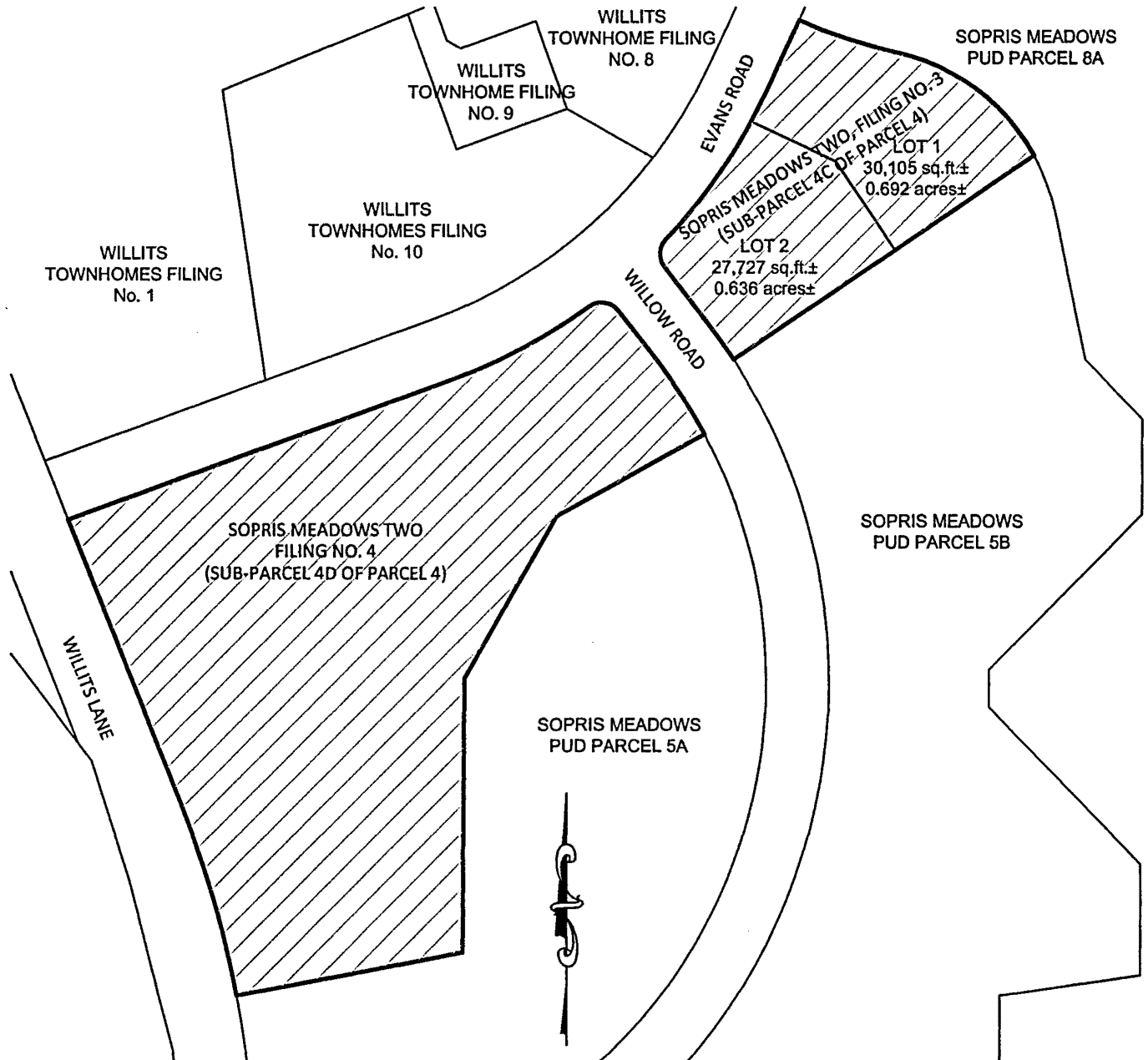
TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN SITE SPECIFIC DEVELOPMENT PLAN AND FINAL PUD PLAN AGREEMENT RECORDED NOVEMBER 14, 2011 UNDER RECEPTION NO. 201121204.

TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN TRC CERTIFICATE NO. 6 RECORDED SEPTEMBER 18, 2013 UNDER RECEPTION NO. 201318903.

RESTRICTIVE COVENANTS AS CONTAINED IN INSTRUMENT RECORDED SEPTEMBER 18, 2013, UNDER RECEPTION NO. 201318904.

EXHIBIT A:
**PROPERTY THAT MAY BE INCLUDED, ADDED TO, AND MADE
 A PART OF THE PARK MODERN CONDOMINIUM
 ASSOCIATION**

(SUB-PARCEL 4C AND 4D OF PARCEL 4)
 BEING LOCATED IN TRACT 52, IN SECTIONS 2 AND 11, T. 8 S., R. 87 W. OF THE 6th P.M.
 TOWN OF BASALT, COUNTY OF EAGLE, STATE OF COLORADO
 SHEET 1 OF 1



**DRAWING
 SCALE**
 1"=150'

NOTE: THE PROPERTY DEPICTED ON THIS EXHIBIT IS SUBJECT TO THE RESERVED DEVELOPMENT RIGHTS AND OTHER SPECIAL DECLARANT RIGHTS DESCRIBED IN THE DECLARATION OF COVENANTS.

**SOPRIS ENGINEERING - LLC
 CIVIL CONSULTANTS**

502 MAIN STREET, SUITE A3
 CARBONDALE, COLORADO 81623
 (970) 704-0311

sopris@sopriseng.com

13015.01 CL 08/07/2013 13015-PLAT-4C-4D.dwg

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

**THIRD AMENDMENT TO THE CONDOMINIUM DECLARATION
FOR
PARK MODERN CONDOMINIUMS**

This Third Amendment to the Condominium Declaration for Park Modern Condominiums (the "Third Amendment") is made by the Park Modern Condominium Association, Inc., a Colorado nonprofit corporation (the "Association").

RECITALS

WHEREAS, the Condominium Declaration for Park Modern Condominiums was recorded in the public records of Eagle County, Colorado on September 16, 2014 at Reception No. 201415896, as amended or supplemented (the "Declaration");

WHEREAS, Park Modern is a condominium located in Eagle County, Colorado as shown on the Condominium Map of Park Modern Condominiums recorded on November 20, 2017 at Reception No. 201722190, as amended or supplemented (the "Condominium Map");

WHEREAS, the Association and its members desire to amend the Declaration to revise the formula for determining the share of the undivided interest in the Common Elements allocated to each Unit;

WHEREAS, this Third Amendment has been approved by the affirmative vote and agreement of Owners holding 67% or more of votes in the Association in accordance with the terms of the Declaration and C.R.S. § 38-33.3-217.

NOW, THEREFORE, the Association and its Unit Owners amend the Declaration as follows:

1. Recitals. The foregoing recitals are incorporated herein.
2. Section 9.01, Undivided Interest in the Common Element is deleted in its entirety and restated as follows:

Section 9.01 Undivided Interest in the Common Elements.

Each Unit's undivided interest in the Common Elements (including Units hereafter created and added to the Community) shall be a fractional interest, the numerator of which shall be the Unit's Weighted Value and the denominator of which shall be the total Weighted Value of all Units subject to the Declaration. The "Weighted Value" of each Unit shall be determined as follows:

- (a) Each Unit's Weighted Value shall be the greater of the following:

(i) A weighted value of 1.0 for the Unit's first bedroom plus a weighted value of 0.5 for each additional bedroom, or

(ii) A weighted value of 1.0 for the Unit's first 1,000 square feet plus an additional weighted value of 0.5 for each additional 850 square feet.

(b) Plus a weighted value of 0.01 for each Parking Space Unit owned with the Unit.

(c) Plus a weighted value of 0.01 for each Storage Space Unit owned with the Unit.

(d) A "media room", "study", "office", "exercise room", or other like room shall be considered a bedroom, unless it is substantially part of a hallway.

(e) The square footage of each Unit is as provided in the Condominium Map, as amended or supplemented.

(f) A Unit's Weighted Value shall not be modified by interior alterations unless such alterations add bedrooms or increase the Unit's square footage, in which case the Weighted Values shall be adjusted accordingly.

3. Recordation. This Third Amendment shall be effective upon recordation.

4. Severability. Invalidation of any one of these provisions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

PARK MODERN CONDOMINIUM ASSOCIATION, INC., a Colorado non-profit corporation.

By: David B Warner
President

STATE OF Hawaii)
) ss.
COUNTY OF Honolulu)

This First Amendment was acknowledged before me on October 7, 2020 by David B Warner, as President of the Park Modern Condominium Association, Inc., a Colorado non-profit corporation.

B. Paio
My Commission Expires
June 18, 2022

WITNESS my hand and official seal.

My Commission expires: June 18, 2022
B. Paio
Notary Public

NOTARY PUBLIC CERTIFICATION

Document Date: 10/7/2020
Notary Name: B. Paio
Doc. Description: Third Amendment to The Condominium Declaration for Park Modern Condominiums
Notary Signature: [Signature] Date: 10/7/2020

