

**CONDOMINIUM DECLARATION
FOR
DOWNHILL PLAZA CONDOMINIUM**

RECITALS:

Les A. Liman ("Declarant"), with an address of P.O. Box 774362, Steamboat Springs, Colorado 80477, is the owner of all that real property in the County of Routt, State of Colorado, described on Part 1 of Exhibit A attached hereto (the "Real Estate"). Declarant desires to establish with respect to the Real Estate a Condominium Common Interest Community under the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101, et seq., the name of which is Downhill Plaza Condominium ("Condominium"). The Map and Plat have been filed at File No. 14487 and recorded at Reception No. 820936 of the Routt County real property records, as a part of this Declaration, showing the location of the Buildings constructed on the Real Estate and the horizontal and vertical boundaries of the Units. The Downhill Plaza Condominium Owners Association, Inc., a nonprofit corporation, shall exercise the functions of an association under the Act and as set forth in this Declaration, and for the purposes described in its Articles of Incorporation.

DECLARATION:

Declarant hereby submits the Real Estate described on Part 1 of Exhibit A to the provisions of the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101, et seq. (the "Act") as it may be amended from time to time, as a condominium under such Act.

Declarant hereby establishes a plan for the ownership of real property estates in fee simple consisting of the air space contained in each of the Units and the co-ownership, by the individual and separate owners thereof, as tenants in common, of all of the Common Elements of Downhill Plaza Condominium. Declarant hereby makes, publishes and declares that the following terms, covenants, conditions, easements, restrictions, uses, reservations, grants, limitations and obligations shall be deemed to run with the Real Estate and shall be a burden and a benefit to Declarant, its successors and assigns, and to any Person acquiring or owning any interest in the Real Estate, their grantees, successors, heirs, executors, administrators, devisees or assigns.

1. DEFINITIONS:

Each capitalized term in this Declaration not otherwise defined in this Declaration or in the Map and Plat shall have the meanings specified or used in the Act. As used in this Declaration, unless otherwise provided:

1.1 "Act" means the Colorado Common Interest Ownership Act as set forth in Article 33.3, Title 38, Colorado Revised Statutes, as it may be amended from time to time. In the event the Act is repealed, the Act, as in effect on the day of recording of this Declaration, shall remain applicable.

1.2 “Allocated Interest” means the undivided ownership percentage interest in the Common Elements in the Condominium appurtenant to a Unit, together with the same percentage liability of such Unit for the Common Expenses. The Allocated Interest appurtenant to each Unit is set forth in Section 3.3.

1.3 “Assessments” means the regular and special assessments levied pursuant to Section 9 of this Declaration.

1.4 “Association” means Downhill Plaza Condominium Owners Association, Inc., a Colorado nonprofit corporation, the members of which shall consist of all of the Owners of Units or, following termination of the Condominium pursuant to the Act, shall consist of all former Unit Owners entitled to distributions of proceeds under C.R.S. § 38-33.3-218, or the heirs, personal representatives, successors or assigns of such former Unit Owners.

1.5 “Association Control Period” means the time period between the initial recording of this Declaration in the real property records of Routt County and the earlier of (i) sixty (60) days after conveyance of seventy-five percent (75%) of the maximum number of Units that may be created pursuant to Section 6.3 below to Unit Owners other than the Declarant, (ii) two (2) years after the last conveyance of a Unit by the Declarant in the ordinary course of business, or (iii) two (2) years after any right to add new Units to the Condominium was last exercised by Declarant; provided, however, that such time period shall in no event exceed the Declarant Control Period.

1.6 “Building” means each of the three building structures labeled the 500 Building, the 600 Building and the 700 Building on the Plat and Map (including all fixtures and improvements contained within such building) containing the Units located on the Real Estate.

1.7 “Common Elements” means all portions of the Condominium other than within the boundaries of the Units, and includes also that portion of any chute, flue, duct, wire, conduit, bearing wall, bearing column, or other fixture lying partially within and partially outside the designated boundaries of a Unit and which serve another Unit or serve any portion of the Common Elements outside such Unit. The Common Elements include the Real Estate described in Part 1 of Exhibit A (including the airspace above and any minerals below the surface owned by Declarant), the driveways, walkways, parking areas, landscaped areas, fixtures, utilities, facilities, improvements and equipment located on the Real Estate outside of the Horizontal Boundaries and Vertical Boundaries of the Individual Air Space of the Units, and the Limited Common Elements described in Part 2 of Exhibit B. The Common Elements also include those portions of the Condominium specifically labeled as General Common Elements or Limited Common Elements (“LCE”) on the Map or Plat.

1.8 “Common Expenses” means (a) all expenses expressly declared to be Common Expenses by the Act, this Declaration or the Articles of Incorporation and Bylaws of the Association, together with all funds assessed for or allocated to the creation, funding or maintenance of reserves; (b) all expenses of administering, insuring, operating, improving, conserving, managing, cleaning, maintaining, repairing and replacing Common Elements and other real or personal property owned by the Association; (c) real and personal property taxes and

assessments on Common Elements and other real or personal property owned by the Association; (d) the Association's legal, accounting and other professional fees, operating expenses, taxes and assessments; and (e) all expenses determined to be Common Expenses by the Association's Executive Board acting in good faith.

1.9 "Declarant" means Les A. Liman, and his successors and assigns to the Development Rights and Special Declarant Rights when conveyed pursuant to the Act.

1.10 "Declarant Control Period" means twenty-nine (29) years from and after the initial recording of this Declaration in the real property records of Routt County. Such 29-year period shall be the time limit within which each of the Development Rights provided for in this Declaration must be exercised, in accordance with C.R.S. § 38-33.3-205(1)(h).

1.11 "Declaration" means this instrument and all amendments to this instrument hereafter recorded in the real property records of Routt County, Colorado, together with the Map and Plat and all amendments and supplements to the Map and Plat.

1.12 "Executive Board" means the board of directors of the Association.

1.13 "Horizontal Boundary" of the Individual Air Space of a Unit means a plane of elevation relative to a described benchmark that defines either a lower or an upper dimension of the Individual Air Space of a Unit such that the real estate respectively below or above the defined plane is not a part of the Unit.

1.14 "Individual Air Space" of a Unit means that air space depicted on the Map and Plat within the Horizontal Boundaries and Vertical Boundaries as shown and described on the Map and Plat.

1.15 "First Lienor" means the Person who is the beneficiary of or holds the first lien Security Interest on a Unit, other than the Association with respect to its lien under the Act as described in Section 9 of this Declaration.

1.16 "Limited Common Elements" means a portion of the Common Elements, designated in this Declaration, or on the Map and Plat, or by the Act, or in any amendment to any of the foregoing, for the exclusive use of one or more but fewer than all of the Units. Without limitation, Limited Common Elements of a Unit shall include the portion of the items described in C.R.S. § 38-33.3-202(b) serving that Unit only and items described in C.R.S. § 38-33.3-202(d) designed to serve that Unit but located outside the boundary of the Individual Air Space of that Unit, including, without limitation, shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, patios, yards and exterior doors and windows.

1.17 "Map" means that part of the Declaration and any proper amendment to the Declaration that depicts all or any portion of the Condominium in three dimensions, is executed by a person who is authorized by the Act to execute the Declaration or amendment to the Declaration for the Condominium, and is recorded in the real estate records of Routt County. **"Plat"** means that part of the Declaration and any proper amendment to the Declaration that is a

land survey plat as set forth in C.R.S. § 38-51-106, depicts all or any portion of the Condominium in two dimensions, is executed by a Person who is authorized by the Act to execute the Declaration or amendment to the Declaration for the Project, and is recorded in the real estate records of Routt County. The Map and Plat may be combined in one instrument, depicting the Units and the Common Elements of the Project thereon, together with all other matters required by the Act and such other matters as are desired by the Declarant.

1.18 “Mortgagee” means any Person who owns, or who holds as beneficiary, any Security Interest, lien or encumbrance on a Unit, including a First Lienor and including any Person owning or holding a nonconsensual lien encumbering a Unit, such as (but not limited to) a mechanic’s lien or judgment lien. If the Security Interest is a deed of trust, then the “Mortgagee” is the beneficiary thereof and is not the Public Trustee of Routt County or the private trustee identified therein.

1.19 “Owner” means any Person who is the record owner of an undivided fee simple interest in any Unit, including a contract seller but excluding those having such interest merely as security for the performance of any obligation, and where the context clearly requires “Owner” also means all co-owners of undivided fee simple interest in such Unit.

1.20 “Project” or “Condominium” means all the Real Estate, including without limitation, the Individual Air Space of the Units and the Common Elements.

1.21 “Real Estate” means the real property described in Part 1 of Exhibit A.

1.22 “Unit” means a physical portion of the Condominium which is designated for separate fee simple ownership and which consists of the Individual Air Space of the Unit, together with the Allocated Interest in the Common Elements made appurtenant to such Unit. Also allocated to each Unit is the Common Expense liability of such Unit, its votes in the Association, and the right to exclusive or non-exclusive use of Limited Common Elements assigned or allocated to such Unit. Except as provided in C.R.S. § 38-33.3-202(b), all spaces, interior partitions and other fixtures and improvements within the boundaries of a Unit are a part of the Unit.

1.23 “Vertical Boundary” of the Individual Air Space of a Unit means a defined limit of an Individual Air Space, as described in this Declaration or shown on the Map and Plat that is not a horizontal boundary of that Individual Air Space of the Unit.

2. NAMES; DESCRIPTION OF UNITS

2.1 Name of Condominium. The name of the common interest community is Downhill Plaza Condominium, which is a condominium.

2.2 Name of Association. The name of the association is Downhill Plaza Condominium Owners Association, Inc., which is a Colorado nonprofit corporation.

2.3 Real Estate. The Condominium is located in Routt County, Colorado. The Real Estate of the Condominium is described in Part 1 of Exhibit A attached to this Declaration.

2.4 Description of Units Any contract of sale, deed, lease, mortgage, will or other instrument affecting a Unit may describe it by its Unit number, Downhill Plaza Condominium, County of Routt, State of Colorado, according to the Plat thereof recorded February 19th, 2020, at Reception No. 820936, File No. 14487, and the Declaration recorded February 19th, 2020, ²⁰²¹ under Reception No. 820937, in the Office of the Clerk and Recorder of Routt County, Colorado (with applicable recording information inserted therein).

3. UNITS

3.1 Number of Units. The Real Estate is hereby divided into twenty-two Units in a three Buildings located on the Real Estate. The Horizontal Boundaries and Vertical Boundaries of the Individual Air Space of each Unit are delineated on the Map and Plat, each Unit having an Allocated Interest in the Common Elements set forth in Part 1 of Exhibit B. Exclusive or non-exclusive use of certain Limited Common Elements may also be allocated to Units, as described in Section 5 below, in Part 2 of Exhibit B to this Declaration or as allocated to one or more Units on the Map and Plat or by the Act. The identifying number for each Unit is shown on the Map and Plat and in Part 1 of Exhibit B:

3.2 Boundaries of Units. The Horizontal Boundaries and the Vertical Boundaries of the Individual Air Space of each Unit are located as shown on the Map and Plat. The interior surfaces of perimeter walls, floors, ceilings, windows and doors of each Unit are designated as boundaries of such Unit. All lath, furring, unfinished wallboard, unfinished plasterboard, flooring and similar items on such perimeter walls, floors and ceilings, and all plaster, finished paneling, paint, wallpaper, finished flooring and any other materials constituting any part of the finished surfaces thereof, together with all spaces, interior partitions and other fixtures and improvements within the boundaries of a Unit are a part of the Unit, provided that Common Elements located within a Unit shall not be part of such Unit. The portions of perimeter walls, floors or ceilings which are not part of a Unit are a part of the Common Elements.

3.3 Allocated Interests. The percentage Allocated Interest appurtenant to each Unit shall be equal except that each Unit which contains a ground floor and a loft or upper floor shall have a double allocation. Accordingly each Unit in the 500 Building and each Unit in the 700 Building shall have a percentage Allocated Interest equal to 3.57% and each Unit in the 600 Building shall have a percentage Allocated Interest equal to 7.14%.

3.4 Re-Subdivision of Units. Units may be further subdivided in accordance with the Act.

3.5 Relocation of Boundaries of Units. Pursuant to the Act, upon approval by the Executive Board, the boundaries between adjoining Units may be relocated by an amendment to the Declaration, and each Unit whose boundaries are so relocated shall be deemed a separate Unit under this Declaration. In order to relocate the boundaries between adjoining Units, the Owners of such Units shall submit to the Executive Board an application which includes matters required by the Act and such other information as may be reasonably requested by the Executive Board. The Executive Board shall approve, approve upon reasonable conditions, or disapprove such

application within a reasonable period of time, and shall communicate promptly to the applying Owners the reasonable conditions of approval or all of the reasons for disapproval, as applicable. Relocation of the boundaries between such Units shall be accomplished by an amendment to the Declaration, prepared in accordance with this Declaration and the Act, executed by the Owners of the Units whose boundaries are relocated and by the president of the Association, and recorded in the Routt County real property records. All costs and expenses resulting from the preparation and recording of an amendment to the Declaration shall be paid by the Owners of the Units whose boundaries are relocated. The provisions of this Section 3.5 shall not be applicable to and shall not restrict Declarant from relocating boundaries of Units owned by Declarant pursuant to Section 6.1.

3.6 Alteration of Units. An Owner may alter such Owner's Unit as permitted in the Act.

3.7 Title. Title to a Unit may be acquired, held, encumbered and conveyed individually or in any form of concurrent ownership recognized in Colorado.

3.8 Residential Units. Units in the Project may be used and occupied for residential uses only pursuant to applicable zoning and governmental regulations and consistent with the applicable City of Steamboat Springs ("City") land use approvals and agreements for the Project and only if designated residential units as provided in this Section 3.8 (hereinafter Units so designated shall be referred to as "Residential Units"). As of the Date of recording of this Declaration, Units 501B, 503B, 504B and 505B in the 500 Building and Units 701B, 702B, 703A and 703B in the 700 Building are Residential Units. There are no Residential Units in the 600 Building. No Unit may be converted from a non-Residential Unit to a Residential Unit or from Residential Unit to a non-Residential Unit except with the approval of the Executive Board and, during the Declarant Control Period, only as expressly authorized by Declarant. In order to make such a conversion, the Owner of the Unit seeking conversion shall submit to the Executive Board and to Declarant during the Declarant Control Period an application for approval of the proposed conversion which includes information as may be requested by the Executive Board. The Executive Board shall approve, approve upon reasonable conditions, or disapprove such applicable within a reasonable period of time and shall communicate promptly to the applying Owner the reasonable conditions of approval or the reasons for disapproval, as applicable. Such conversion shall be accomplished by an amendment to the Declaration approved by the Owners to the extent required by the Act, prepared in accordance with this Declaration, executed by the Owner of the Unit seeking conversion, the Declarant during the Declarant Control Period and the president of the Association, and recorded in the Routt County real property records

3.9 Rental of Units. Owners of Units may rent or lease Units to others; provided, however, that each such lease or rental agreement is subject to the City Community Development Code ("CDC"), the Act, this Declaration and the Articles of Incorporation, Bylaws and Rules and Regulations of the Association. There shall be no nightly residential rentals of Units.

3.10 Authorized and Prohibited Uses. Except as otherwise herein provided, the Units may be used for all lawful purposes, including commercial (including office and retail), light

industrial, warehouse, and residential use only in conformity with applicable laws, this Declaration, and the rules and regulations adopted by the Association, subject to the following:

(a) Automobile repair and automobile body repair as a primary business is prohibited within any Unit; provided that this provision shall not preclude the timely repair of vehicles associated with another principal business of the Owner or occupant of a Unit or the business of auto glass tinting, repair or replacement.

(b) Adult-oriented businesses, including an adult arcade, adult bookstore, adult motion picture theatre or booth, adult dancing establishment, adult cabaret, adult video store, adult motel or sexual encounter center, as such terms are defined as of the date of recording of this Declaration in Section 12-50 of the City Municipal Code, which definitions are incorporated herein by reference, are prohibited.

(c) No illegal uses, unsightly objects, offensive noises, offensive odors or nuisances of any kind shall be erected, placed or permitted to remain or occur on or in any Unit or the Common Elements, nor shall any Unit be used in any way or for any purpose which may endanger the health, or unreasonably disturb the Owner or occupant of any other Unit. The previous sentence shall not be construed to prohibit the possession, use, cultivation, infusion, acquisition, distribution or transportation of medical and/or recreational marijuana in conformity with Colorado law.

(d) No animals, livestock, or poultry of any kind shall be raised, bred or kept on or in any Unit, except that dogs, cats and other household pets may be kept provided that they do not unreasonably interfere with the quiet enjoyment of any Unit by its Owner, tenant or occupant. Animals may temporarily visit the Project in connection with a business being conducted by an Owner or tenant of a Unit but only intermittently and for no more than one hour duration per visit. All dogs must be leashed when out of doors and shall not be allowed to run at large, bark excessively or to harass, annoy or disturb others or wildlife. All droppings shall be immediately picked up and properly disposed of by the Person responsible for the animal. Nothing in this Section 3.10(d) shall be deemed to prohibit a veterinary practice, including veterinary surgery. The Association may adopt Rules and Regulations limiting the number of pets kept by or maintained by any Unit owner or Lessee within a Unit.

(e) Refuse, garbage, trash, waste, scrap or debris of any kind shall not be kept, stored or allowed to accumulate within any Unit or the Common Elements and shall be promptly disposed of in receptacles provided for that purpose. There shall be no open fires, incinerators or burning of rubbish or trash.

(f) There shall be no outside storage of materials, supplies, tools, equipment, finished products, semi-finished products, raw materials, inventory or other articles, except as otherwise approved by the Executive Board.

(g) Established drainage patterns within the Condominium shall not be modified or interfered with, except as approved by the Executive Board.

(h) There shall be no storage of vehicles that are inoperable, or boats, trailers, campers, recreational vehicles, motorcycles, material, inventory or equipment outside of Units, except as allowed by the Rules and Regulations adopted by the Association.

(i) There shall be no penetration of the Common Elements or attachments to Common Elements, including, without limitation, satellite dishes and signs, except as approved by the Executive Board.

(j) Except as approved by the Executive Board, there shall be no venting of air from the interior of any Unit to the outside by mechanical means. The Executive Board shall be authorized to adopt Rules and Regulations pertaining to venting of air from the interior of any Unit to the outside by mechanical means or otherwise and to require that filters and other appropriate means be utilized to control odors generated within a Unit and vented to the outside.

4. THE MAP AND PLAT

4.1 Recording Information. The Map and Plat have been recorded in the Routt County, Colorado real estate records under the reception number indicated in the initial paragraph of this Declaration.

4.2 Amendments to Map and Plat. The Map and Plat may be amended from time to time pursuant to the Act and this Declaration, and shall be amended upon relocation of the boundaries of adjoining Units or the exercise of any Development Rights.

5. COMMON ELEMENTS; LIMITED COMMON ELEMENTS

5.1 Ownership of Common Elements. All of the Common Elements shall be owned only by the Owners of the Units then subject to this Declaration, as tenants in common, subject to the reserved Special Declarant Rights described in Sections 15 and 16 below. The Association has the right and power to cause additional improvements to be made to or upon the Common Elements, as a part of the Common Elements.

5.2 Use of Common Elements. Each Owner shall be entitled to use the Common Elements in accordance with the purposes for which they are intended, without hindering, impeding or imposing upon the rights of the other Owners, but subject to the limitations and restrictions contained in this Section 5, and provided that such use shall be in accordance with Rules and Regulations duly established from time to time by the Association.

5.3 Use and Access.

(a) **Access to Units.** Each Owner of a Unit is vested with and shall have during his period of ownership, for his own use and the use of his guests, employees, agents and invitees, a nonexclusive easement in common with all other Owners on, over and across all exterior motor vehicle driveways and parking areas, pedestrian walkways and sidewalks as are now situated or as may hereafter be constructed by the Declarant or the Association on the Common Elements outside of any Building for purposes of vehicular and pedestrian ingress and egress to such Owner's Unit. However, (i) no Owner shall, by reason of such nonexclusive easement, have any right or privilege to use or occupy any Limited Common Elements which have not been allocated to such Owner's Unit by this Declaration or any amendment to it, (ii) such easement shall not exist upon or burden or encumber any land under the Building, and (iii) such easement is subject and subordinate to reserved Special Declarant Rights and to the right and authority of the Association to regulate, encumber and convey the Common Elements pursuant to the Act and to construct, locate and place improvements and structures on Common Elements. Such easement shall be appurtenant to each Owner's Unit, shall run with such Unit to the respective successive Owners thereof, and shall be irrevocable by Declarant, the Association or any other Unit Owner.

(b) **Access to Utilities, Etc.** The Association and parties authorized from time to time by the Association (including the Association's managing agent and utility suppliers) shall have a non-exclusive easement for access to and within the Units for purposes of operating,

maintaining, modifying, repairing, replacing and removing Common Elements located in whole or in part within the boundaries of the Units.

5.4 Allocation and Description of Limited Common Elements. Any shutters, awnings, doorsteps, stairways, stoops, and landings, and all exterior walk doors, overhead doors and windows or other fixtures designed to serve a single Unit, but located outside the Individual Air Space of the Unit's boundaries, are Limited Common Elements allocated exclusively to that Unit. Any such items designed to serve more than one but less than all of the Units are Limited Common Elements allocated to the Units served by the item in question. In addition to the Limited Common Elements described in C.R.S. § 38-33.3-202(1)(b) and (d), certain Limited Common Elements are allocated for the exclusive use of one or more of the Units are set forth and described in Part 2 of Exhibit B to this Declaration. A Unit may also have additional Limited Common Elements allocated to such Unit as depicted on the Map and Plat.

5.5 No Reallocation of Common Elements as Limited Common Elements. Common Elements in the Real Estate not described as Limited Common Elements elsewhere in this Declaration (including in Part 2 of Exhibit B hereto or on the Map and Plat) or in the Act may not hereafter be allocated as Limited Common Elements.

5.6 Reallocation of Limited Common Elements Among Units. Pursuant to the Act, upon approval by the Executive Board, a Limited Common Element may be reallocated between or among Units. In order to reallocate any Limited Common Element between or among Units, the Owners of such Units shall submit to the Executive Board an application for approval of the proposed reallocation which includes matters required by the Act and such other information as may be reasonably requested by the Executive Board. The Executive Board shall approve, approve upon reasonable conditions, or disapprove such applicable within a reasonable period of time and shall communicate promptly to the applying Owners the reasonable conditions of approval or all of the reasons for disapproval, as applicable. Reallocation of the Limited Common Elements between or among such Units shall be accomplished by an amendment to the Declaration, prepared in accordance with this Declaration and the Act, executed by the Owners of the Units between or among whose Units the reallocation is made and by the president of the Association, and recorded in the Routt County real property records.

5.7 Parking. Parking spaces within the Project are Common Elements for use of the Owners and tenants and their respective customers and other invitees in accordance with the Rules and Regulations pertaining to parking on the Common Elements established and amended by the Executive Board from time to time, it being the intention of this Declaration to vest broad discretion in the Executive Board to manage all parking within the Project and to address as needed regulatory requirements, parking conflicts and changed circumstances as they arise. The Association shall have the right, but not the obligation, to remove improperly parked or stored vehicles at the expense of the owner thereof, and the cost thereof may become an assessment against the Unit of the Owner who or whose occupant parked or stored the vehicle. The Association and the Declarant shall not be liable for any loss or damage resulting from such removal. Without limiting other provisions of this Declaration, the Association may establish and collect fines for violation of rules relating to parking, which fines may be assessed against the Owner of the Unit who or whose occupant commits the violation.

5.8 Alterations of Common Elements. No improvement of any nature, including decks, patios, sheds, fences, shelters, lights, satellite dishes, antennas, sidewalks, landscaping or signs, shall be erected, placed, altered or rebuilt on the Common Elements, nor shall there be any alteration of the exterior, foundations, subfloor, roof or structural components of any Building or of any other Common Elements, including without limitation any alteration of colors, materials or landscaping, unless such action shall have been approved in writing by the Executive Board. Without limiting the foregoing, improvements and facilities for utilities which are part of the Common Elements and which are located in whole or in part within Units shall not be removed, relocated, disconnected or otherwise altered or tampered with without the consent of the applicable utility company and written approval of the Executive Board. The Executive Board shall have the right to charge a reasonable fee and/or collect reimbursement of its expenses incurred in reviewing any action or matter for which consent or approval of the Executive Board is required by this Declaration. The Executive Board may condition the issuance of consent or approval upon (i) payment of its fees and reimbursement of expenses, (ii) the applicant's agreement to make modifications to the proposed action or matter, (iii) the applicant's agreement to maintain and repair any improvements the applicant desires to construct, or (iv) such other matters related to the proposed action or matter as the Executive Board shall reasonably determine. Prior to the commencement of any action or matter requiring approval of the Executive Board, the applicant shall submit to the Executive Board plans and specifications of the proposed work in such detail as the Executive Board shall require. The decision of the Executive Board shall be made within a reasonable period after receipt by the Executive Board of all materials required by the Executive Board. The vote of at least a majority of the members of the Executive Board shall be necessary to approve any action or matter. Any action or matter approved by the Executive Board shall be promptly completed in accordance with the terms and conditions of the approval and the materials submitted to the Executive Board upon which the approval was based. In considering any such action or matter, the Executive Board may consider, among other factors it deems relevant, the compatibility and consistency of the proposed action or matter with the remainder of the Project. Notwithstanding any other provision of this Declaration or any rule of law, the Executive Board shall have no obligation to give consent or approval to any proposed addition or modification of the exterior, foundations, subfloor, roof or structural components of any Building or any other Common Elements, or any item which the Association has an obligation to maintain. The Executive Board, its representatives, employees and agents, shall not be liable to any owner, occupant or any party for any matter resulting from mistakes in judgment, negligence, nonfeasance or any other action related to approval, disapproval or failure to approve any action or matter, and in no event shall the Executive Board or its representatives be responsible for the design, construction or any other matter related to the action or matter approved. Nothing herein shall be deemed to contravene the right of a Unit Owner to install a satellite dish for the benefit of such Unit Owner insofar as such installation is allowed under applicable law, provided that the Association retains the maximum rights under law to adopt Rules and Regulations setting forth the size, location and other matters concerning the installation of satellite dishes.

5.9 Limitation on partition, conveyance, sale or transfer of Common Elements. The Common Elements are not subject to partition except as allowed for in C.R.S. § 38-33.3-312, and any purported conveyance, encumbrance, judicial sale, or other voluntary or involuntary

transfer of an undivided interest in the Common Elements not allowed for in C.R.S. § 38-33.3-312, that is made without the Unit to which that interest is allocated is void.

5.10 Easement for Encroachments. Each Unit and the Common Elements shall be subject to an easement for encroachments to the extent that any Unit or Common Element encroaches on any other Unit or Common Element, for any reason including without limitation, encroachments created by construction, settling, and overhang, previously existing, or as a result of any addition or improvement constructed pursuant to this Declaration. A valid easement for such encroachments and for repair, maintenance and reconstruction of the same, shall and does exist, so long as such encroachment exists. In the event that any Unit or Common Element is partially or totally damaged or destroyed, and then rebuilt, encroachment of part of a Unit or Common Elements resulting from such construction shall be permitted and a valid easement for said encroachment and for the repair, maintenance and reconstruction of the same, shall exist. Such easements do not relieve an Owner of a Unit for liability in case of willful misconduct nor relieve Declarant or any other Person of liability for failure to adhere to the Map and Plat for the Project.

6. RESERVATION OF DEVELOPMENT RIGHTS

6.1 Relocation of Boundaries of Units Owned by Declarant. Declarant expressly reserves the right to relocate the boundaries between adjoining Units or add additional boundaries within a Unit owned by Declarant, and each Unit so created by boundary relocation/addition shall be deemed a separate Unit under this Declaration.

6.2 No Consent Required; No Assurances. The consent of the Association, any existing Unit Owner, any First Lienor, any other Mortgagee of any Unit or property then subject to this Declaration, or any other Person, shall not be required for any exercise by Declarant of any reserved Development Right described in Section 6.1 above. Declarant may exercise any or all of such reserved Development Rights at different times and from time to time, without limitation at Declarant's sole option, and in whatever order of development or action Declarant, in Declarant's sole discretion, determines.

6.3 Maximum Number of Units. The maximum number of Units in the Condominium shall not exceed twenty-two (22) Units, except as otherwise approved by the Executive Board or as authorized by this Declaration.

6.4 Termination of Development Rights. The Development Rights reserved to Declarant in this Section 6, for Declarant and the successors and assigns of Declarant, shall lapse and expire at the end of the Declarant Control Period.

7. THE ASSOCIATION; ADMINISTRATION, MANAGEMENT AND VOTING

7.1 Association Authority. The affairs of the Condominium shall be administered and managed by the Association, pursuant to the Act and this Declaration, and pursuant to the Articles of Incorporation, Bylaws and Rules and Regulations of the Association.

7.2 Powers. The Association shall have all of the powers, authority and duties permitted pursuant to the Act necessary and proper to manage the business and affairs of the Condominium. The Association may assign its future income, including its rights to receive Common Expense assessments, only with the consent, approval or affirmative vote of the Owners of Units entitled to cast more than fifty percent (50%) of the votes in the Association.

7.3 Association Control. Subject to C.R.S. § 38-33.3-303(6), the Declarant hereby reserves, and shall have, the Special Declarant Right for Declarant, or any Person designated by Declarant in a writing delivered to the Executive Board, to appoint and remove the members of the Executive Board and the officers of the Association at any time and from time to time, in the sole discretion of the Declarant or the designee of Declarant, with or without cause, but only during the Association Control Period. Declarant may voluntarily surrender the right to appoint and remove the members of the Executive Board and the officers of the Association before termination of the Association Control Period, but in that event the Declarant may require, for the duration of the Association Control Period, that specified actions of the Association or the Executive Board, as described in a recorded instrument executed by the Declarant, shall be approved by the Declarant before such actions become effective.

7.4 Managing Agent. The Executive Board of the Association may contract with or employ any managing agent for the Association (including Declarant or any affiliate of Declarant) to perform inter alia any of the duties, services, powers and responsibilities of the Association set forth in the Act or in this Declaration or in its Articles of Incorporation, Bylaws or Rules and Regulations.

7.5 Membership in Association. Each Owner (including Declarant with respect to Units from time to time owned by Declarant) shall be a member of the Association and shall remain a member until ceasing to be an Owner. Each Owner of an undivided fee interest in a condominium Unit amounting to less than the entire fee interest in such Unit, including a co-owner as tenant-in-common or in joint tenancy, shall be a member of the Association. Each member shall comply strictly with the provisions of this Declaration and of the Articles of Incorporation and Bylaws and Rules and Regulations of the Association.

7.6 Votes. Each Unit within the Project is allocated one vote plus an additional vote for Units which include both a ground floor and second floor or loft space. Accordingly, at the time of recording of this Declaration, each Unit within Building 500 and Building 700 is allocated one vote and each Unit within Building 600 is allocated 2 votes. Based on this formula the total votes allocated to all Units at the time of recording of this Declaration is 28.

Division of the vote allocated to a single Unit among multiple Owners of such Unit shall not be allowed; rather, the vote allotted to a Unit shall be voted entirely for or against or in abstention of an issue or matter put to vote among the members of the Association.

7.7 Rules and Regulations. Each member and its guests, invitees and tenants shall be bound by and shall comply with the Rules and Regulations of the Association duly made and adopted in the manner set forth in the Act and in the Articles of Incorporation or Bylaws of the

Association. After notice and an opportunity to be heard, the Association may levy reasonable fines for violations of this Declaration or the Articles of Incorporation, Bylaws or Rules and Regulations of the Association. Any fine levied against an Owner, or against any Person occupying such Owner's Unit with the consent of such Owner, shall be a special Common Expense assessment to such Owner's Unit.

7.8 Ratification of Budget by Members. Within thirty (30) days after adoption by the Executive Board of any proposed budget for the Condominium, the Executive Board shall mail, by ordinary first class mail (or by e-mail or other means to the extent permitted by law), a copy of the budget as adopted, or a summary thereof, to all Owners at the mailing addresses of the Owners determined under Section 14 below (or e-mail or other address for such Owner in the possession of the Association to the extent permitted by law), and shall set a date for a meeting of Owners, which may be the annual meeting of Owners, to consider ratification of the budget, such meeting to be not less than fourteen (14) nor more than sixty (60) days after mailing (or other authorized transmission) of the copy or summary of the budget to the Owners. Unless at that meeting Owners having a majority of the votes of all Owners reject the budget, the budget is ratified, whether or not a quorum is present. In the event that the proposed budget is rejected by the affirmative vote of Owners having a majority of the votes of all Owners, the periodic budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Executive Board.

7.9 Recording Data For Certain Easements and Licenses. Recording data for recorded easements and licenses appurtenant to, or included in, the Common Interest Community or to which any portion of the common Interest Community is or may become subject by virtue of a reservation is set forth in Part 2 of Exhibit A to this Declaration. Certain of the instruments which are appurtenant to the Real Estate may impose duties and obligations on the Owner(s) of the Real Estate and the Units, including cost sharing obligations. To the extent such instruments impose such burdens and obligations, including cost sharing obligations, such burdens and obligations shall be the responsibility of the Association and shall be deemed to be Common Expenses. Further, each Owner and Mortgagee of a Unit shall appoint the Association to act as the attorney-in-fact for such Owner or Mortgagee for the purpose of agreeing to the amendment, modification or termination of any of such instruments, it being expressly agreed that the authority of the Association in such respect is irrevocable and coupled with an interest.

7.10. Elk River Road Business Park. All rights vested in the Owners under the Declaration of Covenants, Conditions and Restrictions of Elk River Road Business Park recorded at Book 554, Page 518 of the Routt County, as amended (the "Elk River Declaration"), including their rights as members in the Elk River Road Business Park Owners Association ("Elk River Association") are delegated to the Executive Board including all voting rights in the Elk River Association and all rights to consent to the to the amendment or termination of the Elk River Declaration. Any general or special assessments lawfully imposed by the Elk River Association under the Elk River Declaration against the Units may be paid directly by the Association and assessed against the Units as a Common Expense.

8. MAINTENANCE AND REPAIRS

8.1 Maintenance of Unit and Limited Common Elements. Each Owner shall be solely responsible for maintenance and repair of such Owner's Unit. Limited Common Elements allocated to one or more but less than all of the Units shall be maintained, cleaned, repaired and replaced by the Owner or Owners of Units to which such Limited Common Elements are appurtenant, including the responsibility for and cost of repairing and replacing windows, walk doors and overhead doors. In the event the Owner or Owners of Units to which such Limited Common Elements are appurtenant fail for any reason after reasonable notice from the Association to perform such obligations with respect to Limited Common Elements, then the Association may (but shall not be obligated to) do so and the Common Expense therefore shall be a liability and obligation, as a special assessment, of such Owner or Owners only.

8.2 Maintenance of General Common Elements. Except as provided above in Section 8.1, the Common Elements (including, except as otherwise herein provided, the Limited Common Elements) shall be administered, insured, conserved, managed, maintained, operated, cleaned, cleared of snow, repaired, reconstructed and replaced by the Association, and all of the costs and expenses of such administering, insuring, conserving, managing, maintaining, operating, cleaning, clearing of snow, repairing, reconstructing and replacing are Common Expenses to be allocated among the Owners as provided in Section 9.3. Except to the extent otherwise provided in Section 8.1, the Association shall take appropriate steps to maintain the Common Elements and all property of the Association in clean and good order, attractive and sanitary condition and in good repair.

The Association and its managing agent, and the employees and contractors of each, shall have access to any Unit at any time during an emergency, and otherwise from time to time during business hours and after reasonable notice to the Owner thereof, for purposes of administering, conserving, managing, maintaining, repairing, renovating or replacing the Common Elements, including Limited Common Elements.

9. ASSESSMENTS FOR COMMON EXPENSES; UTILITIES; LIEN; COLLECTION OF ASSESSMENTS; REMEDIES OF ASSOCIATION; AND ESTOPPEL CERTIFICATE OF ASSESSMENTS

9.1 Association to Levy Assessments. The Association shall assess the Owners for payment of the Common Expenses. The Association shall fix, determine, assess and collect general Common Expense assessments from the Owners of all Units on a monthly, quarterly or annual basis, based upon the Association's advance budget of the cash requirements needed by it to provide for the management of the Condominium and the administration and performance of the Association's duties during such assessment year, and to fund and contribute to any reserves deemed appropriate by the Executive Board of the Association, including (without limitation) a capital reserve for repairs, maintenance, replacement and acquisition of Association property and Common Elements (herein called the "Capital Reserve Fund") and an operating reserve to meet unanticipated Common Expenses and to permit payment of Common Expenses in advance of receipt of assessments (herein called the "Operating Reserve"). Upon the initial sale and each resale of a Unit, the transferee of such Unit shall pay to the Association for deposit in the Operating Reserve an amount equal to three (3) months' general Common Expense assessments of the Association to the Unit. Such payment shall not be considered advance payment of Common

Expense assessments. Upon each resale, the selling Owner's pro rata interest in the Operating Reserve shall be refunded, but not more than such Owner's contribution, provided that the transferee of the Unit has paid the required deposit to the Operating Reserve. The Association may also fix, determine, assess and collect special Common Expense assessments authorized by the Act, this Declaration or in the Articles of Incorporation or Bylaws of the Association, subject to any limitations provided by the Act, this Declaration or the Articles of Incorporation or Bylaws. Common Expense assessments shall begin on the first day of the month following the month in which conveyance of the first Unit to an Owner other than the Declarant occurs. If assessments are levied on a quarterly or annual basis, the Owner shall be liable for the pro-rata portion of the quarterly or annual assessment then remaining. Until the Association makes a Common Expense assessment, the Declarant shall pay all Common Expenses.

9.2 Obligation to Pay Assessments. Pursuant to C.R.S. § 38-33.3-315(6), each Owner is liable for assessments made against such Owner's Unit during the period of ownership of such Unit. Declarant covenants and agrees for each Unit from time to time owned by Declarant, and each Owner of a Unit, by acceptance of a deed of conveyance for such Unit, whether or not it shall be so expressed in such deed, shall be deemed to covenant and agree with and for the benefit of the Association, to pay the Association all of the assessments made to such Unit by the Association, including without limitation for Common Expenses, interest, costs of collection and any fines levied by the Association against the Owner or any Person occupying any part of the Unit with the consent of the Owner for violation of this Declaration or the Articles of Incorporation, Bylaws, or Rules and Regulations of the Association.

9.3 Apportionment. Common Expenses shall be assessed against all Units in accordance with the Allocated Interest of each Unit in the Common Elements, except as provided in Section 9.5 below and except that the following Common Expenses shall be apportioned and assessed to one or more but less than all of the Units as follows:

(a) If any Common Expense is caused by the misconduct of, or results from other than normal wear and tear by, any Unit Owner or any Person occupying such Owner's Unit with the consent of such Owner, or their respective tenants, guests, invitees, agents or employees, or as authorized under Section 8.1, the Association may assess that expense exclusively against such Owner's Unit as a special Common Expense assessment. If any fine is levied by the Association for violation of this Declaration or the Articles of Incorporation, Bylaws or Rules and Regulations of the Association against an Owner, or against any Person occupying such Owner's Unit with the consent of such Owner, such fine shall be a special Common Expense assessment to such Owner's Unit only; and

(b) Any assessments required by the Act or by Section 8 above to be made to the Owner of one or more but less than all of the Units shall be the responsibility of only such Owners.

(c) The cost of maintenance, repair and replacement of the Common Elements within a Building, including, without limitation, the roof, gutters, downspouts, foundation, block walls, party walls, front facade (other than overhead doors, walk doors and windows), and utility lines and appurtenant improvements utilized in common by all such Owners, shall be assessed and collected by the Association only from the Owners of Units in the Building and allocated among

the Units in the Building in the proportion that the Allocated Interest appurtenant to each Unit within the Building bears to the to the total of Allocated Interests appurtenant to all Units within such Building, subject to the following:

(i) Replacement of electric services and related equipment within a Building necessitated by increases in the demand for electricity from some, but not all Units, shall be equitably allocated among the Units in such Building by the Executive Board as determined by such Board in its reasonable discretion. On the basis of such determination by the Executive Board, the Association shall calculate the share of expense allocated to each Owner and such amounts shall be assessed as Common Expenses hereunder or as otherwise determined from time to time by the Executive Board of the Association. In addition, the Board may retroactively make special assessments for electric services installed to provide additional electric capacity against Unit(s) which at the time of installation paid a lesser amount for such electric service on the basis that such Unit(s) did not at the time contribute disproportionately to the electric demand within the Building but later changes in use within such Unit(s) resulted in increased demand for electric capacity within such Unit(s).

(ii) The cost of significant repair or replacement of the portion of the roof above Units 601 through 603 in Building 600 shall be allocated equally to those 3 Units and the cost of significant repair or replacement of the portion of the roof above Units 604 through 606 in Building 600 shall be allocated equally to those 3 Units.

The allocation of Common Expense liability among the Units has been calculated on the basis of the respective Allocated Interests in the Common Elements allocated to each Unit, which has been calculated on the basis described in Section 3.3 above.

9.4 Liability of Co-Owners. Each Owner is liable, and if a Unit is owned at any time by two or more Persons in undivided interests pursuant to a form of concurrent co-ownership recognized by Colorado law, then each Co-Owner of such Unit is jointly and severally liable with all other Co-Owners of such Unit, to the Association for payment of all Common Expenses, assessments, fees (including attorneys' fees), interest and charges levied against or with respect to such Unit, and for the performance and observance of all of the duties and responsibilities of an "Owner" with respect to the Unit.

9.5 Apportionment of Utility Expenses.

(a) **Utility Facilities.** The expense of maintaining, operating, repairing and replacing facilities within the boundaries of a Unit which are connected to utility lines, such as telephones, electrical appliances and the like, shall be the obligation and liability of the Owner or Owners of such Unit, and shall not be a Common Expense.

(b) **Utilities Metered to Individual Units.** Any utility service which is separately metered or allocated by the utility supplier to each individual Unit in the Project shall be billed to the Unit Owners on the basis of actual utility usage charged and metered. Such charges shall not be Common Expenses but shall be paid and discharged directly by such Owner or Owners. Then cost of utilities supplied to a Building which are billed by the utility supplier to the

Association and sub-metered to the Units within the Building shall be paid by the Association and assessed against the Unit Owners by the Association based on metered usage as a special Common Expense assessment to such Owner's Unit only. On the date of recording of this Declaration: (i) electricity and natural gas utilities are separately metered by the utility supplier to each individual Unit and paid directly by the Unit Owner to the utility supplier and (ii) water service to each Building is paid by Association based on usage shown on the single meter serving such Building as measured by the utility supplier and sub-metered by the Association to individual Unit Owners. Notwithstanding the foregoing, the Association may establish and charge a minimum standby fee to Units which show no metered water use in any billing period.

(c) Utilities Metered to a Group of Units. Service charges for use of any utility which is separately metered by the utility supplier collectively to more than one but less than all of the Units, if any, may be apportioned by the Association among such Units receiving such service or billed directly to the Unit Owners by the supplier of such services.

(d) Utilities Metered to Condominium as a Whole. . Service charges for use of any utility which is metered solely and only to the Project as a whole shall be apportioned among the Units on the basis of the respective Allocated Interest of each Unit. Notwithstanding the foregoing, if the Executive Board, in its reasonable business discretion, determines that one or more Units are consuming a material proportion more of a utility service, the Executive Board shall apportion the charges for such service among the Units on a fair and equitable basis. Trash service are presently metered to the Condominium as a whole.

(e) Advance Billing. The Association may assess Owners of Units for utility service charges which are separately metered to each Unit or to a group of Units or to the entire Project, in advance based upon an annual budget, or in arrears based upon actual billings from the respective utility suppliers. Such billings by the Association shall be deemed to be special Common Expense assessments to the affected Units, and the Association shall collect the same and account for and pay collections over to the respective utility suppliers. If such user charges are so billed and collected by the Association in advance, the Association shall adjust the accounts of the Owners at least annually, based upon actual metered usage of the utility services and the apportionment rules set forth above.

(f) Utilities to Common Elements. Utility services supplied to or within Common Elements which are not Limited Common Elements shall be metered to or allocated to the Association itself, and all of the charges for such common utility services shall be included as part of the Common Expenses assessed to all Units and apportioned among the Units in accordance with their Allocated Interests, except that the cost of water metered to a Building and utilized for exterior irrigation or other use in the Common Elements shall be allocated to all Units in the Project as a Common Expense. Utility service to or within any Limited Common Element allocated solely to one Unit may, at the option of the Association, either be (i) connected into the meter for such utility service to the Unit to which use and enjoyment of such Limited Common Elements has been assigned, in which event all of the charges for such service shall be payable directly by the Owner or Owners of the Unit to which use and enjoyment of such Limited Common Elements has been assigned, or (ii) metered to the Association, in which event all of the charges for such utility service

shall be specially assessed to only the Owner or Owners of the Unit to which use and enjoyment of such Limited Common Element has been allocated.

9.6 Procedures for Payment. The Bylaws of the Association shall establish the procedures by which the general and special Common Expense assessments shall be made known to and paid by the Owners. Such procedures may include the determination and levying of such assessments as a periodic (but not less often than quarter-annual) installment billing of the annual general Common Expense assessment based upon the annual budget of the Association (including funding of reserves), in which event the general Common Expense assessment shall be deemed to have been incurred as of the respective dates of the installment billings.

9.7 Court Action. The Association may bring action in any court of competent jurisdiction to recover unpaid general and special Common Expense assessments, late payment charges, fines, interest, costs of collection, attorneys' fees and other amounts owing from the Owner or Owners liable for payment thereof, with or without foreclosing the lien of the Association described in Section 9.9 below. In any such action the Association shall also be entitled to recover judgment from such Owner or Owners for all of the Association's attorneys' fees, costs of discovery and court costs incurred in connection with such suit. All costs of collection amounts owed to the Association, including attorneys' fees, shall be a special assessment to the Unit of the delinquent Owner.

9.8 Interest; Late Charges. Unpaid general and special Common Expense assessments shall bear interest from and after the date the same are due until paid at eighteen percent (18%) per annum, compounded annually, or at such rate as is set from time to time by the Association. The Bylaws of the Association may also empower the Association to levy reasonable late charges against a delinquent Owner and such Owner's Unit for late payment of any general or special Common Expense assessment.

9.9 Lien. All unpaid general Common Expense assessments (including, but not limited to, funds budgeted for contributions to any reserves approved by the Executive Board of the Association), all unpaid special Common Expense assessments (including, but not limited to, Common Expenses incurred for Limited Common Element), all fines for violations of the Declaration or Rules and Regulations of the Association, accrued interest, late charges, costs of collection, attorneys' fees and costs of discovery and suit incurred in connection with enforcement of this Declaration or the Articles of Incorporation, Bylaws or Rules and Regulations of the Association, or in connection with the collection of any amount owing hereunder or thereunder (whether or not suit is brought) and unpaid fees and charges for the use, rental or operation of the Common Elements other than Limited Common Elements, shall each and all constitute a continuing lien on such Unit pursuant to and as granted by C.R.S. § 38-33.3-316, and shall also constitute a continuing lien on and security interest in the personal property, furnishings, equipment and fixtures in such Unit, in favor of the Association, as secured party. Such lien of the Association on the Unit shall be prior and superior to all other Security Interests and nonconsensual liens and encumbrances on the Unit EXCEPT as provided in C.R.S. § 38-33.3-316(2).

The Association's continuing lien shall be perfected and attach to each Unit from the date of the initial recording of this Declaration in the real property records of Routt County, Colorado. The Association's lien shall also attach to the inventory, furnishings, equipment and fixtures within a Unit from the date any such personalty or fixtures became situated in such Unit or from the date of the initial recording of this Declaration in the real property records of Routt County, Colorado, whichever date is later, but such lien shall be inchoate until any assessment levied against such Unit has become past due. Declarant and each successive Owner of an interest in a Unit, by acquiring title to such interest, grants and is hereby conclusively deemed to have granted to the Association, as secured party, a security interest in all inventory, furnishings, equipment and fixtures at any time situated in such Unit, to secure payment of all assessments, charges, fees, interest and other sums at any time due and unpaid to the Association with respect to such Owner's interest in such Unit. This Declaration shall constitute a financing statement when a copy hereof is filed with the Colorado Secretary of State or with the Routt County Clerk and Recorder or with such other office as applicable law may require. Such security interest in favor of the Association shall be governed by the Colorado Uniform Commercial Code and shall, nevertheless and whether or not a financing statement for this security interest has been filed, be junior, inferior and subordinate at all times to a perfected security interest in any of such inventory, furnishings, equipment and fixtures to secure purchase money financing thereof or in favor of the First Lienor of the Unit, as secured party.

No recordation of any claim of lien by the Association after the initial recordation of this Declaration is required. However, the Association may in its sole discretion determine to record in the real property records of Routt County a notice of such claim of lien, setting forth therein (i) the amount of the unpaid sums (itemized showing general and special Common Expense assessments, fines, interest, fees and charges), (ii) the name of the Owner or reputed Owner and the legal description of the Unit against which such lien is asserted, and (iii) a statement that such lien extends to reasonable attorneys' fees and costs of the Association incurred in enforcing such lien. Failure of the Association to record any such notice or any error or omission in such notice shall not, however, defeat such lien nor affect its priority.

If an assessment is payable in installments, and if an Owner shall default and fail to pay any installment, then unless the Act requires otherwise, the Executive Board may elect, by notice to the defaulting Unit Owner, to accelerate payment of the full amount of the assessment and to require the full amount of such assessment to be immediately due and payable. In the event of such acceleration, the full amount of the assessment is a lien from the time of the acceleration of the assessment by the Executive Board.

9.10 Foreclosure. The Association's lien against a Unit as described in Section 9.9 above may be foreclosed by the Association in like manner as foreclosure of a mortgage on real estate under Colorado law. The Association shall be entitled to purchase the Unit at the foreclosure sale, and thereafter to acquire, hold, lease, mortgage or convey the same. The Association's lien and security interest in all inventory, furnishings, equipment and fixtures in a Unit may be foreclosed by the Association in the manner provided in the Colorado Uniform Commercial Code.

9.11 Receiver. In any action by the Association to collect assessments or to foreclose the lien of the Association for unpaid assessments, the court may appoint a receiver of a Unit

pursuant to C.R.S. § 38-33.3-316(9), and may also order such receiver to take possession of all inventory, furnishings, equipment and fixtures in such Unit, and to collect all of the rents, income and profits therefrom during the pendency of such action and until such assessments and all interest, charges, fines, fees and costs are paid in full. The Association shall be entitled to appointment of such receiver as a matter of right without regard to the solvency or insolvency of the then Owner of said Unit and personal property and without regard to the value thereof, and such receiver may be appointed by the Routt County District Court upon ex parte application of the Association and without notice, notice being hereby expressly waived by all Owners. All rents, income and profits therefrom shall be applied by such receiver according to the law and the orders and directions of the court, and the court may order the receiver to pay any sums held by the receiver to the Association during the pendency of the receivership action to the extent of the Association's general and special Common Expense assessment. All Owners, tenants, occupants and lienors of a Unit shall be deemed to have confessed the jurisdiction of the Routt County District Court to appoint a receiver for the Unit and the furniture, furnishings, appliances, equipment and fixtures therein. Each Owner hereby conditionally assigns to the Association as additional security for unpaid general and special assessments, charges, interest, fines, fees and costs, all rights in and to all net rents and net income otherwise payable to the Owner for occupancy of his Unit for and during all periods any assessments or other sums remain unpaid to the Association after the same were due, and during such periods the delinquent Owner shall forthwith pay over to the Association upon its written demand all rents and income otherwise payable to the delinquent Owner, but not to exceed the amounts due and unpaid to the Association. All net rentals and net income received by the Association pursuant to this Section shall be paid and applied as follows: first, to the expenses incurred by the Association in obtaining such rentals and income (including attorneys' fees incurred); second, to payment to the Association of late payment charges and attorneys' fees owed to it by the Owner; third, to payment to the Association of the accrued interest on all unpaid assessments; fourth, to payment to the Association of the delinquent general and special common Expense assessments levied against such Unit, in the chronological order such assessments become due; and last, to payment to the First Lienor on the first lien security interest encumbering such Unit, if any, and if none, to payment to the delinquent Owner.

9.12 Liability of Transferee. In case of sale or other voluntary transfer of a Unit or an interest therein with respect to which general or special Common Expense assessments, interest, charges, costs or fees are accrued and unpaid to the Association as of the date of transfer, the purchaser or other transferee shall be jointly and severally liable with the seller or transferor for such unpaid sums and shall be deemed to have personally assumed the obligation for payment of same. Therefore, if any lienor (including the First Lienor) of a Unit obtains title to such Unit by a voluntary deed in lieu of foreclosure, such lienor shall be jointly and severally liable for all unpaid general and special Common Expense assessments, fines, charges, interest, costs and fees accrued against such Unit as of the date of transfer, and such lienor shall be deemed an Owner for all purposes from and after such transfer. However, if the First Lienor obtains title to a Unit by sheriff's deed or public trustee's deed upon foreclosure of the first lien security interest against a Unit, then such first lienor is not liable for any unpaid assessments, fines, charges, interest, costs or fees which accrued against such Unit prior to the vesting of title in such beneficiary, EXCEPT as provide in C.R.S. § 38-33.3-316(2)(b).

9.13 Estoppel Certificate. Within fourteen (14) calendar days after written request of any Owner or such Owner's designee or the holder of a security interest in a Unit or its designee, or of any title insurer, delivered personally or by certified mail, first class postage repaid, return receipt requested, to the Association's registered agent, the Association shall issue a written statement to the requesting party setting forth with respect to such Unit the amount of any unpaid general and special Common Expense assessments, fines, interest, charges, fees and costs due with respect to such Unit. Such statement, for which a reasonable fee may be charged, is binding upon the Association in favor of the Person or entity who requested such statement and who has relied thereon in good faith, and when such request has been made by a title insurer, shall be binding upon the Association also in favor of the Person or entity whose interest in the Unit was insured by such insurer. If the Association fails to issue and mail such statement to the requesting party within fourteen (14) calendar days after actual receipt by the Association's registered agent of such written request, all unpaid general and special Common Expense assessments, fines, charges, fees, interest and costs which became due prior to the date such request was actually received by the Association shall be subordinated to the lien or other interest in the Unit of the Person requesting such statement, and when such request has been made by a title insurer, shall be subordinated to the lien or other interest in the Unit of the Person whose interest in the Unit was insured by such insurer. The Association shall have current copies of this Declaration and the Articles of Incorporation, Bylaws and Rules and Regulations of the Association, and the books, records of receipts and expenditures and financial statements of the Association available for inspection during normal business hours and upon reasonable advance notice by any Owner and any First Lienor during normal weekday business hours.

9.14 First Lienor Right to Pay. Any First Lienor of a Unit may (but shall not be required to) pay any unpaid general or special Common Expense assessments, fines, accrued interest, charges, fees or costs with respect to such Unit, and upon such payment such First Lienor shall be subrogated to the Association's lien on such Unit for the amount so paid, and shall be subrogated to the rights and remedies of the Association to collect such amount.

10. INSURANCE

10.1 Policies to be Maintained. 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 and all fixtures therein (but not including inventory, furniture, furnishings or other personal property owned and supplied or installed by an Owner), all structures situated on real property owned by the Association, and all personal property owned by the Association, with extended coverage "all risks" endorsement, in an amount not less than one hundred percent (100%) of the full insurable replacement cost thereof less applicable deductibles (being 100% of the current replacement cost excluding land, excavations, foundations and other items normally excluded from such policies);

(b) Commercial general liability insurance pursuant to the Act, with limits of not less than \$1,000,000.00 per occurrence and not less than \$1,000,000.00 aggregate, or with higher limits deemed sufficient in the judgment of the Executive Board, insuring the Executive

Board, the Association, the management agent, and their respective employees, agents, and all Persons acting as agents. The Declarant shall be included as an additional insured in such Declarant's capacity as a unit owner and board member. The Owners shall be included as additional insureds but only for claims and liabilities arising in connection with the ownership, existence, use, or management of the Common Elements. The insurance shall cover claims of one or more insured parties against other insured parties.

(c) Such additional endorsements to the above policies, and such other insurance (including fidelity bond or insurance coverage against dishonest acts on the part of directors, managers, managing agents, trustees, employees or volunteers of the Association responsible for handling funds belonging to or administered by the Association, such bond or insurance coverage to be in the name of the Association and in an amount deemed sufficient in the judgment of the Executive Board), in such amounts or with such provisions as the executive Board may consider necessary or advisable against such other insurable hazards or in connection with such matters as may from time to time be commonly insured against in the case of similar condominiums in similar locations elsewhere or which the Executive Board deems to be reasonable and proper.

10.2 Endorsements. The Executive Board shall make every reasonable effort to obtain policies of casualty insurance providing or containing the following provisions or endorsements: (i) the insurance coverage shall not be brought into contribution with insurance purchased by individual Unit Owners; (ii) each Unit Owner shall obtain additional insurance covering his property interests at such Owner's own expense; (iii) the insurance coverage cannot be canceled, invalidated, reduced or suspended because of the conduct of any one or more Unit Owners or their respective lessees, employees, agents, contractors, invitees and guests; (iv) the insurance coverage cannot be canceled, invalidated or suspended without at least thirty (30) days' prior written notice to the Association, and if any proposed cancellation, invalidity or suspension is due to the conduct of any officer or employee of the association or its managing agent, such insurance coverage cannot be so canceled, invalidated or suspended without prior written demand that the Executive Board cure the defect and then only if the defect is not cured within thirty (30) days after demand; and (v) the insurer waives its rights of subrogation as to any claims against each Unit Owner or member of the Owner's household. Evidence or certificate of continuing insurance shall be delivered by the Association to any Owner or any First Lienor promptly upon written request.

10.3 Standards for Insurers. So long as Best's Insurance Reports is published, each hazard insurance policy carried by the Association must be written by a hazard insurance carrier which has a current rating by Best's Insurance Reports of Class B/VI or better, or by an insurance carrier which has a current rating by Best's Insurance Reports of Class V, provided such carrier has a general policy holder's rating of at least A. Each carrier must be specifically authorized by law to transact business within Colorado. Policies are unacceptable where: (i) under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against the Association, any Owner or any First Lienor; or (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policy holders or members; or (iii) the policy includes any limiting clauses not required by the Act (other than insurance conditions) which could prevent the Association or the insurance trustee under C.R.S. §

38-33.3-313(5) from collecting insurance proceeds; or (iv) the policy provisions violate the requirements of the Act.

10.4 Owner's Policy. Each Owner shall obtain and at all times maintain physical damage and liability insurance for such Owner's benefit, at such Owner's expense, covering the full replacement value of the Owner's personal property and personal liability insurance in a limit of not less than \$500,000.00 in respect to bodily injury or death to any number of Persons arising out of one accident or disaster or for damage to personal property, and if higher limits shall at any time be customary to protect against tort liability such higher limits shall be carried. The \$500,000 limit in the preceding sentence shall not require an Owner of multiple Units within the Project to carry personal liability insurance exceeding a total of \$500,000 in coverage. In addition, an Owner may obtain such other additional insurance coverage as such Owner in the Owner's sole discretion shall conclude to be desirable; provided, however, that none of such insurance coverage obtained by the Owner shall operate to decrease the amount which the Executive Board, on behalf of all Owners, may realize under any policy maintained by the Executive Board or otherwise affect any insurance coverage obtained by the Association or cause the diminution or termination of that insurance coverage. Any insurance obtained by an Owner shall include a provision waiving the particular insurance company's right of subrogation against the Owner's Association and other Owners, including Declarant, should Declarant be the Owner of any Unit. No Owner shall obtain separate insurance policies on the Common Area. All Owners are required to maintain on file with the Association, copies of all such current policies to evidence compliance with the Association to evidence their obligations hereunder and to facilitate recovery of all appropriate awards or proceeds by the Association. The Owner's Association shall be included as an additional insured on the Owner's personal insurance policies.

10.5 Premiums. Premiums on all insurance policies carried pursuant to this Section 10 by the Association shall be Common Expenses, apportioned among the Owners of Units in proportion to risk or as provided in Section 9 above.

10.6 Repair and Replacement. Any portion of the Common Interest Community created by this Declaration, for which insurance is required under Section 10 of this Declaration, which is damaged or destroyed must be repaired or replaced promptly by the Association unless:

- (a) The Common Interest Community created by this Declaration is terminated;
- (b) Repair or replacement would be illegal under any state or local statute or ordinance governing health or safety;
- (c) Sixty-seven percent (67%) of the Owners, including every Owner of a Unit or assigned Limited Common Element that will not be rebuilt, vote not to rebuild; or
- (d) Prior to the conveyance of any Unit to a Person other than Declarant, the holder of a deed of trust or mortgage on the damaged portion of the Common Interest Community created by this Declaration rightfully demands all or a substantial part of the insurance proceeds.

(e) With respect to repair or replacement of a Building, the Owners within such Building entitled to vote 67% of the Allocated Interests within such Building vote not to rebuild.

11. QUALITY OF WORK

Any repairs, renovation, improvement or restoration of any portion of the common Elements by the Association, or by any Owner pursuant to any right or permission granted pursuant to this Declaration or the Act, shall be done and performed diligently, in good faith, and in a good and workmanlike manner, using good quality materials.

12. AMENDMENT AND TERMINATION

12.1 Termination. The Covenants and restrictions of this Declaration shall run with and bind the Real Estate in perpetuity, subject to the termination provisions of C.R.S. § 38-33.3-218.

12.2 Amendment. This Declaration may be amended (i) by Declarant at any time prior to the filing of the Map and Plat with the Routt County Clerk and Recorder, (ii) upon the written approval in recordable form of the Owners holding not less than sixty percent (60%) of the votes of the Association, (iii) by the Association and one or more Owners for the purposes and in accordance with the procedures described in Sections 3.4, 3.5, 3.8, 4.2 or 5.6 above, and (iv) by the Declarant upon exercise of reserved Development Rights or Special Declarant Rights pursuant to Sections 6.1, 15.7 or 16.2 of this Declaration; provided, however, that no amendment to this Declaration may be in conflict with or prohibited by the Act.

13. PROPERTY OF THE ASSOCIATION

The Association may acquire, by purchase, lease or otherwise, and may develop, improve, manage, lease, operate, use, encumber and hold for the common use and benefit of all the Owners, real property and all kinds of structures and improvements on and interests in real property, and tangible and intangible personal property, and may sell, convey and dispose of all of such property or any portion thereof or interests therein. Title to all such property shall be in the name of the Association or a nominee for the Association. Each Owner may use property of the Association in accordance with the purposes for which it is intended, without hindering, impeding or imposing upon the rights of the other Owners, but in accordance with Association Rules and Regulations and subject to the right of the Association to allocate any such property for the exclusive use of the Owners of one or more but less than all of the Units, to impose and receive payments, fees or charges for the use, rental or operation of such property, and to regulate the use of such property. All costs and expenses of acquiring, developing, improving, managing, leasing, operating using, holding, selling and disposing of such real and personal property, including (without limitation) all sums paid as fees, costs, interest or payments (whether in installments or otherwise) on any loan or promissory note or any mortgage or other security arrangement or encumbrance securing such loan or promissory note, made or entered into by the Association to finance or pay for all or any part of such acquisition, development, improvement, management, leasing, operating, using, holding, selling and disposing, shall be Common Expenses. Any property acquired by the Association, and any development, improvement, management or lease thereof, shall conclusively

be deemed to be for the common use and benefit of the Owners if such property is made available by the Association for the use by the Owners in the manner for which the same is intended, subject to reasonable Rules and Regulations and the imposition and receipt of payments, charges and fees of the Association duly established from time to time for the use, rental or operation thereof, irrespective of whether or not any particular Owner does in fact use such property.

14. REGISTRATION BY OWNER OF MAILING ADDRESS

Each Owner and each First Lienor shall register his mailing address with the Association as provided in its Bylaws, and shall register with the Association all changes in such mailing address, so that the Association will at all times have a current mailing address of all Owners and First Lienors. If an Owner or First Lienor fails to so register his mailing address, or if such registration occurred more than one year before a notice is given, then either the mailing address shown in the deed to such Owner or in the security interest of such First Lienor, or the mailing address of such Owner or First Lienor as contained in the records of the Routt County Treasurer, shall conclusively be deemed to be the mailing address of such Owner or First Lienor, respectively. Periodic statements for general assessments, notices of special assessments, notices of meetings and other routine notices from the Association to an Owner shall be sent by regular mail, postage prepaid, addressed to the name of the Owner at the most current mailing address of such Owner in the records of the Association. Any Owner may give written notice to other Owners in the same manner. All other notices or demands intended to be served by the Association upon an Owner or First Lienor shall be sent by regular first-class or certified mail, postage prepaid, return receipt requested, addressed to the name of the Owner at his most current mailing address. All notices, demands or other notices intended to be served upon the Association shall be sent certified mail, postage prepaid, to the registered address of the registered agent of the Association. The Association or managing agent for the Association shall at all times keep and maintain up-to-date records of the names and addresses of all First Lienors of Units.

15. SPECIAL DECLARANT RIGHTS

Declarant hereby reserves the right, from time to time, to perform each and all of the acts and to exercise each and all of the special Declarant rights specified below (the "Special Declarant Rights") during the Declarant Control Period. The Special Declarant Rights reserved by Declarant are the following:

15.1 Completion of Improvements. The right to make improvements within the Project.

15.2 Exercise of Development Rights. The right to exercise any Development Right reserved in Section 6 of this Declaration.

15.3 Sales, Management and Marketing. The right to maintain sales offices and management offices of any size in any of the Units in the Project, and to locate and relocate any such offices and models anywhere within the Project. Such reserved Special Declarant Right extends to any Unit of any size, and there is no limit with respect to the number of such sales offices or management offices.

15.4 Signs. The right to place and maintain signs within the Project advertising the Project, and to relocate and remove such signs.

15.5 Reserved Easements. Easements through the Common Elements, and the right to use such easements, as may be reasonably necessary for the purposes of discharging the Declarant's obligations under the Act and this Declaration, for making improvements within the Project, and for exercising any reserved Special Declarant Rights, including reserved Development Rights. Declarant's reserved easements hereunder also includes the right to grant easements anywhere in the Common Elements not occupied by the Buildings (a) to public utility companies and to convey improvements within those easements to such companies and (b) to third parties for access, parking and other purposes not directly and materially in conflict with the use of such areas within the Project for their intended purposes. If Declarant grants any such easements, Part 2 of Exhibit A to this Declaration should be amended by Declarant to include reference to the recorded easement.

15.6 Control of Association and Executive Board. Subject to C.R.S. § 38-33.3-303(6), the right for Declarant or any Person designated by Declarant, in a writing delivered to the Executive Board, to appoint and remove the officers and members of the Executive Board at any time and from time to time, in the sole discretion of the Declarant or the designee of Declarant, with or without cause, during the Association Control Period.

15.7 Amendment of Declaration. The right to supplement or amend the Declaration (including the right to supplement or amend the Map and Plat) in connection with the exercise of any Development Rights.

15.8 Work and Repairs. The right to perform warranty work, repairs and construction work and to store materials in secure areas, in Units and on Common Elements, and the future right to control such work and repairs, and the right of access thereto, until its completion. All work may be performed by Declarant without the consent or approval of any Owner or Mortgagee.

16. ADDITIONAL RESERVED RIGHTS

In addition to the Special Declarant Rights set forth in Section 15 above, Declarant also reserves the following additional rights (the "Additional Reserved Rights").

16.1 Dedications. The right to establish, from time to time, by grant, dedication or otherwise, within the Project utility and other easements for purposes of benefiting the Project and/or adjacent properties, including but not limited to access drives, utility lines, paths, walkways, drainage areas, parking areas, ducts, shafts, flues, conduit installation areas, and to create other reservations, exceptions and exclusions for the benefit of and to serve the Units within the Project.

16.2 Compliance With Colorado Common Interest Ownership Act. The right to amend this Declaration from time to time, without necessity of the consent of Owners, First Lienors or the Association, if necessary, to bring the Declaration and/or the condominium into compliance with to the Act or any amendments to the Act hereafter adopted.

16.3 Other Rights. The right to exercise any other reserved right created by any other provision of this Declaration or permitted by the Act.

17. RIGHTS TRANSFERABLE AND TERMINABLE

Any Special Declarant Right and any Additional Reserved Right created or reserved under Sections 15 or 16 above for the benefit of Declarant, or created or reserved in any proper amendment to this Declaration may be transferred to any Person without the consent of any Owner or the Association by an instrument describing the right transferred and recorded in the real property records of Routt County. Each such instrument of transfer shall be executed by the transferor Declarant and the transferee. After transfer, the transferee shall be deemed to be the "Declarant" for purposes of exercising the transferred Special Declarant Right or Additional Reserved Right. Unless otherwise relinquished or terminated as provided herein, the status of Declarant hereunder shall continue for as long as Declarant owns any Units in the Project. The status as Declarant and all rights and obligations of Declarant pursuant to this Declaration and the Articles of Incorporation, Bylaws and Rules and Regulations of the Association, including all Special Declarant Rights and Additional Reserved Rights, may be transferred without the consent of any Owner or the Association, in the manner described above and in accordance with the Act, effective upon the recording in Routt County, Colorado, of written notice of such transfer. In addition, the status of Declarant and all Special Declarant Rights may be relinquished, waived and terminated, in whole or in part, without the consent of any Owners or the Association effective upon recording of a notice to that effect in real property records of Routt County, executed by the Declarant or its successor.

18. GENERAL

18.1 Remedies. The Association and any aggrieved Unit Owner shall have a right of action in equity and at law against any Unit Owner (including Declarant) who fails to comply with the provisions of this Declaration or the Articles of Incorporation, Bylaws and Rules and Regulations of the Association, or the Act. In addition, any Unit Owner shall have a right of action in equity and at law against the Association if the Association fails to comply with the provisions of this Declaration or the Articles of Incorporation, Bylaws and Rules and Regulations of the Association, or the Act.

18.2 Invalidity. If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase or word, or the application thereof in any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of this Declaration, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

18.3 No Time Sharing. No time share estates shall be created with respect to any Unit in the Condominium, and time sharing of any Units subject to this Declaration in any form is not permitted.

18.4 Supplemental to Colorado Law. The provisions of this Declaration shall be in addition and supplemental to the Act and to all other provisions of law.

18.5 Gender and Number. Whenever used in this Declaration, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all other genders and the neuter.

18.6 Headings. The headings of sections and paragraphs in this Declaration are for convenience of reference only, and shall not be deemed to expand, limit or define any of the provisions of this Declaration.

18.7 Limitations on Declarant's Obligations. Nothing contained in this Declaration or in the Articles of Incorporation, Bylaws or Rules and Regulations of the Association shall be deemed to impose upon Declarant or the successors or assigns of Declarant any obligation to build, construct or provide any buildings or improvements or to warrant any buildings or improvements which are in fact constructed. All obligations upon Declarant of this nature, if any, shall arise only from any executed purchase agreement signed by Declarant and a prospective Unit Owner.

18.8 Exhibits. All exhibits attached to this Declaration are incorporated herein by reference.

EXHIBIT "A"

**ATTACHED TO AND MADE A PART OF
DECLARATION FOR
DOWNHILL PLAZA CONDOMINIUM,
A CONDOMINIUM COMMON INTEREST COMMUNITY**

**PART 1
DESCRIPTION OF PROPERTY SUBJECTED TO
THIS CONDOMINIUM DECLARATION**

LOT 7, ELK RIVER ROAD BUSINESS PARK SUBDIVISION FILING 1,
ACCORDING TO THE PLAT THEREOF RECORDED JANUARY 6, 1982 AT
RECEPTION NO. 314171,

COUNTY OF ROUTT, STATE OF COLORADO.

**PART 2
THE RECORDING DATA FOR RECORDED EASEMENTS AND LICENSES
APPURTENANT TO, OR INCLUDED IN, THE ABOVE-DESCRIBED PROPERTY OR
TO WHICH ANY PORTION OF THE ABOVE-DESCRIBED PROPERTY IS OR MAY
BECOME SUBJECT IS AS FOLLOWS:**

1. EXISTING LEASES AND TENANCIES.
2. RIGHT OF THE PROPRIETOR OF A VEIN OR LODE TO EXTRACT AND REMOVE HIS ORE THEREFROM, SHOULD THE SAME BE FOUND TO PENETRATE OR INTERSECT THE PREMISES HEREBY GRANTED, AND A RIGHT OF WAY FOR DITCHES OR CANALS CONSTRUCTED BY THE AUTHORITY OF THE UNITED STATES, AS RESERVED IN UNITED STATES PATENT RECORDED AUGUST 2, 1884 IN BOOK C AT PAGE 154.
3. RIGHT OF WAY EASEMENT GRANTED TO THE MOUNTAIN STATES TELEPHONE AND TELEGRAPH COMPANY BY INSTRUMENT RECORDED FEBRUARY 5, 1971, IN BOOK 346 AT PAGE 221.

4. EASEMENTS, CONDITIONS, COVENANTS, RESTRICTIONS, RESERVATIONS AND NOTES ON THE PLAT OF TAYLOR SUBDIVISION RECORDED MAY 1, 1979 UNDER RECEPTION NO. 284204.
5. RESTRICTIVE COVENANTS, WHICH DO NOT CONTAIN A FORFEITURE OR REVERTER CLAUS, BUT OMITTING ANY COVENANTS OR RESTRICTIONS, IF ANY, BASED UPON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, HANDICAP, NATIONAL ORIGIN, ANCESTRY, OR SOURCE OF INCOME, AS SET FORTH IN APPLICABLE STATE OR FEDERAL LAWS, EXCEPT TO THE EXTENT THAT SAID COVENANT OR RESTRICTION IS PERMITTED BY APPLICABLE LAW, AS CONTAINED IN INSTRUMENT RECORDED JANUARY 6, 1982, IN BOOK 554 AT PAGE 518.
6. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN AGREEMENT RECORDED JANUARY 6, 1982 UNDER RECEPTION NO. 314174.
7. AN AVIGATION EASEMENT RECORDED JANUARY 6, 1982 IN BOOK 554 AT PAGE 545 UPON THE TERMS AND CONDITIONS SET FORTH IN SAID INSTRUMENT.
8. PERPETUAL NON-EXCLUSIVE EASEMENT GRANTED TO WEST STEAMBOAT WATER AND SANITATION DISTRICT BY INSTRUMENT RECORDED JANUARY 30, 1984, IN BOOK 594 AT PAGE 1409.
9. TERMS, CONDITIONS AND PROVISIONS OF RESOLUTION RECORDED MAY 1, 1985 IN BOOK 606 AT PAGE 310.
10. EASEMENTS, CONDITIONS, COVENANTS, RESTRICTIONS, RESERVATIONS AND NOTES ON THE PLAT OF ELK RIVER ROAD BUSINESS PARK RECORDED JANUARY 6, 1982 UNDER RECEPTION NO. 314171.
11. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN DEVELOPMENT AGREEMENT RECORDED JUNE 10, 2005 UNDER RECEPTION NO. 620176.
12. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN DEVELOPMENT AGREEMENT RECORDED JUNE 10, 2005 UNDER RECEPTION NO. 620177.
13. TERMS, CONDITIONS, PROVISIONS, BURDENS, OBLIGATIONS AND EASEMENTS AS SET FORTH AND GRANTED IN AVIGATION AGREEMENT RECORDED JUNE 10, 2005 UNDER RECEPTION NO. 620174.

14. TERMS, CONDITIONS, PROVISIONS, BURDENS, OBLIGATIONS AND EASEMENTS AS SET FORTH AND GRANTED IN BARGAIN AND SALE DEED RECORDED SEPTEMBER 21, 2005 UNDER RECEPTION NO. 625960.
15. TERMS, CONDITIONS, PROVISIONS, BURDENS, OBLIGATIONS AND EASEMENTS AS SET FORTH AND GRANTED IN DECLARATION OF EASEMENT RECORDED FEBRUARY 12, 2018 UNDER RECEPTION NO. 787525.
16. TERMS, CONDITIONS, PROVISIONS, BURDENS, OBLIGATIONS AND EASEMENTS AS SET FORTH AND GRANTED IN AVIGATION AGREEMENT RECORDED FEBRUARY 12, 2018 UNDER RECEPTION NO. 787523.
17. TERMS, CONDITIONS, PROVISIONS, BURDENS, OBLIGATIONS AND EASEMENTS AS SET FORTH AND GRANTED IN DECLARATION OF EASEMENT RECORDED FEBRUARY 12, 2018 UNDER RECEPTION NO. 787520.
18. TERMS, CONDITIONS, PROVISIONS, BURDENS, OBLIGATIONS AND EASEMENTS AS SET FORTH AND GRANTED IN DEVELOPMENT AGREEMENT RECORDED FEBRUARY 12, 2018 UNDER RECEPTION NO. 787521.
19. EASEMENTS AS DESCRIBED IN THE CONDOMINIUM DECLARATION FOR DOWNHILL PLAZA CONDOMINIUM, A CONDOMINIUM COMMON INTEREST COMMUNITY RECORDED AT RECEPTION NO. 820937 OF THE ROUTT COUNTY RECORDS.
20. ALL NOTES, EASEMENTS AND PROVISIONS AS SHOWN ON THE PLAT OF DOWNHILL PLAZA CONDOMINIUM, ACCORDING TO THE PLAT THEREOF FILED 820936 AT FILE NO. 14487
21. DECLARATION OF EASEMENT RECORDED AT RECEPTION NO. 820933 OF THE ROUTT COUNTY RECORDS.
22. EASEMENT AGREEMENT RECORDED AT RECEPTION NO. 820934 OF THE ROUTT COUNTY RECORDS.
23. EASEMENT AGREEMENT RECORDED AT RECEPTION NO. 464197 AS AMENDED BY INSTRUMENT RECORDED AT RECEPTION NO. 820935 OF THE ROUTT COUNTY RECORDS.

EXHIBIT "B"

**ATTACHED TO AND MADE A PART OF
 CONDOMINIUM DECLARATION FOR
 DOWNHILL PLAZA CONDOMINIUMS,
 A CONDOMINIUM COMMON INTEREST COMMUNITY**

PART 1

Percentage Ownership of Unit In General Common Elements
 Appurtenant to the Unit and Voting Allocation

	%	Vote
<u>Building 500</u>		
501-A	3.57%	1
501-B	3.57%	1
502-A	3.57%	1
502-B	3.57%	1
503-A	3.57%	1
503-B	3.57%	1
504-A	3.57%	1
504-B	3.57%	1
505-A	3.57%	1
505-B	3.57%	1
<u>Building 600</u>		
601	7.14%	2
602	7.14%	2
603	7.14%	2
604	7.14%	2
605	7.14%	2
606	7.14%	2
<u>Building 700</u>		
701-A	3.57%	1
701-B	3.57%	1
702-A	3.57%	1
702-B	3.57%	1
703-A	3.57%	1
703-B	3.57%	1

PART 2

**DESCRIPTION OF RIGHT TO USE
CERTAIN LIMITED COMMON ELEMENTS**

Each area designated STAIRS LCE (Limited Common Element) in the 500 and 700 Buildings, shall be a Limited Common Element appurtenant to only the Units as shown on the Map and Plat, and the Owners of such Unit(s) shall have the exclusive right and privilege to the use, occupancy and enjoyment of such Limited Common Element subject to the rights of the Association to maintain, repair and have access to each such Limited Common Element as set forth in the Declaration. Upper level Units are identified by the letter B following the Unit number and Lower Level Units are identified by the Letter A following the Unit number.. Except for Units 703A and 703B, by written notice ("No Access Notice") given by the Owner of the Upper Level Unit to the Owner of the Lower Level Unit to which any area designated STAIRS LCE is appurtenant the Owner of the Upper Level Unit shall have the right to prohibit use of the Stairs LCE by the Lower Level Unit Owner and to lock the interior walk door ("Interior Walk Door") from the lower landing ("Lower Landing") within the STAIRS LCE area to prevent access to the Lower Level Unit utilizing any portion of the such STAIRS LCE. Any No Access Notice shall be effective no the earlier than the latter of 30 days after it is given from the Upper Level Unit Owner to the Lower Level Unit Owner or the date of recording of such notice in the Routt County records and may be unilaterally withdrawn and reimposed from time to time by the Upper Unit Owner. Notwithstanding anything in this Declaration to the contrary, the cost of maintenance and repair of the stairs, stairwell and other improvements within the STAIRS LCE shall be allocated to the Upper Level Unit Owner except (1) the cost of maintenance and repair of the Lower Landing and the walk door from the exterior of the Building ("Exterior Walk Door") to the STAIRS LCE shall be shared equally by the Upper and Lower Level Unit Owners, (2) the cost of maintenance and repair of the Interior Walk Door shall be the responsibility of the Lower Level unit Owner and (3) no portion of the cost of maintenance and repair of the Lower Landing, Exterior Walk Door or Interior Walk Door shall be allocated to the Lower Level Unit Owner to the extent the need for such maintenance or repair arose during the time any No Access Notice was in effect.