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**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
PIONEER PLAZA COMMERCIAL TOWNHOMES**

This Declaration of Covenants, Conditions and Restrictions for Pioneer Plaza Commercial Townhomes ("Declaration") is made this 21st day of June, 2005 by Eric B. Roemer, James Michael Marra and William Oberling ("Declarant").

Recitals

A. Declarant is the owner of certain real property situated in the County of Gunnison, State of Colorado, which is more particularly described on attached **Exhibit A** ("Property").

B. Declarant desires to create a common interest community pursuant to the Colorado Common Interest Ownership Act, Colorado Revised Statutes §38-33.3-101 et. seq. (the "Act") under the name of Pioneer Plaza Commercial Townhomes.

C. Declarant desires to divide the Property and the improvements thereon into townhome units ("Units").

D. Declarant will convey unimproved and/or improved Townhome Units as townhomes which may or may not be connected by party walls and subject to certain protective covenants, conditions, restrictions, reservations, lien rights and charges as set forth in this Declaration and on the Map.

Now, therefore, Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following easements, reservations, restrictions, liens, charges, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with title to, the real property and be binding on all parties having any right, title or interest in the described Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof. This Declaration shall, to the extent possible, be subordinate at all times to the Master Declaration and shall be interpreted in a manner consistent with the Master Declaration. In the event of a conflict between the Association Documents and the Master Declaration or any of the other documents governing the operation of the Master association, the more restrictive provision shall control.

ARTICLE 1

Scope of the Common Interest Community and Association:

Description of Unit/Definitions

1.1 **The Common Interest Community.** The name of the Common Interest Community is Pioneer Plaza Commercial Townhomes. It is a planned community.



1.2 **The Association.** The name of the Association is Pioneer Plaza Commercial Townhomes Association, Inc.

1.3 **Maximum Number of Units.** The Common Interest Community contains twenty-two Units. The Declarant reserves the right to create a maximum of fifty Units.

1.4 **Description of Units.** Every instrument affecting the title to a Unit may describe that Unit as follows:

Unit ____, Pioneer Plaza Commercial Townhomes, according to the Map thereof bearing Reception No. 555753 and the Declaration of Covenants, Conditions and Restrictions for Pioneer Plaza Commercial Townhomes bearing Reception No. 555752 of the Gunnison County, Colorado records, County of Gunnison, State of Colorado.

Such method of description shall be sufficient for all purposes to sell, convey, transfer and encumber or otherwise affect the Unit and all other appurtenant properties and property rights and incorporate all of the rights, duties, limitations and burdens incident to ownership of a Unit as described in this Declaration. Upon annexation of additional Units as provided in this Declaration, such additional Units shall be described by their Unit identification number according to the recorded Map for such additional Units.

1.5 **Identification of Units.** The identification number of each Unit is shown on the Map.

1.6 **Unit Boundaries.** The boundaries of each Unit are as shown on the Map.

1.7 **Definitions.** The following words when used in this Declaration shall have the following meanings:

1.7.1 "Act" means the Colorado Common Interest Ownership Act, Colorado Revised Statutes Sections 38-33.3-101 et. seq.

1.7.2 "Association" means the Pioneer Plaza Commercial Townhomes Association, Inc., a Colorado non-profit corporation, its successors and assigns.

1.7.3 "Association Documents" means this Declaration, the Articles of Incorporation, the Bylaws, the Map, the Design Guidelines, and any procedures, rules, regulations or policies adopted under such documents by the Association.

1.7.4 "Common Elements" or "Common Areas" means any property within the Project which is not a Unit or a Limited Common Element, including easements or leasehold interests, which the Association has an obligation to maintain. The Common Elements initially owned by the Association upon execution of this Declaration by Declarant are described in attached **Exhibit B.**

1.7.5 "Executive Board" means the governing body of the Association.



1.7.6 "Limited Common Elements" means a portion of the Common Elements allocated by this Declaration, the Map, or by operation of the Act for the exclusive use of one or more Units but fewer than all of the Units.

1.7.7 "Map" means the Map of Pioneer Plaza Commercial Townhomes as recorded in the Gunnison County, Colorado records, County of Gunnison, State of Colorado, together with such additional Maps of the properties described in Exhibit C as may be annexed into the Project and the Association.

1.7.8 "Master Association" means the master owners' association for the entire Crested Butte South subdivision.

1.7.9 "Master Declaration" means the Covenants and Restrictions of Crested Butte South bearing reception number 280965 of the Gunnison County, Colorado records, County of Gunnison, State of Colorado, as amended from time to time.

1.7.10 "Master Plat" mean the Plat of Crested Butte South, Second Filing, bearing reception number 281588, of the Gunnison County, Colorado records, County of Gunnison, State of Colorado.

1.7.11 "Owner" means the owner of record, whether one or more persons or entities, of fee simple title to any Unit, and "Owner" also includes the purchaser under a contract for deed covering a Unit with a current right of possession and interest in the Unit.

1.7.12 "Owner's Agent" means members of the Unit Owner's family, or the Unit Owner's agent, employee, invitee, licensee or tenant, or the agent, employee, invitee, licensee or tenant of the Unit Owner's tenant.

1.7.13 "Project" means the Pioneer Plaza Commercial Townhomes, and shall have the same meaning as the term "Common Interest Community" in the Act.

1.7.14 "Unit" means each platted lot which is a physical portion of the Project, other than common elements, designated for separate ownership or occupancy, the boundaries of which are described on the Map.

ARTICLE 2

Party Walls

2.1 **Party Wall Maintenance.** The walls that are constructed as a common part of adjacent townhome Units and which are located between such townhome Units constitute party walls, as shown on the Map. Except as is otherwise provided herein, the cost of reasonable repairs, maintenance and replacement of each party wall shall be the joint expense of the Owners of the Units adjacent to such wall.

2.2 **Finished Surface Maintenance.** Except as otherwise provided herein, the cost of repairs and maintenance of the finished surface of the party wall located within a Unit shall be the sole expense of the Owner of that Unit.



2.3 **Damage to Party Wall.** If the party wall is damaged or destroyed by the act, default or negligence of the Owner of a Unit, such Owner shall rebuild said wall and shall compensate the other Owner for any damage to the property of the Owner of a Unit adjacent to such wall (including, but not limited to, the finished surface of the party wall located within the Unit of the other Owner).

2.4 **Insurance.** To the extent that damages to a party wall are covered by insurance, the insurance proceeds shall be used and applied to repair, restore and replace the party wall. Any deficiency shall be the joint expense of the Owners, without prejudice, however, to the right of any Owner to demand a larger contribution from the other Owner under any rule of law regarding liability for negligent or willful acts or omissions.

2.5 **Owner's Negligence.** Notwithstanding any provision of this Declaration to the contrary, an Owner who by his negligent or willful act or omission causes a party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

2.6 **Utilities.** An Owner shall have the right to maintain and repair any utility installations located within a party wall and in so doing, shall restore the party wall to its original condition. Notice shall be given to the adjoining Owner prior to undertaking any such action. All such undertakings will be done so as to avoid or minimize damage to the adjoining Owner's property.

ARTICLE 3

Administration and Management

3.1 **Management By Association.** The operation and management of the Common Interest Community shall be undertaken by the Association which has been formed and will be operated as a Unit Owners' association on behalf of all Owners of Units currently subject to, or hereafter annexed into and made subject to, this Declaration. The initial Executive Board shall have three (3) members. By resolution of the Executive Board, the size of the Executive Board may be increased to five (5) or seven (7) members. Except for members of the Executive Board appointed by Declarant during the period of Declarant control, all Executive Board members shall be elected by Owners of Units in Pioneer Plaza Commercial Townhomes.

3.2 **Declarant Control.** Declarant shall be entitled to appoint and remove the members of the Association's Executive Board and officers of the Association during the Period of Declarant Control. The "Period of Declarant Control" begins with the appointment of the initial Executive Board and continues until the earlier of: (a) ten (10) years from the date of recording this Declaration; (b) sixty (60) days after Declarant conveys seventy-five percent (75%) of all Units in Pioneer Plaza Commercial Townhomes that may be created to owners other than Declarant; (c) two (2) years after the last conveyance of a Unit in Pioneer Plaza Commercial Townhomes by Declarant in the ordinary course of business; or (d) two (2) years after the right to add new units in Pioneer Plaza Commercial Townhomes was last exercised. Declarant may voluntarily relinquish such power evidenced by a notice executed



by Declarant and recorded with the Gunnison County Clerk and Recorder but, in such event, Declarant may at its option require that specified actions of the Association or the Executive Board as described in the recorded notice, during the period Declarant would otherwise be entitled to appoint and remove directors and officers, be approved by Declarant before they become effective. Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units in Pioneer Plaza Commercial Townhomes that may be created to Owners other than Declarant, at least one (1) member and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Owners other than the Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units in Pioneer Plaza Commercial Townhomes that may be created to Owners other than a Declarant, not less than thirty-three and one third percent (33 1/3%) of the members of the Executive Board must be elected by Owners other than the Declarant.

3.3 **Executive Board.** Except as otherwise provided in this Declaration or the Bylaws, the Executive Board may act in all instances on behalf of the Association. Except for members of the Executive Board appointed by the Declarant during the Period of Declarant Control, all members of the Executive Board shall be Members of the Association, or in the event that a Member is an entity other than a natural person, such member of the Executive Board shall be an authorized representative of such entity Member.

3.4 **Powers of the Executive Board.** Except for those matters expressly reserved to the Members as provided in the Association Documents and the Act and the Colorado Revised Nonprofit Corporation Act, the Executive Board may act in all instances on behalf of the Association, to:

3.4.1 Adopt and amend bylaws and rules, regulations and policies;

3.4.2 Determine Common expenses and adopt and amend budgets for revenues, expenditures and reserves and collect Assessments;

3.4.3 Hire and terminate managing agents and other employees, agents and independent contractors;

3.4.4 Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Unit Owners on matters affecting the Project;

3.4.5 Make contracts and incur liabilities, except that any agreement for professional management of the Association's business or other contract providing for services of the Declarant shall have a maximum term of three (3) years and any such agreement shall provide for termination by either party thereto, with or without cause and without payment of a termination fee, upon not more than ninety (90) day's prior written notice;

3.4.6 Regulate the use, maintenance, repair, replacement and modification of Common Elements;

3.4.7 Cause additional improvements to be made as a part of the Common Elements;



3.4.8 Acquire, hold, encumber and convey in the name of the Association any right, title or interest in real or personal property, except that Common Elements may be conveyed or subjected to a security interest only if (a) Members entitled to cast at least sixty-seven percent (67%) of the votes agree to that action, (b) if all Owners of Units to which any Limited Common Element is allocated agree in order to convey that Limited Common Element or subject it to a security interest;

3.4.9 Grant easements, leases, licenses and concessions through or over the Common Elements;

3.4.10 Impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements (but not including the Limited Common Elements);

3.4.11 Impose charges (including without limitation, late charges and default interest) for late payment of Assessments, recover reasonable attorney fees and other legal costs for collection of Assessments and other actions to enforce the power of the Association, regardless of whether or not suit was initiated, and after notice and opportunity to be heard, levy reasonable fines for violations of provisions of the Association Documents or otherwise suspend other membership privileges (except that notice and opportunity to be heard shall not be required before suspension of membership privileges for failure to pay Assessments within thirty (30) days after they become due);

3.4.12 Impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid Assessments;

3.4.13 Provide for the indemnification of its officers and Executive Board and maintain directors' and officers' liability insurance;

3.4.14 Assign its right to future income, including the right to receive Assessments;

3.4.15 Exercise any other powers conferred by the Declaration or Association Bylaws;

3.4.16 Exercise all other powers that may be exercised in this state by legal entities of the same type as the Association, including without limitation, those powers specified by the Colorado Revised Nonprofit Corporation Act; and

3.4.17 Exercise any other powers necessary and proper for the governance and operation of the Association.

3.5 **Books and Records.** The Association shall make available for inspection to Owners, upon request, during normal business hours or under other reasonable circumstances, current copies of the Association Documents and the books, records and financial statements of the Association prepared pursuant to the Bylaws, and as required by the Colorado Revised Nonprofit Corporation Act. The Association may charge a reasonable fee for copying such materials. The Association shall maintain such books and records as



may be required under the Act and as required by the Colorado Revised Nonprofit Corporation Act.

3.6 Maintenance Accounts: Accounting. If the Association delegates powers of the Executive Board or its officers relating to collection, deposit, transfer or disbursement of Association funds to other persons or to a Manager, then such other persons or Manager must (a) maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the other person or Manager, (b) maintain all reserve accounts of the Association separate from the operational accounts of the Association, and (c) provide to the Association no less than once per month an accounting for the previous month. In addition, the Association shall obtain an annual accounting and financial statement of Association funds (on either a review or audit basis, at the Association's discretion) and annual tax returns prepared by a certified public accountant.

3.7 Common Areas. Declarant shall convey the Common Areas shown on the Map to the Association, which shall own and administer such Common Areas for the benefit of all Unit Owners. The Association shall have the right to adopt and enforce reasonable rules and regulations regarding the use of Units and Common Areas and facilities on condition that such rules and regulations are not inconsistent with the Master Plat or the Master Declaration, this Declaration or the Map. The Association shall have the right to enforce any and all provisions set forth on the Master Plat and/or the Master Declaration.

3.8 Assessments. The Association shall be responsible for managing the Common Interest Community and for levying assessments for common expenses which common expenses shall include but not be limited to common wall, common roof or common utilities, common facilities and driveway/parking area maintenance and/or plowing, liability insurance, fire and extended coverage insurance, landscaping and care of grounds, common lighting, exterior decoration, painting, repairs and renovations, Common Area refuse collection, wages, legal and accounting fees, management fees and all expenses and liabilities incurred under or by reason of this Declaration. The Association shall pay all water, sewer and trash charges levied on the individual units and any Common Elements, if required by the ordinances, rules and regulations of the Crested Butte South Metropolitan District. The Association shall levy periodic or special assessments to cover common expenses, the payment of any deficit remaining from a previous period and the creation of a reasonable contingency fund or other reserve or surplus fund as well as payment of all other costs and expenses relating to Common Interest Community.

3.9 Assessments are Personal Obligation. Each Owner, including Declarant while an Owner of any Unit, is obligated to pay to the Association: (1) the Annual Assessments; (2) Special Assessments; and (3) Default Assessments. Each Assessment against a Unit is the personal obligation, jointly and severally, of the Owner(s) at the time the Assessment became due and shall pass to successors in title if not timely paid. No Owner may exempt himself from liability for the Assessment by abandonment of his Unit or by waiver of the use or enjoyment of all or any part of the Common Elements. Suit to recover a money judgment for unpaid Assessments, any penalties and interest thereon, the cost and expenses of such proceedings, and all reasonable attorney's fees in connection therewith shall be maintainable without foreclosing or waiving the Assessment lien provided in this Declaration. All Assessments shall be payable in accordance with the levy thereof, and no offsets or deductions thereof shall be permitted for any reason including, without limitation, any claim



that the Association or the Executive Board is not properly exercising its duties and powers under the Association Documents.

3.10 **Budget** The Executive Board shall, in advance, prepare and adopt a proposed Common expense budget at least ninety (90) days before expiration of the fiscal year based on estimated Common expenses. Within (30) days after the adoption of the proposed budgets, the Executive Board shall mail, by ordinary first class mail, or otherwise deliver, a summary of the Common expense budget to all the Owners, and shall set a date for a meeting of the Owners to consider ratification of the budget not less than fourteen (14) nor more than sixty (60) days after mailing or other delivery of the summaries. Unless at that meeting eighty percent (80%) of all Owners reject the Common expense budget, the Common expense budget is ratified, whether or not a quorum of all Members is present. In the event that a proposed Common expense budget is rejected, the periodic budget last ratified by the Owners must be continued until such time as the Owners ratify a subsequent budget proposed by the Executive Board.

3.11 **Annual.** An Owner's Annual Assessments shall be determined based on the adopted and ratified Common expense budget. The Executive Board shall levy and assess the Annual Assessments to each Owner in accordance with the Allocated interests in effect on the date of the Annual Assessment as set forth in **Exhibit D**, provided, however, that the Executive Board reserves the right to allocate all expenses relating to fewer than all of the Units to the owners of those affected Units only. Annual Assessments shall be payable in advance monthly or on such other basis as may be determined by the Executive Board, and shall be due on the first day of each period in regular installments on a prorated basis. The omission or failure of the Association to fix the Annual Assessments for any assessment shall not be deemed a waiver, modification or release of the Owners from their obligation to pay the same.

3.12 **Date of Commencement of Annual Assessments.** The Annual Assessments shall commence as to each Unit on the first day of the month following the effective date of adoption and ratification of the first Common expense budget. Until commencement of the Annual Assessments, the Declarant shall pay all Common expenses of the Association.

3.13 **Special Assessments.** In addition to the Annual Assessments, the Association may levy in any fiscal year one or more Special Assessments, payable over such a period as the Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of improvements within the Common Elements or for any other expense incurred or to be incurred as provided in this Declaration. Any amounts assessed pursuant to this Section shall be assessed to Owners according to their allocated interests, subject to the right of the Association to assess only against the Owners of affected Units, any extraordinary maintenance, repair or restoration expense. Notice in writing of the amount of such Special Assessments and the time for payment of the Special Assessments shall be given promptly to the Owners, and no payment shall be due less ten (10) days after such notice shall have been given.

3.14 **Default Assessments.** All monetary fines and other enforcement costs assessed against an Owner pursuant to the Association Documents, or any expense of the Association which is the obligation of an Owner or which is incurred by the Association on behalf of the Owner pursuant to the Association Documents, including without limitation



attorneys fees incurred by the Association, shall be a Default Assessment and shall become a lien against such Owner's Unit which may be foreclosed or otherwise collected as provided in this Declaration. Notice of the amount and due date of such Default Assessment shall be sent to the Owner subject to such Assessment at least five (5) days prior to the due date.

3.15 **Effect of Nonpayment: Assessment Lien.** Any Assessment installment, whether pertaining to any Annual, Special or Default Assessment, which is not paid when due shall be delinquent. If an Assessment installment becomes delinquent, the Association, in its sole discretion, may take any or all of the following actions:

- (a) If the delinquency continues for a period of fifteen (15) days, assess a late charge for each delinquency in such amount as the Association deems appropriate;
- (b) If the delinquency continues for a period of thirty (30) days, assess an interest charge, in arrears, from the due date at the yearly rate of 18% per year;
- (c) Suspend the voting rights of the Owner during any period of delinquency;
- (d) Accelerate all remaining Assessment installments so that unpaid assessments for the remainder of the fiscal year shall be due and payable at once;
- (e) Bring an action at law against any Owner personally obligated to pay the delinquent Assessments;
- (f) Proceed with foreclosure as set forth in more detail below; and/or
- (g) Suspend any of the Owner's membership privileges during any period of delinquency and for up to sixty (60) days thereafter.

Assessments chargeable to any Unit shall constitute a lien on such Unit. Such lien will be subject to the provisions of Colorado Revised Statutes, Section 38-33.3-316. Such lien will be superior to all other liens, except (i) the liens of all taxes, bonds, assessments and other levies which by law should be superior and (ii) the lien or charge of any security interest having priority over all other security interests in the Unit made in good faith and for value. Notwithstanding the foregoing, the Association's lien for delinquent Assessments will be prior to a security interest having priority over all other security interests in the Unit to the extent of an amount equal to the Assessments which would have come due, in the absence of acceleration, during the six months immediately preceding institution of an action to enforce the lien. The Association may institute foreclosure proceedings against the defaulting Owner's Unit in the manner for foreclosing a mortgage on real property under the laws of the State of Colorado. In the event of any such foreclosure, the Owner shall be liable for the amount of unpaid Assessments, any penalties and interest thereon, the cost and expenses of such proceedings, the cost and expenses for filing the notice of the claim and lien, and all reasonable attorney's fees incurred in connection with the enforcement of the lien. The Owner shall be required to pay the Association the monthly assessment installments for the Unit during the period of any foreclosure. The Association shall have the power to bid on a Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. The Association's lien shall be superior to any homestead exemption now or hereafter provided by the laws of the State of Colorado or any homestead exemption now



or hereafter provided by the laws of the United States. The acceptance of a deed to a Unit subject to this Declaration shall constitute a waiver of the homestead and any other exemption as against said assessment lien.

3.16 **Payment by Holder of Security Interest.** Any holder of a security interest on a Unit may pay any unpaid amount payable with respect to such Unit, together with any and all costs and expenses incurred with respect to the lien and upon such payment that holder of a security interest shall have a lien on the Unit for the amounts paid with the same priority as the lien of the security interest.

3.17 **Statement of Status of Assessment.** Upon payment of a reasonable fee set from time to time by the Executive Board and upon fourteen (14) days' written request to the Association's registered agent by personal delivery or certified mail, first-class postage prepaid, return receipt, any Owner, designee of Owner, holder of a security interest or its designee shall be furnished with a written statement setting forth the amount of the unpaid Assessments, if any, with respect to such Unit. Unless such statement shall be issued by personal delivery or by certified mail, first class postage prepaid, return receipt requested to the inquiring party (in which event the date of posting shall be deemed the date of delivery) within fourteen (14) days after receipt of the request, the Association shall have no right to assert a lien upon the Unit for unpaid Assessments which were due as of the date of the request.

3.18 **Capitalization of the Association.** The Association shall require the first Owner of any Unit (other than Declarant) who purchases that Unit from Declarant to make a nonrefundable contribution to the Association in the amount equal to one-sixth (1/6th) of the total annual assessment at the time of sale (regardless of whether or not assessments have commenced as provided herein). Said contribution shall be collected and transferred to the Association at the time of closing of the sale by Declarant of each Unit as aforesaid, and may be used for the benefit of the Association as the Executive Board deems appropriate, including, without limitation, to meet unforeseen expenditures or to purchase additional equipment, property or services. Such contribution of working capital shall not relieve an Owner from making regular payments of assessments as the same become due. Upon the transfer of a Unit, an Owner shall be entitled to a credit from the transferee (but not from the Association) for the aforesaid contribution to working capital. The Association may, from time to time, increase the amount of the working capital contribution to an amount equal to one-sixth (1/6th) of the then current total annual assessment.

3.19 **Joint and Several Liability.** The grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid assessments against such Unit for his proportionate share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantees right to recover from the grantor the amounts paid by the grantee therefor.

3.20 **Enforcement.** The Association, Master Association and/or the Owner of any Unit shall have authority to enforce any provision of this Declaration, the rules and regulations of the Association, the Association Documents and/or the Master Declaration.

3.21 **Representative of Owner(s).** If any Unit is owned by more than one person, or by a partnership, joint venture, corporation or other such entity, the Owners thereof shall designate to the Association, in writing, the name and address of the representative of the



Owner(s) to whom all legal or official assessments, liens, levies or other such notices may be properly and lawfully mailed. Upon failure to so designate an agent, the Association shall be deemed to be the agent for receipt of notices to such Owners.

3.22 Voting Rights and Assessment Allocation. The common expense liability and votes in the Association allocated to each Unit are set forth in **Exhibit D**. The interests allocated to each Unit have been calculated as follows:

3.22.1 The common expense liability is based on the number of Units, with the Owner of an improved Unit having twice the liability as the Owner of an unimproved Unit; and

3.22.2 The number of votes in the Association is based on the number of Units.

ARTICLE 4

Insurance

4.1 General Insurance Provisions. The Association shall acquire and pay for, out of the assessments, at least the following insurance policies carried with reputable insurance companies authorized to do business in Colorado:

4.1.1 Comprehensive Liability. Comprehensive general public liability and property damage insurance for the Project in such amounts as the Executive Board deems desirable, provided that such coverage shall be for at least \$2,000,000 for bodily injury, including death and property damage arising out of a single occurrence insuring the Association, the Executive Board, the manager or managing agent and their respective agents and employees, and the Unit Owners from liability in connection with the operation, maintenance and use of Common Elements. Such coverage shall also include legal liability arising out of contracts of the Association and such other risks as are customarily covered with respect to townhomes similar to the Project in the Crested Butte area, including automobile liability insurance if appropriate. The Executive Board shall not enter into employment contracts or independent contractor contracts of any kind unless the contracting party provides evidence (such as Certificate of Insurance) to the Executive Board that such party has current and satisfactory insurance, including workers compensation insurance, commercial general liability and automobile insurance on all of which the Association is named as an additional insured.

4.1.2 Fidelity Insurance. Fidelity insurance or fidelity bonds must be maintained by the Association to protect against dishonest acts on the part of its officers, directors, trustees and employees and on the part of all others, including any manager hired by the Association, who handle or are responsible for handling the funds belonging to or administered by the Association in an amount determined by the Executive Board.



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

4.1.4 **Directors and Officers Liability Insurance.** The Association shall also maintain insurance to the extent reasonably available and in such amounts as the Executive Board may deem appropriate on behalf of the Executive Board against any liability asserted against a member of the Executive Board or incurred by him in his capacity of or arising out of his status as a member of the Executive Board.

4.2 **Proof of Insurance.** The Association shall furnish proof of such insurance coverage to any Owner upon request.

4.3 **Hazard Insurance Coverage.** Each Owner, at his own expense, shall maintain on his Unit insurance for fire, with extended coverage, vandalism, malicious mischief, all-risk, replacement cost, agreed amount (if the policy includes co-insurance), special townhome, building ordinance and inflation guard endorsements attached, in amounts to represent not less than the full then current insurable replacement cost of the building(s) located on the Unit, including all interior and perimeter walls and floors, partitions, finished surfaces of interior and perimeter and party walls, floors, and ceilings, doors, windows, roofs and other elements or materials comprising a part of the Unit. Each Owner shall provide the Association with proof of insurance in accordance with this Section 4.3 annually and upon request.

4.4 **Owner's Insurance.** In addition, an Owner may, if he desires at his own expense, carry insurance for business owner's and/or homeowner's liability, theft, and other insurance covering personal property damage or loss, including damage or loss to floor coverings and fixtures.

ARTICLE 5

Architectural Control

5.1 **Association Approval Required.** No building, fence, structure or improvement of any kind shall be erected, placed or altered on any Unit or anywhere else on the Property until the building plans, specifications and plan showing the nature, kind, shape, height, materials and location of such building, fence, structure or other improvement shall have been submitted to and approved in writing by the Association and the Master Association, which approvals shall not be unreasonably withheld.

5.2 **Exterior Decoration.** The selection of color, type of paint, exterior decoration, and any exterior materials shall be subject to the written approval of the Association and Master Association, which approval shall not be unreasonably withheld.

5.3 **Uniform Exterior Appearance.** To the extent reasonably practicable, the Association shall endeavor to maintain a uniform exterior appearance to the entire Common Interest Community which shall be compatible with buildings in the surrounding area.



5.4 **Design Guidelines.** All buildings, fences, structures and improvements shall conform with the following design guidelines, which may be amended, from time to time, by the Executive Board with the approval of the Master Association:

5.4.1 **MINIMUM LOT AREA:** 4,750 square feet

5.4.2 **MAXIMUM LOT AREA:** None

5.4.3 **MINIMUM LOT WIDTH:** 50 feet

5.4.4 **MINIMUM FRONT YARD:** None

5.4.5 **MINIMUM REAR YARD:** 15 feet

5.4.6 **MAXIMUM BUILDING HEIGHT:** 30 feet

5.4.7 **OPEN SPACE REQUIRED:** None other than rear setback

5.4.8 **SLOPE OF ROOF:** A minimum of 5:12. A flat roof must contain a parapet on the sides facing a street and as otherwise required by applicable building codes and the Executive Board.

5.4.9 **MINIMUM SIDE YARD:** From none or 5 feet for flat-roofed buildings, and from 7.5 feet to as much as 11.5 feet for sloped-roofed buildings, dependent upon snow storage requirements.

5.4.10 **MINIMUM FLOOR AREA:** 1,500 square feet

5.4.11 **MAXIMUM FLOOR AREA:** Ratio of floor area to lot area shall not exceed 1.68

5.4.12 **MAXIMUM WIDTH OF FRONT FAÇADE:** 100 feet

5.4.13 **BUILDING MATERIALS:** In order to ensure a continuity of theme, all building plans must first be reviewed by the Association Executive Board. The review will focus on building exterior design, including the exterior materials proposed. Those materials must be of the following types:

- a. log;
- b. board and batten;
- c. lesser accents: perhaps stucco, stone, shingle or horizontal siding;
- d. T-111 and similar sheeting will not be permitted.

Following a review by the Executive Board, the plans must be submitted to and approved by the Master Association.



5.4.14 **DUMPSTERS:** Dumpsters shall be screened from view with screening approved by the Association. No dumpster shall exceed 3 cubic yards in volume.

5.4.15 **SIGNS:** No sign shall exceed 32 feet in area. Total signage per lot, including window signs, shall not exceed 50 square feet in area. All signs must be attached to a building.

5.4.16 **PARKING SPACES:** All parking spaces shall contain curb-type restraints. The parking area shall include parking areas and access for handicapped persons.

ARTICLE 6

Use Restrictions

6.1 **Master Declaration and Master Plat.** The Units shall be used in strict compliance with the applicable provisions of the Master Map and Master Declaration, which are incorporated herein by reference. **OWNERS ARE ADVISED TO FAMILIARIZE THEMSELVES WITH THE PROVISIONS OF THE MASTER DECLARATION, WHICH, IN CONJUNCTION WITH THIS DECLARATION, CONTROLS AND REGULATES USE OF THE UNITS.** In the event of a conflict between the provisions of this Declaration and the Master Declaration, the more restrictive provision shall control.

6.2 **Disturbances.** No Unit shall be used in any way or for any purpose that may endanger the health or unreasonably disturb, by noise, dust, fumes, vibration or otherwise, the owner or occupant of another Unit.

6.3 **Unit Maintenance.** All fixtures and equipment installed within a Unit, commencing at a point where the utility lines, pipes, wires, conduits or systems enter the exterior walls of a Unit, shall be maintained and kept in repair by the Owner thereof. An Owner shall do no act nor any work that will impair any easement or hereditament or do any act or allow any condition to exist that will adversely affect any other Unit or its Owner.

6.4 **Exterior Neatness.** The exterior of each Unit shall be kept and maintained in a neat, clean and orderly condition and appearance at all times. No personal property (except motor vehicles) shall be stored on the outside part of any Unit.

6.5 **Permitted Uses.** Pioneer Plaza Commercial Townhomes allows retail and service, commercial, recreational and institutional uses, with customary accessory uses, in order to enhance the business and service character of the commercial district of Crested Butte South. Permitted uses are as follows:

6.5.1 Retail commercial establishments, limited to the following uses, sale of following items and similar uses: Antiques, appliances, art supplies, galleries, retail bakeries, bookstores, cameras, candies, tobaccos, florists, food markets, furniture, gifts, hardware, hobby shops, photo shops, sporting goods, stationery and variety stores;



6.5.2 Service commercial establishments, limited to the following and similar uses: business offices, financial institutions and personal services establishments, including: barber and beauty shops, Laundromats (not commercial), shoe repair, sewing and tailoring, studios for instruction in the arts, radio and television broadcasting, catering services;

6.5.3 The auto-related use of fueling and washing vehicles which are provided as a service incidental to a retail store, provided the following conditions are met:

- a. The minimum lot area shall be 16,000 square feet, and
- b. There is not a similar use within 500 feet, and
- c. The fuel dispensing units accommodate no more than four vehicles at any given time.

6.5.4 Recreational clubs, theaters, assembly halls, schools, public buildings and governmental offices: these uses may be required to provide additional off-street parking.

6.5.5 Restaurants, cocktail lounges or other places serving food and/or alcoholic beverages, excluding drive-in eating places that serve customers in their vehicles: these uses may be required to provide additional off-street parking.

6.5.6 Medical and Dental clinics and professional offices;

6.5.7 Rental, repair and wholesaling facilities in conjunction with any of the above uses, provided all such activity is clearly incidental and accessory to the permitted uses and conducted within the building;

6.5.8 Newspaper and publishing offices;

6.5.9 Residential units comprising not more than 1/3 of the total floor area of the building, on condition that the Master Declaration is amended to allow such use.

For any use not listed in Sections 6.5.1 through 6.5.9, the Unit Owner shall obtain approval from the Master Association and submit a letter of notification to the Gunnison County Planning Department which reserves the right to require a Land Use Change application submittal for any proposed use considered on these commercial parcels, if deemed necessary by staff, Planning Commission or Board of County Commissioners.

6.6 **Leasing.** Subject to the remaining provisions of this Section 6.6, an Owner shall have the right to lease his Unit, or a portion thereof, upon such terms and conditions as the Owner may deem advisable; provided, however, that (a) all leases shall be in writing and shall provide that the lease is subject to the terms of the Association Documents and a copy of the Association's rules are provided to the lessee with the lease; (b) a Unit may be leased only for the uses provided herein; and (c) any failure of a lessee to comply with the terms of this Declaration or any other Association Documents shall be a default under the lease enforceable by the Association as a third party beneficiary, whether or not the lease contains such a provision. All leases shall be filed with the Association before becoming effective.



6.7 **Neglect by Owner or Owner's Agents.** If, due to the act or neglect of an Owner or Owner's Agents, loss or damage shall occur or be caused to any person or property other than the Owner's Unit, such Owner and/or Owner's Agent shall be jointly and severally liable and responsible for the payment of same. The amount of such loss or damages and any costs incurred by the Association in connection with the enforcement of the Association's rights shall be subject to all of the Association's rights with respect to the collection and enforcement of assessments as provided in this Declaration.

6.8 **Maintenance.** Responsibility for the maintenance of the Project shall be as follows:

6.8.1 Each Owner shall maintain and keep in good repair such Owner's Unit and any Limited Common Elements allocated to such Unit.

6.8.2 The Association shall maintain and keep in good repair all that part of the Project not required to be maintained and kept in good repair by an Owner.

6.9 **Antennae.** All satellite dishes and devices or facilities to transmit or receive electronic signals, radio or television waves are prohibited outside a Unit or a Limited Common Element under the exclusive use and control of an Owner unless first approved by the Executive Board in conformance with applicable federal law.

6.10 **Obstructions.** No Owner or Owner's Agent shall cause, or further, an obstruction of the Common Elements or Limited Common Elements, nor shall anything be stored on any part of the Common Elements or Limited Common Elements, without prior written consent of the Executive Board. Nothing shall be altered, constructed on, or removed from the Common Elements or Limited Common Elements except upon the prior written consent of the Executive Board.

6.11 **Cleanliness.** Each Owner shall keep his Unit at all times in a neat and clean condition and grass and weeds shall be kept mowed. No appliances, refuse, garbage, trash, lumber, grass, shrubs or tree clippings, plant waste, metal, bulk materials, scrap or debris of any kind shall be kept, stored, or allowed to accumulate on or outside of any Unit. Each Owner shall provide for a regular removal of garbage and agrees to use the trash company as designated by the Executive Board, if one is so designated; the Association has the power to provide and pay for regular or periodic trash removal as a Common expense, if it so decides. The Association shall have the right, through its agents and employees, to enter upon any Lot and maintain it and remove unsightly objects and materials, including any appliances or other property stored outside of a Unit. The cost of such maintenance and removal shall be chargeable to such Owner. No personal property of any kind shall be stored outside of a Unit nor on the exterior portion of a Unit outside of a building, unless fully enclosed by a fence or other screening device approved by the Executive Board.

6.12 **Neglect by Owner or Owner's Agents.** If, due to the act or neglect of an Owner or Owner's Agents, loss or damage shall occur or be caused to any person or property other than the Owner's Unit, such Owner and/or Owner's Agent shall be liable and responsible for the payment of same. The amount of such loss or damages and any costs incurred by the Association in connection with the enforcement of the Association's rights



shall be subject to all of the Association's rights with respect to the collection and enforcement of assessments as provided in this Declaration.

6.13 **Partition, Subdivision and Combination.** No portion of the Project shall be subject to an action for partition or division and no Units shall be subdivided or resubdivided. Units may be combined, subject to approval by the Association and Master Association.

ARTICLE 7

Easements

7.1 **Easements and Licenses.** The Project is presently subject to easements and licenses as recited in **Exhibit A** and on the Map. In addition, the Project may be subject to other easements granted by the Declarant as shown on the Map and/or as described in this Declaration.

7.2 **Easements for Encroachments.** To the extent that any Unit or Common Element encroaches on any other Unit or Common Element, a valid easement for such encroachment and for the maintenance of same shall and does exist. If the Unit is partially or totally destroyed and then rebuilt, the Owners of the Units agree that minor encroachments of parts of the adjacent Unit due to construction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist.

7.3 **Declarant's Rights Incident to Construction.** Declarant, for itself and its successors and assigns, hereby reserves an easement for construction, utilities, drainage, ingress and egress over, in, upon, under and across the Common Elements, together with the right to store materials on the Common Elements, to build and maintain temporary walls, and to make such other use of the Common Elements as may be reasonably necessary or incident to any construction of the Units, or improvements on the Property or other real property owned by Declarant, or other properties abutting and contiguous to the Property, or to perform warranty work and repairs and construction work on the Units and Common Elements, to store materials in secure areas and to control and have the right of access to work and repair until completion. Such rights may be exercised by Declarant from time to time, and at different times until completion of the Project by Declarant or a Successor Declarant, and no failure to exercise such rights at any time or for a period of time shall constitute a waiver of the rights contained herein.

7.4 **Blanket Easements.** There is hereby created a blanket easement upon, across, over, in and under the Property for the benefit of the Common Elements and the Units and the structures and improvements situated on the Property for ingress and egress, landscape irrigation system, parking, installation, replacing, repairing and maintaining all utilities, including, but not limited to, water, sewer, gas, telephone, cable television and electricity, and such other purposes as deemed appropriate by the Executive Board, except that such easements may not be utilized by the utility providers until after receiving written approval from the Executive Board. The Executive Board may condition its approval on such matters as it deems appropriate, including without limitation, the location, design, alterations to existing structures and impact on the Common Elements and the Project. Said blanket easement includes future utility services not presently available to the Units which may



reasonably be required in the future. By virtue of this easement, after receiving approval of the Executive Board, it shall be expressly permissible for the companies providing utilities to erect and maintain the necessary equipment on any of the Units and to affix and maintain electrical and/or telephone wires, circuits, conduits and pipes on, above, across and under the roofs and exterior walls of the improvements, all in a manner customary for such companies in the area surrounding the Property, subject to approval by the Association as provided above. Upon exercise of the rights contained in this Section, the utility providers, at their sole cost and expense, shall repair (or replace if necessary) the Property and all improvements thereon to their condition as they existed prior to the utility providers performing any work.

7.5 Reservation of Easements, Exceptions and Exclusions. The Association is hereby granted the right to establish from time to time, by declaration or otherwise, utility and other easements, permits or licenses over the Common Elements for the best interest of all the Owners and the Association. Each Owner is hereby granted a perpetual non-exclusive right of ingress to and egress from the Owner's Unit over and across the General Common and Limited Common Elements appurtenant to that Owner's Unit, which right shall be appurtenant to the Owner's Unit, and which right shall be subject to limited and reasonable restriction on the use of Common Elements set forth in writing by the Association.

7.6 Emergency Access. . A general easement is hereby granted to all police, sheriff, fire protection, ambulance and other similar emergency agencies or persons to enter upon the Property, including all Units and all Common Elements in the proper performance of their duties. All Owners shall permit a right of entry to the Executive Board, or any other person authorized by the Executive Board, whether the Owner is present or not, for access through each Unit, from time to time, as may be necessary for the routine maintenance, repair, or replacement for any of the Common Elements located adjacent thereto or accessible therefrom or for making emergency repairs necessary to prevent damage to the Common Elements or to another Unit. In order to facilitate the aforesaid maintenance, repair and replacement, all Owners shall provide the authorized manager a key to their respective Unit.

For routine maintenance and non-emergency repairs, entry shall be made only on a regular business day during regular business hours, after service of at least one day's notice in writing to the Owner. In case of emergency, entry may be made at any time provided that a reasonable effort according to the circumstances is made to give notice of entry. The Executive Board or its agent is granted the authority to use such reasonable force as is necessary to gain entry into the Unit in the event of an emergency, if no other means of entry are available in view of the circumstances. So long as the Owner has provided the authorized manager a key as set forth above, the Association shall bear the full responsibility and expense of all damages incurred to the Unit and/or Common Elements because of such forcible entry. All damage to the interior or any part of a Unit resulting from the maintenance, repair, emergency repair or replacement of any of the improvements, at the instance of the Association, shall be paid for as part of the Annual Assessment by all of the Owners. No Owner shall be entitled to diminution or abatement for inconveniences or discomfort arising from the making of repairs or improvements or from action taken to comply with any law, ordinance or order of any governmental authority. Restoration of the damaged improvements shall be substantially the same as the condition in which they existed prior to damage.



Notwithstanding the foregoing, if any such damage is the result of the failure of an Owner to provide the authorized manager with a key to their respective Unit and/or the carelessness or negligence of any Owner, then such Owner shall be solely responsible for the costs of repairing such damage. In the event the Owner fails within a reasonable time upon proper notice to pay the cost of the damages incurred, the Board may pay for said damages and charge the Owner responsible as a Default Assessment.

7.7 **Utility Easements.** The Association is hereby granted an easement for underground utilities in the 15' rear yard of each Unit. The Association shall have the right to allow any or all utility provider(s) to install and operate underground utilities in such easements, subject to such reasonable conditions as the Executive Board may impose.

ARTICLE 8

Remedy for Nonperformance

8.1 **Remedies.** The lien provisions of this Declaration shall not bar the Association or an Owner from seeking such other injunctive or monetary relief as may be allowed at law or in equity. All remedies shall be cumulative.

8.2 **Enforcement Costs.** The Association shall be entitled to recover all costs, including reasonable attorneys' fees and costs, incurred in collecting any assessments or charges levied by the Association or in enforcing any provision of this Declaration, the Association Documents and/or the Master Map and Declaration.

8.3 **Master Association.** The Master Association shall have the right:

8.3.1 To enforce any provision of this Declaration, the Map, The Master Declaration, the Master Map and/or any rules and regulations adopted by the Association or the Master Association and to recover all costs, including reasonable attorneys' fees and costs, incurred in connection with such enforcement.

8.3.2 To obtain reasonable documentation within 7 days of a request therefor establishing compliance with the terms and conditions of this Declaration, the Map, the Master Declaration, the Master Map and/or any rules and regulations adopted by the Association or the Master Association.

ARTICLE 9

Miscellaneous

9.1 **Severability.** If any portion of this Declaration is declared invalid or unenforceable, such invalidity or unenforceability shall in no way affect any other provisions of this Declaration.



9.2 **Party Wall Law.** To the extent that they are not inconsistent with this Declaration, the general rules of law regarding party walls shall apply to the real property subject hereto.

9.3 **Construction.** The singular wherever used herein shall be construed to mean the plural when applicable and necessary grammatical changes required to make the provisions hereof apply either to corporations or other entities or individuals, male or female, shall in all cases be amended as though in each case fully expressed.

9.4 **Amendment.** Except as otherwise provided herein, neither this Declaration nor the Map shall be amended except by an instrument signed in writing by the Owners of Units having sixty-seven percent (67%) of the votes in the Association, which instrument shall be recorded in the office of the Gunnison County Clerk and Recorder; provided, however, that no amendment which affects the Association shall be effective without the written approval of the Executive Board. Approval by holders of deeds of trust, mortgages and/or other liens or encumbrances shall not be required. No amendment which alters Unit Owners' proportional responsibility for common expenses or voting rights set forth on **Exhibit D** shall be effective except upon the written approval of the owners of record of all Units plus the holders of all deeds of trust and/or mortgages encumbering such Units. Declarant reserves the right to amend the Association Documents without the consent of Owners before Declarant conveys the last Unit to a purchaser other than Declarant or a successor Declarant, whichever first occurs, as follows (i) to make nonmaterial changes, such as the correction of a technical, clerical, grammatical or typographical error or clarification of a statement; (ii) to comply with any requirements of the Act or amendments thereto; or (iii) to add all or any portion of the Expansion Property to the Common Interest Community. No amendment shall be effective until placed of record in the office of the Clerk and Recorder of the County of Gunnison, Colorado.

9.5 **Governing Law.** This Declaration shall be interpreted in accordance with the law of the State of Colorado. Any litigation brought to enforce or interpret the provisions of this Declaration shall be brought in a court of competent jurisdiction in Gunnison County, Colorado, and the prevailing party in such litigation or in any arbitration shall be entitled to an award of reasonable attorneys' fees and costs.

9.6 **Time-Sharing Prohibited.** A Unit may not be conveyed pursuant to a time-sharing arrangement described in Sections 38-33-110 to 113, Colorado Revised Statutes.

9.7 **Easements and Licenses.** All easements and licenses to which the Project is presently subject are recited in **Exhibit A**. In addition, the Project may be subject to other easements granted by the Declarant as shown on the Map and/or as described in this Declaration.

9.8 **Term.** The covenants and restrictions in this Declaration shall run with and bind the Property in perpetuity, subject to the termination provisions in the Colorado Common Interest Ownership Act, Sections 38-33.3-101, et. seq., Colorado Revised Statutes.

9.9 **Attorneys' Fees.** If any action is brought in a court of law to enforce, interpret or construe this Declaration or any Association Document, the prevailing party shall be awarded all reasonable attorneys' fees as well as all costs incurred in the prosecution or defense of such action, including expert witness fees and costs.

ARTICLE 10

Rights Reserved to Declarant

10.1 **Special Declarant Rights.** The Declarant specifically reserves the right to exercise in any order all Development Rights and Special Declarant Rights as set forth in the Colorado Common Interest Ownership Act and this Declaration for the maximum time limit allowed by law, or for twenty (20) years following the recording hereof, whichever occurs first, including, without limitation, the following:

10.1.1 The right to annex all or any portion of the Expansion Property described in **Exhibit C** into the Project and the Association.

10.1.2 The right to appoint or remove any officer of the Association or any director of the Association during the Declarant Control Period.

10.1.3 The right to complete or make any improvements as set forth on the Map, or as required by Gunnison County and/or the Crested Butte South Metropolitan District.

10.1.4 The right to maintain signs to advertise the project.

10.1.5 The right to dedicate a future public or private easement as shown on the Map.


10.1.6 The right, without consent of any Owner or mortgagee or lienholder being required, at any time and from time to time to: (a) complete improvements indicated on the Map, (b) maintain and relocate sales offices, management offices, signs advertising the Project and models, of any size within one or more Units; (c) to subject the Property to a master association, (d) merge or consolidate the Project with a common interest community of the same form of ownership; (e) amend the Map to (i) insure that the language and all particulars that are used on the Map and contained in the Declaration are identical; (ii) establish and relocate utility easements, access easements, and parking spaces; and (iii) as may be otherwise permitted by the Act; and (f) to exercise any other Declarant rights or development rights provided for herein.

10.1.7 The right to maintain a business and sales office, construction facilities, construction equipment, advertising signs and displays and other facilities as may be reasonably necessary, appropriate or customary during the construction, development and sale of all of the Units within the Project.



Executed as of the day and year first above written.

DECLARANT:


Eric B. Roemer

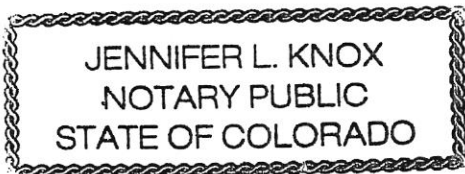

James Michael Marra


William Oberling

STATE OF COLORADO)
) ss.
COUNTY OF GUNNISON)

The foregoing instrument was acknowledged before me this 27 day of June, 2005 by Eric B. Roemer, James Michael Marra and William Oberling.

Witness my hand and official seal. My commission expires: 4-28-2006




Notary Public



EXHIBIT A

Property

A tract of land located within Block 6, CRESTED BUTTE SOUTH, SECOND FILING, a subdivision of Gunnison County, Colorado, a Map of which is filed in the records of the Gunnison County Clerk and Recorder, dated September 24, 1970, and bearing Reception No. 281588. This tract is in the southern portion of said Block 6 bounded by Gillaspey Avenue to the northwesterly and southwesterly and by Elcho Avenue to the southeasterly. Reference is specifically made to Note 1 and 2 of said plat, sheet 1. Tract is more particularly described by metes and bounds as follows:

Beginning at a point of curvature for Curve No. 8 of said plat, Sheet 1, on the Northerly right of way line of Gillaspey Avenue; thence along right of way line of Gillaspey Avenue 76.79 feet along the arc of a curve to the right whose radius is 210.0 feet and whose chord bears North 55°28'30" West a distance of 76.36 feet; thence continuing along Gillaspey Avenue North 45°00' West a distance of 369.50 feet; thence continuing along Gillaspey Avenue North 45°00' East a distance of 163.32 feet to the point of curvature of Curve No. 9; thence continuing along Gillaspey Avenue 94.25 feet along the arc of a curve to the left whose radius is 120.0 feet and whose chord bears North 22°30' East a distance of 91.84 feet to the point of tangency of Curve No. 9; thence continuing along Gillaspey Avenue North a distance of 25.80 feet; thence leaving the right of way line of Gillaspey Avenue East a distance of 558.11 feet to the westerly right of way line of Elcho Avenue; thence along the right of way line of Elcho Avenue South 24°03' West a distance of 641.34 feet; thence along the right of way line of Gillaspey Avenue North 65°57' West a distance of 134.90 feet to the point of beginning,

County of Gunnison,
State of Colorado.

Basis for bearings is the same as that of said plat, reference being specifically made to Note 5.

Easements

Easement and right of way for cattle driveway reserved by Robert J. Oversteg and Bertha Oversteg in Warranty Deed recorded October 1, 1936 in Book 245 at Page 364, in which the specific location of said easement is not defined.

Additional easements are shown on the Map.

Licenses

None.



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EXHIBIT C

LEGAL DESCRIPTION OF THE EXPANSION PROPERTY

A tract of land located within Block 6, CRESTED BUTTE SOUTH, SECOND FILING, a subdivision of Gunnison County, Colorado, a plat of which is filed in the records of the Gunnison County Clerk and Recorder, dated September 24, 1970, and bearing Reception No. 281588. This tract is the northern portion of said Block 6 bounded by Gillaspey Avenue to the west, by Haverly Street to the northeast, by Elcho Avenue to the southeast and by the following tract to the south:

Beginning at a point of curvature for Curve No. 8 of said plat, Sheet 1, on the Northerly right of way line of Gillaspey Avenue; thence along right of way line of Gillaspie Avenue 76.79 feet along the arc of a curve to the right whose radius is 210.0 feet and whose chord bears North 55°28'30" West a distance of 76.36 feet; thence continuing along Gillaspey Avenue North 45°00' West a distance of 369.50 feet; thence continuing along Gillaspey Avenue North 45°00' East a distance of 163.32 feet to the point of curvature of Curve No. 9; thence continuing along Gillaspey Avenue 94.25 feet along the arc of a curve to the left whose radius is 120.0 feet and whose chord bears North 22°30' East a distance of 91.84 feet to the point of tangency of Curve No. 9; thence continuing along Gillaspey Avenue North a distance of 25.80 feet; thence leaving the right of way line of Gillaspey Avenue East a distance of 558.11 feet to the westerly right of way line of Elcho Avenue; thence along the right of way line of Elcho Avenue South 24°03' West a distance of 641.34 feet; thence along the right of way line of Gillaspey Avenue North 65°57' West a distance of 134.90 feet to the point of beginning,

Basis for bearings is the same as that of said plat, reference being specifically made to Note 5.

County of Gunnison,
State of Colorado.



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EXHIBIT D

VOTING RIGHTS AND ASSESSMENT ALLOCATION

VOTES

The Owner of each Unit shall have one vote regardless of whether or not such Owner's Unit contains a building.

ASSESSMENTS

The Owner of each Unit with a building shall be responsible for a share of the Association's Assessments which is double the share paid by the Owner of each Unit without a building.