

not exceeding \$ 00 per month to cover extra costs and expense involved in handling such delinquent payment. In addition, the Association may provide that any assessment shall bear interest at a rate two points over the prime commercial rate charged to preferred customers by the United Bank of Denver on the 10th day after the date the delinquent payment becomes due and payable. In the event the United Bank of Denver does not quote such a prime commercial rate of interest on said date, the rate of interest shall be the maximum rate of interest permitted by law on said date.

24. LIEN FOR NON-PAYMENT OF COMMON EXPENSES:

24.1 All sums assessed to any condominium unit and not paid within 30 days from the date of assessment, together with interest thereon as herein provided, shall constitute a lien on such condominium unit in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such condominium unit except only:

24.1.1 Tax and assessment liens on the condominium unit by any governmental authority.

24.1.2 All sums unpaid on a first mortgage of record, including all unpaid obligatory advances made pursuant to such mortgage.

24.2 To evidence such lien, the Association, by the board of managers, officers or manager may prepare a written notice of lien setting forth the amount of the assessment, the amount remaining unpaid, the name of the owner of the condominium unit and a description thereof. Such notice shall be signed by the Association and may be recorded in the records of Gunnison County, Colorado. Such lien shall attach from the date of the failure of payment of the assessment and shall continue as a lien until all sums with interest and other charges thereon, including the Association's attorney's fees and costs in the drafting and recording of said notice of lien and release thereof, have been fully paid, and such lien shall not be extinguished nor annulled by the foreclosure of any other lien.

24.3 Such lien may be enforced by foreclosure by the Association in the same manner as a foreclosure of a mortgage. In such foreclosure, the owner shall be required to pay the costs and expenses for such proceedings, the cost and expenses for filing the notice of claim of lien and all reasonable attorneys' fees. The owner shall also be required to pay to the Association the monthly assessments for the unit during the period of foreclosure, and the Association shall be entitled to a receiver to collect the same. The Association shall have the power to bid in the unit at the foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

24.4 Any mortgagee holding a lien on a condominium unit may pay, but shall not be required to pay, the amount secured by such lien, and upon such payment said mortgagee shall have a lien on such unit for the amounts paid of the same rank as the lien of its mortgagee.

24.5 The Association shall report to any mortgagee of a condominium unit any unpaid assessments remaining unpaid for more than 30 days after the date of assessment, provided that such mortgagee shall have made written request therefor.

25. OWNERS' OBLIGATION FOR PAYMENT OF ASSESSMENTS: The amount of the common expenses assessed against each condominium unit shall be the personal and individual debt of the owner or owners thereof at the time the assessment is made. Suit to recover a money judg-

ment for such unpaid debt shall be maintainable by the Association without foreclosing or waiving the lien securing the same. No owner may exempt himself from the liability for his contribution towards the common expenses by waiver of the use or enjoyment of any of the common elements or abandonment of his unit.

26. STATEMENT OF ACCOUNT:

26.1 Upon payment of a reasonable fee, and upon the written request of any owner, prospective owner, or holder of a mortgage of a condominium unit, the Association shall issue a written statement setting forth the amount of the unpaid common expenses, if any, with respect to the subject unit, the amount of the current monthly assessment and the date that such assessments become due, including but not limited to insurance premiums, which statement shall be conclusive upon the Association in favor of all persons who rely thereon in good faith. Unless such request for a statement shall be complied with within ten days of such request, then such requesting party shall not be liable for, nor shall the unit if conveyed, be subject to any lien for any unpaid assessments against the subject unit. The provisions contained in this paragraph shall not apply upon the initial transfer of the unit by the Declarant.

26.2 The grantee of a condominium unit shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefore, subject only to the limitations set forth in paragraph 26.1. The term "Grantee" as used in this section shall not apply to the holder of any first mortgage upon a condominium unit, or to any person or entity acquiring title to a condominium unit by either sheriff's or public trustee's deed through foreclosure, or who acquires title by a deed given in lieu of foreclosure of a mortgage, deed of trust, or other security instrument encumbering such condominium unit.

27. TERMINATION OF MECHANIC'S LIEN RIGHTS AND INDEMNIFICATION:

27.1 Subsequent to the completion of the improvements described on the Condominium Map, no labor performed or materials furnished and incorporated into a unit with the consent or at the request of the unit owner or his agent or his contractor or subcontractor shall be the basis for filing of a lien against the condominium unit of another owner not expressly consenting to or requesting the same, or against the common elements, except as to the undivided interest to the unit of the owner for whom such labor shall have been furnished.

27.2 The provisions herein contained are subject to the rights of the Association, as set forth herein.

27.3 Each owner shall indemnify and hold harmless each of the other owners from and against liability or loss arising from the claim of any lien against the condominium unit or any part thereof, of any other owner for labor performed, or for materials furnished in work on such owner's unit.

28. MORTGAGING A UNIT - PRIORITY: Any owner shall have the right from time to time to mortgage or encumber his interest in a condominium unit by mortgage. A first mortgage shall be one which has first and paramount priority under applicable law and a mortgage imposed against the condominium unit by virtue of the first sale of such unit by the Declarant shall be construed and presumed to be a

first mortgage. The owner of a condominium unit may create junior mortgages on the following conditions:

28.1 That any such junior mortgages shall always be subordinate to all of the terms, conditions, covenants, restrictions, uses, limitations, obligations, liens for common expenses and other obligations created by this Declaration, the Articles of Incorporation and Bylaws of the Association.

28.2 That the holder of any junior mortgage shall release, for the purpose of restoration of any improvements upon the project, all of his right, title and interest in and to the proceeds under insurance policies upon said project wherein the Association is named insured. Such release shall be furnished upon written request by the Association.

29. INSURANCE:

29.1 The board of managers of the Association shall obtain and maintain at all times, to the extent obtainable, policies involving standard premium rates, established by the Colorado Insurance Commissioner, and written with companies licensed to do business in Colorado and having a Best's Insurance Report rating of Class X-B or better, covering the risks set forth below. The board of managers of the Association shall not obtain any policy where: (1) under the terms of the insurance company's charter, bylaws or policy, contributions or assessments may be made against the Mortgagor or Mortgagee's designee; or (2) by the terms of carrier's charter, bylaws or policy, loss payments are contingent upon action by the company's board of directors, policyholders or members; or (3) the policy includes any limiting clauses (other than insurance conditions) which could prevent mortgagees or the mortgagor from collecting insurance proceeds. The types of coverages to be obtained and risks to be covered are as follows, to-wit:

29.1.1 Fire insurance with extended coverage and standard risk endorsements, which endorsements shall include endorsements for vandalism and malicious mischief. Said casualty insurance shall insure the entire condominium project and any property, the nature of which is a common element (including all of the units and fixtures therein initially installed by the Declarant but not including furniture, furnishings or other personal property supplied by or installed by Unit owners) together with all service equipment contained therein in an amount equal to the maximum replacement value, without deduction for depreciation of such coverage if available. All policies shall contain a standard non-contributory mortgage clause in favor of each mortgagee of a Condominium unit, which shall provide that the loss, if any, thereunder, shall be payable to the Association for the use and benefit of mortgagees as their interests may appear.

29.1.2 If the condominium project is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards and the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, a "blanket" policy of flood insurance on the condominium project in an amount which is the lesser of the maximum amount of insurance available under the act or the aggregate of the unpaid principal balances of the mortgages on the condominium units comprising the condominium project.

29.1.3 Public liability and property damage insurance in such limits as the board of managers of the Association may from time to time determine, but not in an amount less than \$1,000,000.00 per injury, per person, per occurrence and umbrella liability limits of \$1,000,000.00 per occurrence, covering claims for bodily injury or property damage. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of the project. Said policy shall also contain a "severability of interest" endorsement.

29.1.4 Worker's compensation and employer's liability insurance and all other similar insurance with respect to employees of the Association in the amounts and in the forms now or hereafter required by law.

29.1.5 The Association shall purchase adequate fidelity coverage against dishonesty of employees, destruction or disappearance of money or securities and forgery. Said policy shall also contain endorsements thereto covering any persons who serve the Association without compensation.

29.1.6 The Association may obtain insurance against such other risks, of a similar or dissimilar nature, as it shall deem appropriate with respect to the project, including plate or other glass insurance and any personal property of the Association located thereon.

29.2 All policies of insurance to the extent obtainable shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a condominium unit owner and shall provide that such policies may not be cancelled or modified without at least ten (10) days prior written notice to all of the insureds, including mortgagees. If requested in writing by one or more of the mortgagees, duplicate originals of all policies and renewals thereof, together with proof of payments of premiums, shall be delivered to all mortgagees at least ten (10) days prior to expiration of the then current policies. The insurance shall be carried in blanket form naming Association as the insured, as attorney-in-fact for all of the condominium unit owners, which policy or policies shall indentify the interest of each condominium unit owner (owner's name and unit number designation) and first mortgagee. Further, the Association shall require the insurance company or companies providing the insurance coverages described herein to provide each owner and mortgagee a certificate of insurance in regard to such owner's individual condominium unit.

29.3 Condominium unit owners may carry other insurance for their benefit and at their expense, provided that all such policies shall contain waivers of subrogation, and provided further that the liability of the carriers issuing insurance obtained by the board of managers shall not be affected or diminished by reason of any such additional insurance carried by any unit owner.

29.4 Insurance coverage on furnishings, including carpet, draperies, oven, range, refrigerator, wallpaper, disposal and other items of personalty or other property belonging to an owner and public liability coverage within each unit shall be the sole and direct responsibility of the unit owner thereof, and the board of managers, the Associa-

tion and/or the managing agent shall have no responsibility therefor.

29.5 In the event that there shall be any damage or destruction to, or loss of or taking of a unit which exceeds \$1,000.00 or any damage or destruction to, or loss to or taking of the common elements which exceeds \$10,000.00, then notice of such damage or loss or taking shall be given by the Association to each first mortgagee of said condominium unit within ten (10) days after the occurrence of such event and the cost of repair is determined.

30. DESTRUCTION, DAMAGE, CONDEMNATION OR OBSOLESCENCE - ASSOCIATION AS ATTORNEY-IN-FACT: This declaration does hereby make mandatory the irrevocable appointment of an attorney-in-fact to deal with the project in the event of its destruction, damage, obsolescence or condemnation, including the repair, replacement and improvement of any condominium units, buildings, common elements or other portion of the project which has been so destroyed, damaged, condemned or becomes obsolete. Title to any condominium unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed or other instrument of conveyance from the Declarant or from any owner or grantor shall constitute appointment of the attorney-in-fact herein provided. All of the owners irrevocably constitute and appoint the Association as their true and lawful attorney in their name, place and stead, for the purpose of dealing with the project upon its damage, destruction, obsolescence or condemnation as is hereinafter provided. As attorney-in-fact, the Association, by its president and secretary or assistant secretary or its other duly authorized officers and agents, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed, or other instrument with respect to the interest of a condominium unit owner which are necessary and appropriate to exercise the powers herein granted. In the event that the Association is dissolved or becomes defunct, a meeting of the condominium unit owners shall be held within thirty (30) days after either such event. At such meeting a new attorney-in-fact, to deal with the project upon its destruction, damage, obsolescence, or condemnation shall be appointed. Said appointment must be approved by the owners representing an aggregate ownership interest of seventy-five percent (75%) or more of the common elements and at least seventy-five percent (75%) of the first mortgagees of the condominium units. Repair and reconstruction of the improvements as used in the succeeding subparagraphs means restoring the improvement(s) to substantially the same condition in which they existed prior to the damage, with each unit and the general and limited common elements having substantially the same vertical and horizontal boundaries as before, and all improvements being reconstructed or repaired in substantial conformance with the project's original architectural plan and scheme to the extent then reasonably and economically feasible. The proceeds of any insurance collected shall be available to the Association for the purpose of repair, restoration, reconstruction or replacement unless all of the owners and all first mortgagees agree not to rebuild in accordance with the provisions hereinafter set forth.

30.1 In the event of damage or destruction due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct the improvement(s), shall be applied by the Association, as attorney-in-fact, to such reconstruction, and the improvement(s) shall be promptly repaired and reconstructed. The Association shall have full authority, right and power as attorney-in-fact to cause the repair and restoration of the improvement(s). Assessments for common expenses shall not be abated during the period of insurance adjustments and repair and reconstruction.

30.2 If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if such damage is not more than seventy-five percent (75%) of the total replacement cost of all of the condominium units in this project, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association as attorney-in-fact, using the proceeds of the insurance and the proceeds of a special assessment to be made against all of the owners and their condominium units. Such special assessment shall be a common expense and made pro rata according to each owner's percentage of responsibility and shall be due and payable within thirty (30) days after written notice thereof. The Association shall have full authority, right and power as attorney-in-fact, to cause the repair, replacement or restoration of the improvement(s) using all of the insurance proceeds for such purpose, notwithstanding the failure of an owner to pay the assessment. The assessment provided for herein shall be a debt of each owner and a lien on his condominium unit and may be enforced and collected as is provided in Section 24. In addition thereto, the Association, as attorney-in-fact, shall have the absolute right and power to sell the condominium unit of any owner refusing or failing to pay such deficiency assessment within the time provided, and if not so paid, the Association shall cause to be recorded a notice that the condominium unit of the delinquent owner shall be sold by the Association, as attorney-in-fact, pursuant to the provisions of this section. Assessments for the common expenses shall not be abated during the period of insurance adjustment and repair and reconstruction. The delinquent owner shall be required to pay to the Association the costs and expenses for filing the notice, interest at a rate of ten percent (10%) per annum, on the amount of the assessment and all reasonable attorney's fees. The proceeds derived from the sale of such condominium unit shall be used and disbursed by the Association, as attorney-in-fact, in the following order:

30.2.1 For payment of the balance of the lien of any first mortgage;

30.2.2 For payment of taxes and special assessments liens in favor of any assessing entity and the customary expenses of sale;

30.2.3 For payment of unpaid common expenses and all costs, expenses and fees incurred by the Association;

30.2.4 For payment of junior liens and encumbrances in the order of and to the extent of their priority; and

30.2.5 The balance remaining, if any, shall be paid to the condominium unit owner.

30.3 If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if such damage is more than seventy-five percent (75%) of the total replacement cost of all of the condominium units in this project, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association, as attorney-in-fact, using the proceeds of insurance and the proceeds of a special assessment to be made against all of the owners and their condominium units, provided, however, that owners representing an aggregate ownership interest of seventy-five percent (75%) or more of the common elements and at least seventy-five percent (75%) of the first mortgagees of record may agree not to repair or reconstruct the improvements; and in such event, the Association shall forthwith record a notice setting forth such fact or facts,

and upon the recording of such notice by the Association's president and secretary or assistant secretary, the entire project shall be sold by the Association pursuant to the provisions of this section, as attorney-in-fact, for all of the owners, free and clear of the provisions contained in this Declaration, the map, Articles of Incorporation and Bylaws. Assessments for common expenses shall not be abated during the period prior to sale. The insurance settlement proceeds shall be collected by the Association, and such proceeds shall be divided by the Association according to each owner's interest in the common elements, and such divided proceeds shall be paid into separate accounts, each such account representing one of the condominium units. Each such account shall be in the name of the Association, and shall be further identified by the condominium unit designation and the name of the owner. From such separate account the Association, as attorney-in-fact shall forthwith use and disburse the total amount of each of such accounts, without contribution from one lien of any first mortgagee encumbering the condominium unit represented by such separate account. Thereafter, each such account shall be supplemented by the apportioned amount of the proceeds obtained from the sale of the entire property. Such apportionment shall be based upon each condominium unit owner's interest in the common elements. The total funds of each account shall be used and disbursed, without contribution from one account to another, by the Association, as attorney-in-fact, for the same purposes and in the same order as is provided in subsection 30.2.1 through 30.2.5 of this section. In the event that the damage is to be repaired or reconstruction is to be made then the provisions of subsection 30.2 shall apply.

30.4 The owners representing an aggregate ownership interest of eighty percent (80%) or more, of the common elements in this project may agree that the common elements are obsolete and adopt a plan for the renewal and reconstruction, which plan must have the approval of at least eighty percent (80%) of the first mortgagees of record at the time of the adoption of such plan. If a plan for the renewal or reconstruction is adopted, notice of such plans shall be recorded, and the expense of renewal and reconstruction shall be payable by all of the owners as a common expense, whether or not they have previously consented to the plan of renewal and reconstruction. The Association, as attorney-in-fact, shall have the absolute right and power to sell the condominium unit of any owner refusing or failing to pay such assessment within the time provided, and if not so paid the Association shall cause to be recorded a notice that the delinquent owner shall be sold by the Association. The delinquent owner shall be required to pay to the Association the costs and expenses for filing the notices, interest at the rate of ten percent (10%) per annum, and all reasonable attorney's fees. The proceeds derived from the sale of such condominium unit shall be used and disbursed by the Association, as attorney-in-fact, for the same purposes and in the same order as is provided in subsection 30.2.1 through 30.2.5 of this section.

30.5 The owners representing an aggregate ownership interest of eighty percent (80%) or more, of the common elements may agree that the condominium units are obsolete and that the same should be sold. Such plan or agreement must have the approval of not less than 80 percent (80%) of the first mortgagees of the condominium units. In such instance, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's president and secretary or assistant secretary, the entire project shall be sold by the Association, as attorney-in-fact, for all of the owners, free and clear of the provisions contained in this Declaration,

map, the Articles of Incorporation and the Bylaws. The sale proceeds shall be apportioned among the owners on the basis of each owner's interest in the common elements, and such apportioned proceeds shall be paid into separate accounts, each account representing one condominium unit. Each such account shall be in the name of the Association and shall be further identified by the condominium unit designated and the name of the owners. From each separate account, the Association, as attorney-in-fact shall use and disburse the total amount of each of such accounts, without contribution from one account to another for the same purposes and in the same order as in provided in subsection 30.2.1 through 30.2.5 of this section.

31. CONDEMNATION: If at any time or times during the continuance of the condominium ownership pursuant to this Declaration, all or any part of the condominium project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the following provisions of this Article shall apply:

31.1 Proceeds. All compensation, damages or other proceeds therefrom, the sum of which is hereafter called the "condemnation award" shall be payable to the Association.

31.2 Complete Taking.

31.2.1 In the event that the entire project is taken, condemned or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership pursuant hereto shall terminate. The condemnation award shall be apportioned among the unit owners on the same basis of each condominium unit owner's interest in the common elements, provided however, that if a standard different from the value of the property as a whole is employed as the measure of the condemnation award in the negotiation, judicial decree or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable.

31.2.2 On the basis of the principle set forth in the last preceding paragraph, the Association shall as soon as practicable determine the share of the condemnation award to which each owner is entitled. Such shares shall be paid into separate accounts and disbursed as soon as practicable in the same manner provided in Section 30.2.1 through 30.2.5.

31.3 Partial Taking. In the event that less than the entire condominium project is taken or condemned, sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each owner shall be entitled to a share of the condemnation award to be determined in the following manner: as soon as practicable the Association shall reasonably and in good faith, allocate the condemnation award between compensation, damages or other proceeds and shall apportion the amounts so allocated among the owners as follows: (i) the total amount allocated to taking of or injury to the common elements, shall be apportioned among the owners on the basis of each owner's interest respectively in the common elements; (ii) the total amount allocated to severance damages shall be apportioned to those condominium units which were not taken or condemned; (iii) the respective amounts allocated to the taking of or damage to a particular unit and to the improvements an owner has made within his own unit shall be apportioned to the particular unit involved and (iv) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances or as deter-



mined by judicial decree. If the allocation of the condemnation award is already established in negotiations, judicial decree or otherwise, then in allocating the condemnation award the Association shall employ such allocation to the extent it is relevant and applicable. Distribution of apportioned proceeds shall be disbursed as soon as practicable in the same manner provided in Section 30.2.1 through 30.2.5.

31.4 Notification to Mortgagees. The Association shall timely notify each First Mortgagee of any condominium unit of the commencement of the condemnation proceedings or eminent domain proceedings and shall notify said First Mortgagees in the event of the taking of all or any part of the common elements, if the value of the common elements taken exceeds \$10,000.00.

32. PROPERTY FOR COMMON USE: The Association may acquire and hold for the use and benefit of all of the owners, real and personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be owned by the owners in the same proportion as their respective interests in the general common elements and shall not be transferable except with a transfer of a condominium unit. A conveyance of a condominium unit shall transfer to the grantee ownership of the grantor's beneficial interest in all such property acquired and held by the Association.

33. REGISTRATION BY OWNER OF MAILING ADDRESS:

33.1 Each owner shall register his mailing address with the Association, and except for monthly statements and other routine notices, all other notices or demands intended to be served upon an owner shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the owner at such registered mailing address. All notices, demands or other notices intended to be served upon the Association shall be sent by certified mail, postage prepaid, to the address of the Association as designated in the Articles of Incorporation and Bylaws of the Association.

33.2 All notices or demands intended to be served shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the owner at such registered mailing address.

34. RULES AND REGULATIONS: The Association may make reasonable rules and regulations governing the use of units and of the common elements, which rules and regulations shall be consistent with the rights and duties established in this Declaration. Such rules and regulations shall be binding upon all owners and the Association may take such action, including judicial action as may be necessary to enforce compliance with such rules and regulations and to obtain damages and reasonable attorney's fees for noncompliance to the extent permitted by law.

35. ADDITIONAL RIGHTS OF HOLDERS OF FIRST MORTGAGE: In addition to any other rights provided in this Condominium Declaration, any first mortgage holder who shall make a request in writing to the Association, shall have the following additional rights:

35.1 To be furnished a copy of the annual financial statement and audit of the Association, such statement to be furnished at the time the same is furnished to the owners.

35.2 To be given written notice by the Association of any meeting of the Association called for the purpose of considering any amendment, revocation or change to the Condominium Declaration or Articles of Incorporation of the

Association. Such notice shall state the nature of any such change being proposed.

35.3 To be given written notice of any default by an owner of a unit encumbered in favor of the first mortgagee in the performance of any duty or obligation required hereunder or under the Articles of Incorporation, Bylaws, or Rules and Regulations of the Association, which default remains uncured more than 60 days following notice to the defaulting owner.

35.4 Upon reasonable notice to examine the books and records of the Association during normal business hours.

36. RESERVATIONS BY DECLARANT: Notwithstanding any other provisions expressed or implied in this Declaration or the Articles of Incorporation and Bylaws of the Association, the Declarant specifically reserves unto itself, its successors and assigns the following rights:

To elect and appoint the board of managers of the Association and to appoint the managing agent until seventy-five percent (75%) of the maximum number of condominium units permitted in the project as set forth in paragraph 37.1 have been sold and conveyed by the Declarant or for a period of three (3) years after the first sale and conveyance of a condominium unit, whichever occurs first in time.

37. GENERAL:

37.1 If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase or word or the application thereof in any circumstances 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.

37.2 The provisions of this Declaration shall be in addition and supplemental to the Condominium Ownership Act of the State of Colorado, and to all other provisions of law.

37.3 Whenever used herein, 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 genders.

37.4 Any and all sums, amounts, expenses, assessments or any funds due and payable as provided in this Declaration which are not paid within thirty (30) days of the date that the same are due and payable shall bear interest at the rate of one and one-half percent (1-1/2%) per month from the date that the same were first due and payable to the date until paid, unless any other rate of interest is specified by the Association.

38. APPLICABLE LAW: This Declaration is filed in the records of Gunnison County, Colorado and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Declaration shall be in the District Court of Gunnison County, Colorado.

39. ATTORNEYS' FEES: It is agreed that if any action is brought in a court of law by either party to this Agreement as to the enforcement, interpretation or construction of this Declaration or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorneys' fees as well as all costs incurred in the prosecution or defense of such action.

40. BINDING AGREEMENT. It is understood and agreed that this Declaration shall be binding upon the heirs, executors, administrators and assigns of the parties hereto.

IN WITNESS WHEREOF, the Declarant has executed this Amended Condominium Declaration the date first written.

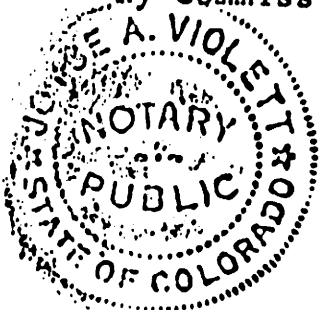
SUMMIT INVESTMENT CO. a Texas general partnership.

By Donald R. Walker  
Donald R. Walker, partner

STATE OF COLORADO )  
County of Gunnison ) ss.

The above and foregoing Amended Condominium Declaration has been acknowledged before me this 25 day of February, 1983, by Donald R. Walker, partner of Summit Investment Co. a Texas general partnership.

Witness my hand and official seal.  
My commission expires: Oct. 20, 1984



Jayce A. Violet  
Notary Public  
Address of Notary:  
P.O. Box 179  
Gunnison, CO 81230

PREPARED BY:  
Russell, Angelo & Wright, P.C.  
Attorneys at Law

## EXHIBIT A

All of Lots No. 8 through 12, both inclusive, of the replat of Chalet Village Addition No. 3, Town of Mt. Crested Butte, Gunnison County, Colorado; .....

Together with an adjoining non-exclusive easement area for roadway access purposes being part of Lot 13 of said replat of Chalet Village No. 3, said part of Lot No. 13 being described as follows:

Beginning at the most westerly common corner between said Lot No. 13 and Lot No. 12; thence North 89°49' East along the common lot boundary 45.0 feet; thence South 31°52'54" West 55.63 feet to the westerly curved boundary of said Lot No. 13; thence along said curved boundary on a curve to the left 50.0 feet to the point of beginning, said curve having a radius of 164.0 feet and a chord which bears North 18°20'39" West 49.62.

and further described as:

Condominium Units 1 through 6, inclusive, Building A;  
Condominium Units 1 through 6, inclusive, Building B;  
Condominium Units 1 through 6, inclusive, Building C;  
Condominium Units 1 through 6, inclusive, Building D;  
Condominium Units 1 through 6, inclusive, Building E;  
CRYSTAL CONDOMINIUMS, according to the Condominium Map thereof dated May 23, 1979 and bearing Reception No. 339241, and the Condominium Declaration pertaining thereto dated April 23, 1979 in Book 533 at page 438 of the records of Gunnison County, Colorado.

<u>BUILDING</u>	<u>UNIT NUMBER</u>	<u>UNDIVIDED FRACTIONAL INTEREST</u>
A	1	6/225th fractional interest
A	2	6/225th fractional interest
A	3	6/225th fractional interest
A	4	9/225th fractional interest
A	5	9/225th fractional interest
A	6	9/225th fractional interest
B	1	6/225th fractional interest
B	2	6/225th fractional interest
B	3	6/225th fractional interest
B	4	9/225th fractional interest
B	5	9/225th fractional interest
B	6	9/225th fractional interest
C	1	6/225th fractional interest
C	2	6/225th fractional interest
C	3	6/225th fractional interest
C	4	9/225th fractional interest
C	5	9/225th fractional interest
C	6	9/225th fractional interest
D	1	6/225th fractional interest
D	2	6/225th fractional interest
D	3	6/225th fractional interest
D	4	9/225th fractional interest
D	5	9/225th fractional interest
D	6	9/225th fractional interest
E	1	6/225th fractional interest
E	2	6/225th fractional interest
E	3	6/225th fractional interest
E	4	9/225th fractional interest
E	5	9/225th fractional interest
E	6	9/225th fractional interest

BOOK 509 PAGE 01

CHADLINGTON HOUSE,  
a Condominium Project

The Declarant, Summit Investment Co., a Texas general partnership, hereby makes, executes and declares the following Amendment to the Amended Condominium Declaration for Chadlington House, a condominium project, dated February 25, 1983 and recorded March 4, 1983 in Book 590 at page 440 of the records of Gunnison County, Colorado for the purpose of correcting typographical errors therein contained.

1. Paragraph 3. ESTABLISHMENT OF CONDOMINIUM OWNERSHIP is amended to read:

3. ESTABLISHMENT OF CONDOMINIUM OWNERSHIP. The project is hereby divided into thirty (30) condominium units as follows:

3.1 Thirty fee simple estates, each consisting on a separately designated unit, together with an undivided interest in the common elements appurtenant to such unit, and any limited common elements designated and reserved to such unit, as set forth on attached Exhibit "B", and incorporated herein by reference.

3.2 Subject to the limitations herein contained, any owner shall have the non-exclusive right to use and enjoy the general common elements and shall have the exclusive right to use and enjoy any limited common elements which may be designated on the condominium map for that owner's condominium unit.

2. Paragraph 6. DESCRIPTION OF A CONDOMINIUM UNIT: Paragraph 6.1 is amended to read:

6.1 Every instrument affecting the title to any of the thirty condominium units under this declaration may describe said condominium units as follows, as applicable:

3. Except only as herein amended, the said Amended Condominium Declaration for Chadlington House, a Condominium Project dated February 25, 1983 and recorded March 4, 1983 in Book 590 at page 440 of the records of Gunnison County, Colorado remain in full force and effect.

Dated this 28th day of October, 1983.

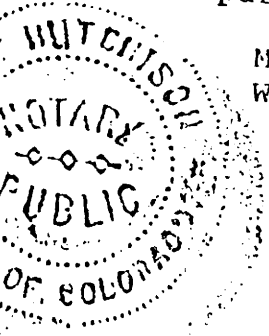
SUMMIT INVESTMENT CO., a Texas  
general partnership

By Donald R. Walker  
Donald R. Walker, partner

STATE OF COLORADO )  
County of Gunnison )

The above and foregoing Amendment to the Amended Condominium Declaration of Chadlington House, a condominium project, has been acknowledged before me this 28th day of October, 1983 by Donald R. Walker, partner of Summit Investment Co., a Texas general partnership.

My commission expires: January 15, 1984  
Witness my hand and official seal



Pat Hutchinson  
Notary Public  
PO Box 179  
Gunnison, Colorado 81230

# THE UNITED STATES OF AMERICA,

Montrose, 02639.

Certificate No. \_\_\_\_\_

Application \_\_\_\_\_

To all to Whom these Presents shall come, GREETING:

Whereas, *These have been*

deposited in the General Land Office of the United States a Certificate of the Register of the Land Office at *Montrose, Colorado* whereby it appears that ~~full payment has been made by the said~~ *Congress, approved 20th May, 1882. Secure Homestead* according to the provisions of the Act of Congress of the 24th of April, 1820, entitled "An Act making further provision for the sale of the Public Lands," and the acts supplemental thereto, for *Actual Settlers* on the Public Domain, and the acts supplemental thereto, the claim of *Matjes Malensek* has been established and duly consummated, in conformity to law, for the south half of the northeast quarter and the north half of the southeast quarter of Section twenty-six in Township thirteen south of Range eighty-six west of the Sixth Principal Meridian, Colorado, containing one hundred sixty acres.

according to the Official Plat of the Survey of the said Lands, returned to the General Land Office by the Surveyor General, which said Tract has been purchased by the said \_\_\_\_\_

Now Know Ye, That, ~~the United States of America, in consideration of the premises, and in conformity with the several Acts of Congress in such case made and provided, have given and granted, and by these presents do give and grant unto the said~~ *there is bounty granted by* *Matjes Malensek*

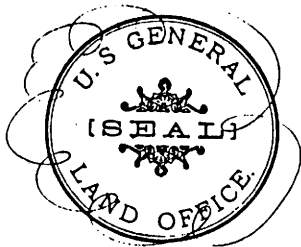
and to \_\_\_\_\_ heirs, the said Tract ~~above described: To Have and to Hold the same, together with all the rights, privileges, immunities and appurtenances, of whatsoever nature, thereunto belonging, unto the said~~ *of and* *Matjes Malensek*

and to *his* heirs and assigns forever; subject to any vested and accrued water rights for mining, agricultural, manufacturing or other purposes, and rights to ditches and reservoirs used in connection with such water rights as may be recognized and acknowledged by the local customs, laws and decisions of Courts, and also subject to the 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, as provided by law. And there is no~~ *word from the land here granted, by the authority of the United States*

In Testimony Whereof, I, *William H. Taft* President of the United States of America, have caused these letters to be made patent, and the Seal of the General Land Office to be hereunto affixed.

Given under my hand, at the City of Washington, the *Nineteenth* day of *November*, in the year of our Lord one thousand ~~eight~~ *nine* hundred and *Nine*, and of the Independence of the United States the one hundred and *Forty-fourth*

BY THE PRESIDENT: \_\_\_\_\_  
By *W. H. Taft* Secretary  
*A. W. Sanford* Recorder of the General Land Office



Patent Number *9*  
Recorded, Vol. \_\_\_\_\_ Page \_\_\_\_\_

Filed for Record the *16* day of *July*, A. D. 1910, at *9* o'clock *A. M.*

*Chadlington HS*