

FOR
ORE BUCKET COMMERCIAL CENTER CONDOMINIUMS
(A Condominium)

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, SHERWOOD INVESTMENT COMPANY, a Colorado partnership, hereafter the "Declarant", is the owner of the following described real property situated in the Town of Crested Butte, County of Gunnison, State of Colorado:

Lots 17 and 18, the West five (5) feet of the North Fifty-One and One-Half (51½) feet of Lot 19; the South Seventy-Three and One-Half (73½) feet of Lots 19 and 20; and the West fifteen feet of the South Seventy-Three and One-Half (73½) feet of Lot 21; all in Block 54, according to the official plat of said Town recorded in the office of the County Clerk and Recorder of Gunnison County, Colorado, said property being hereafter referred to as "the property", and

WHEREAS, Declarant desires to establish a condominium project under the Condominium Ownership Act of the State of Colorado, Article 33, Title 38 of the Colorado Revised Statutes, 1973, as amended; and

WHEREAS, Declarant has constructed a commercial center building and other improvements appurtenant thereto on the above described property which shall consist of separately designated Condominium Units; and

WHEREAS, Declarant does hereby establish a plan for the ownership in fee simple of real property estates consisting of the area or space contained in each of the Units in the building improvements, and the co-ownership by the individual and separate Owners thereof, as tenants in common, of all the remaining real property and improvements thereon, hereinafter defined and referred to as the General Common Elements;

NOW, THEREFORE, Declarant does hereby publish and declare that the following terms, conditions, easements, restrictions, uses, limitations and obligations shall be deemed to run with the land, shall be a burden and a benefit to Declarant, its successors and assigns and any person acquiring or owning an interest in the real property and improvements, their grantees, successors, heirs, executors, administrators, devisees or assigns.

I. DEFINITIONS

A. "Association" - means a Colorado non-profit corporation bearing the name of this condominium project, formed for the purpose of managing, maintaining, repairing and administering the property and all buildings and improvements and common elements on a part of the property; of assessing, collecting and applying common expenses, for enforcing this declaration, for acting as attorney-in-fact or trustee for condominium unit owners as hereafter set forth, and generally for administering the property. Its only members shall be owners of condominium units. A person who, for any reason, ceases to be such owner shall cease to be such member, which membership provisions shall be included in the Association's By-Laws.

B. "Building" - means the twelve-unit building improvement constructed on the property.

C. "Common Elements" - means and includes:

- (1) The land on which the building is located;
- (2) The foundations, columns, girders, beams, supports, main walls, roofs and the portions if the basement which are not designated as units;
- (3) Those General Common Elements as set forth on the Condominium Plat and all other parts of the property necessary or convenient to its existence, maintenance and safety, and normally in common use.

D. "Common Expenses" - means and includes:

- (1) All sums lawfully assessed against the General Common elements;
- (2) Expenses of administration and management, maintenance, repair or replacement of the General Common Elements;
- (3) Expenses declared common expenses by the Unit Owners.

E. "Condominium Plat" - means and includes the engineering survey of the land locating thereon all of the improvements, the floor and elevation plans and any other drawing or diagrammatic plan depicting a part of or all of the improvements. Prior to the first conveyance of a Condominium Unit, Declarant shall cause to be filed for record with the Gunnison County Clerk and Recorder the final Condominium Plat, showing at least the following: (1) boundary description of the property, (2) the location of all buildings and other improvements thereon, (3) the site, floor and building elevations, (4) density of site, (5) the structural components or supporting elements of the building, (6) the thickness of the common walls between units, and (7) the unit numbers or other designation.

Said Condominium Plat may be recorded simultaneously herewith or subsequent thereto, and shall also include all subsequent amendments to the Plat as originally recorded, which amendment may provide for more or fewer units or different size units than those indicated on the first Plat, or different location of structures than those shown on the first Plat.

F. "Condominium Project" - means all of the land and improvements initially submitted by this Declaration and subsequently submitted as may be provided hereinafter.

G. "Condominium Unit" or "Unit" - means an individual air space which is contained within the unfinished interior surfaces of the perimeter walls, floors, windows, ceilings and doors of a unit as shown on the Plat to be filed for record, together with all fixtures and improvements therein contained, but not including any of the structural components of the building, if any, within a unit, together with the Limited Common Elements appurtenant thereto, and an undivided percentage interest in and to the General Common Elements, all as set out in the Condominium Plat.

H. "Limited Common Elements" - means those common elements whose use is limited or reserved to the owner or owners of an individual condominium unit, or to fewer than all owners of the condominium units.

I. "Managing Agent" - means an individual, firm, partnership or corporation authorized to do business in the State of Colorado, employed by the Association, to administer and operate the property and Condominium Project, and to carry out such other duties as the Association may direct, in furtherance of its purposes. Whenever in this Declaration a duty is imposed upon, or a right or privilege is reserved to, the Association, if such duty, right or privilege is delegated by the Association to the Managing Agent, the latter shall thereupon be deemed to have assumed such duty and shall be entitled to exercise such right or privilege. Until changed by the Owners of a majority of the Condominium Units, the initial Managing Agent of the Condominium Project shall be the Declarant.

J. "Owner" means a person, persons, firm, corporation, partnership, association, or other legal entity, or any combination thereof, qualified to do business in the State of Colorado, who or which owns an interest in one or more condominium units.

K. "Votes and Percentage of Owners" - means that whenever in this Declaration a vote of Owners is required or permitted, each Owner shall be entitled to vote only such Owner's percentage of ownership in his Unit multiplied by the percentage of ownership in the Common Elements allocable to such Unit as stated in the Condominium Plat. Whenever in this Declaration reference is made to a percentage of Owners such percentage shall mean the aggregate percentage of ownership in the Common Elements owned by the Owners voting or represented.

II. DIVISION OF PROPERTY INTO CONDOMINIUM UNITS

The real property and improvements to be constructed thereon are hereby divided into twelve (12) separate fee simple estates, each such estate consisting

of one Unit together with an appurtenant undivided percentage interest in and to the General Common Elements. The General Common Elements shall be held in common by the Owners thereof. Each Condominium unit is described on the Condominium Plat, which by this reference is made a part hereof.

III. CONVEYANCE OF CONDOMINIUM INTEREST

Any deed, lease, mortgage, deed of trust, will, or similar or other instrument of conveyance may legally describe a condominium unit as follows:

Unit No. _____, ORE BUCKET COMMERCIAL CENTER
 CONDOMINIUMS, Town of Crested Butte, Gunnison
 County, Colorado, as set forth in that Condominium
 Plat recorded in the office of the Clerk and
 Recorder of Gunnison County, Colorado, on the
13TH day of November 1979, under Reception
 No. 345402

and every such description shall be deemed good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise effect not only the Unit but also the General Common Elements and the Limited Common Elements appurtenant thereto. Each such description shall be construed to include a non-exclusive easement for ingree and egress throughout the General Common Elements appurtenant thereto to the exclusion of all third parties not lawfully entitled to use the same.

Anything in deeds of conveyances, restrictions, or this Declaration to the contrary notwithstanding, the owners of condominium units shall be entitled to the use of air space over all common elements, except Limited Common Elements, in common with all other such condominium unit owners, except such space specifically conveyed to another or which is being actually built upon or utilized for purposes specifically reserved by deed; provided only that no owner of a condominium unit may build on or over any such common elements or limited common elements, or appropriate to his own use air space over common elements, all except as may properly be done through the Association.

IV. USE AND OCCUPANCY RESTRICTIONS

A. The property is hereby restricted to professional, commercial and retail offices and stores and uses related to the convenience and enjoyment of such residential use.

B. No advertising signs (except one of not more than five square feet "For Sale" or "For Rent" per unit), billboards, unsightly objects, or nuisances shall be erected, placed or permitted to remain on the premises, nor shall the premises be used in any way or for any purpose which may endanger the health or unreasonably disturb the owner of any condominium unit or any occupant thereof.

C. All equipment, garbage cans, wood piles, or storage piles shall be confined to areas designated by the Association (or Managing Agent). All rubbish, trash, or garbage shall be regularly removed from the premises, and shall not be allowed to accumulate thereon.

D. The owners of condominium units are hereby prohibited and restricted from using any land or air space outside the exterior building lines, except as may be allowed by the Association's Board of Directors, or as provided in this Declaration. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all owners of condominium units and is necessary for the protection of said owners.

E. Any cooperative action necessary or appropriate to the proper maintenance and upkeep of the common elements and all exteriors and roofs of the condominium units, including, but not limited to, decks, porches, parking areas and walks, shall be taken by the Association.

F. The Association, or its duly delegated representative, shall maintain and otherwise manage all property up to the exterior building lines and including, but not limited to, the landscaping, parking areas, streets, roofs, common elements and exteriors of the building located upon

the above-described properties, except windows of condominium units, and shall maintain and otherwise manage and be responsible for the rubbish removal of all areas within the above-described property.

G. No exterior additions, or alterations to any building or changes in fences, hedges, walls and other structures shall be commenced, erected or maintained until the plans and specifications showing the nature, kind, shape, height, materials, location and approximate costs shall have been submitted to and approved in writing as to conformity and harmony of external design and location with existing structures in the property by an architectural committee composed of the Board of Directors of the Association, or by a representative designated by the Board of Directors.

H. In the event any common element or building (exclusive of any party wall) is damaged or destroyed through the negligent or culpable act of an owner or any of his customers, invitees or agents, such owner does hereby irrevocably authorize the Association its attorney-in-fact as set forth in Paragraph XIV herein, to repair said damaged element or building. The owner shall then repay the Association in the amount actually expended for said repairs, together with all other expenses reasonably and necessarily incurred by the Association in connection therewith. Each condominium unit owner further agrees that these charges for repairs, if not paid within ten (10) days after the completion of the work, shall become a lien upon said owner's condominium interest as set forth in paragraph VII herein and shall continue to be such lien until fully paid.

I. An owner shall maintain and keep in repair the interior of his own unit, including the fixtures thereof. All fixtures and equipment installed within a condominium unit commencing at a point where the utility lines, pipes, wires, conduits or systems (which for brevity are hereafter referred to as "utilities") enter the unit shall be maintained and kept in repair by the owner thereof.

J. An owner shall not do any act or any work that will impair the structural soundness or integrity of the building or impair any easement or hereditament.

V. ADMINISTRATION AND MANAGEMENT

The Association (or Managing Agent) shall have the duty of determining by estimate or otherwise the amount of common expenses necessary to properly maintain and repair and administer the condominium property. At the time of the first conveyance of each condominium unit and from time to time thereafter, it shall notify the owner or owners of each condominium unit the amount of the estimated annual assessment and shall collect the fractional interest of one-twelfth (1/12) of the amount thereof from each owner or owners of a condominium unit each month, or a pro rata portion for a period beginning after the first day of a month. It shall establish and maintain a reserve of such funds for maintenance, repair, administration, payment of a manager if necessary, payment of insurance premiums, and other matters deemed by the Association (or Managing Agent) appropriate for reserves. It shall have the duty of applying such funds and to keep the condominium property well maintained and in a proper state of repair and cleanliness, and to keep all of the property properly insured as hereinafter provided.

Upon the initial conveyance of each condominium unit, the Association (or Managing Agent) shall give notice for separate tax assessment as provided by law so that each unit and the undivided interest in the general common elements appurtenant thereto shall be deemed a parcel and subject to separate assessment and taxation.

VI. RECORDS OF RECEIPTS AND EXPENDITURES

The Association shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the common elements, specifying and itemizing the maintenance and repair expenses of the common elements and any other common expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by the condominium unit owners and others with an interest such as encumbrancers or prospective lenders at convenient hours of week days.

VII. LIEN FOR NONPAYMENT OF COMMON EXPENSES

It shall be the duty of the owner of each condominium unit to pay his proportionate share of the expenses of the Association.

the common elements, taxes, insurance and fixed charges allocated or assessed to such unit and its corresponding condominium interest, and of any other expense set forth in Section V above. Payment thereof shall be in such amounts and at such times as may be determined by the Association (or Managing Agent).

If any condominium unit owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof shall constitute a lien on the condominium interest of such owner as set forth in the deed of conveyance to him, together with his interest in common elements, and upon the recording of notice thereof by the Association (or Managing Agent) in the office of the Clerk and Recorder of Gunnison County, such lien shall be constituted upon such unit owner's interest of condominium property prior to all other liens and encumbrances, recorded or unrecorded, except only (a) taxes, special assessments and special taxes theretofore or thereafter levied by any political subdivision or municipal corporation of this state and other state or federal taxes which by law are a lien on the interest of such unit owner prior to pre-existing recorded encumbrances thereon, and (b) all sums unpaid on a first mortgage or first deed of trust of record, including all unpaid obligatory sums as may be provided by such encumbrance.

The Association (or Managing Agent) shall send a notice, postage prepaid, to any such encumbrancer whose encumbrance was recorded prior to the time of recording the notice of lien provided for in this section, at the address shown in the recorded encumbrance; provided that if such encumbrancer has furnished the Association (or Managing Agent) with another address, then such other address shall be used, and said Association (or Managing Agent) shall not foreclose its said lien until at least thirty (30) days after the date of depositing such notice in the United States mails, postage prepaid, to the address of such encumbrancer.

In addition to the lien and foreclosure of same as herein provided, the Association (or Managing Agent) may, at its discretion, after the notice period provided in the preceding paragraph, cause water service to any unit to be terminated until such time as all arrearages have been paid.

Any encumbrancer holding a lien on a condominium unit may pay any common expenses payable with respect to such unit, and, if so provided in an encumbrance, may add the amount of such payment to the unpaid balance secured by his lien, and such added amount shall have the same priority and lien rights as the unpaid balance to which added.

The lien provided for in this Section shall be in favor of the Association and shall be for the benefit of all other condominium unit owners, and may be foreclosed by an action brought in the name of the Association in a like manner as a mortgage of real property. In any such foreclosure the owner shall be required to pay the costs and expenses of such proceedings, the costs and expenses for filing the notice or claim of lien, and all reasonable attorney fees. The owner shall also be required to pay the Association all monthly assessments for the condominium unit during the period of foreclosure, and the Association shall be entitled to a Receiver to collect the same. The Association acting on behalf of the unit owners, shall have the power to bid in the interest so foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same; and to subrogate so much of its rights to such lien as may be necessary or expedient to an insurance company which will continue to give total coverage in spite of nonpayment of such defaulting owner's portion of the premium.

The Association (or Managing Agent), and its officers and directors, shall not be liable or accountable in damages for any action taken pursuant to the provisions of this Declaration.

VIII. OWNER'S PERSONAL 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 thereof at the time the assessment is made. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing same. No owner may exempt himself from liability for his contribution toward the common expenses by waiver of the use or enjoyment of any of the common elements or by abandonment of his unit.

IX. JOINT LIABILITY OF TRANSFEROR AND TRANSFEREE

The grantee of a condominium unit shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his proportionate share of 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 therefor; unless said liability is limited by the contents of a Certificate issued to the grantee under paragraph X. "Grantee" as used in this paragraph shall not include one who acquires title through foreclosure of a first Mortgage or a first deed of trust, or through a deed taken in lieu of such foreclosure.

X. CERTIFICATE OF ASSESSMENTS

Upon payment of a reasonable fee not to exceed One Hundred (\$100.00) Dollars and upon the written request of any owner, mortgagee, prospective grantee or prospective mortgagee, of a condominium unit, the Association -- by its financial officer, (or the Managing Agent) shall issue a written Certificate setting forth the amount of unpaid common expense, if any, with respect to the subject unit; the amount of the current monthly assessment and the date upon which such assessment becomes due; and credit for advanced payments or for prepaid items (including, but not limited to, insurance premiums). Such Certificate shall be conclusive upon the Association in favor of all persons who rely thereon in good faith. Unless such request for a Certificate of Assessments be complied with within ten (10) days of the receipt of the request, then (a) in the case of a request by a mortgagee or prospective mortgagee, all unpaid common expenses which become due prior to the date of making such request shall be subordinate to the lien of said mortgagee or prospective mortgagee, or (b) in the case of a request by a prospective grantee, he shall not be liable for, nor shall the unit conveyed be subject to a lien for, any unpaid assessments or common expenses which became due prior to the date of making such request. No failure to comply with such request, if made by the owner, shall relieve him from personal liability for, or the subject unit from the lien for, any unpaid assessments or common expenses. The provisions contained in this paragraph shall not apply upon the initial transfer of the condominium units by Declarant.

XI. MORTGAGING A CONDOMINIUM UNIT

Any owner shall have the right from time to time to mortgage or encumber his interest by deed of trust, mortgage or other security instrument. A first mortgage shall be one which has first and paramount priority under applicable law. The owner of a condominium unit may create junior mortgages on the following conditions: (1) that any such junior mortgage shall always be subordinate to all of the terms, conditions, covenants, restrictions, uses, limitations, obligations, lien for common expenses, and other obligations created by this Declaration; and (2) that the mortgagee under any junior mortgage shall release, for the purpose of restoration of any improvement upon the mortgaged premises, all of his right, title and interest in and to the proceeds under all insurance policies upon said premises which insurance policies were effected and placed upon the mortgaged premises by the Association. Such release shall be furnished forthwith by a junior mortgagee upon written request of the Association.

XII. FORECLOSURE, DEEDS, ETC.

In the event any person shall acquire or be entitled to the issuance of a tax deed, public trustee's deed, sheriff's deed, commissioner's deed, etc., the interest so acquired shall be subject to all the provisions of this Declaration and to the terms, provisions, covenants, conditions and limitations contained in the Declaration, the Condominium Map, the By-Laws of the Association or any restrictions or exceptions affecting such interest then in force.

XIII. INSURANCE

The Association, through its Board of Directors (or the Managing Agent) shall have the authority to and shall obtain insurance for the condominium property on the building, common areas, etc., for liability and against loss or damage by fire and such other hazards as are generally covered in the area under standard extended coverage provisions for at least the full insurable replacement costs of the condominium building, common elements and units, and shall include

coverage against vandalism, etc. From time to time, and not less often than once every eighteen months, the Association (or Managing Agent) shall cause to be made -- by a reputable builder or construction contractor -- an estimate of the replacement costs of the condominium building, common elements, and units, and shall thereupon cause the insurance coverage to be raised or lowered accordingly. The insurance shall be carried with a domestic company having the highest rating, and shall be in blanket policy form naming the Association the insured, as attorney-in-fact for the condominium unit owners, which policy or policies shall identify the interest of each condominium unit owner (owner's name and unit number), and which policy or policies shall provide a standard, non-contributory mortgagee clause in favor of each first mortgagee, and that it cannot be cancelled by either the insured or the insurance company until after ten (10) days' prior written notice is first given to each owner and to each first mortgagee. The Association (or Managing Agent) shall furnish a certified copy of such blanket policy and the Certificate identifying the interest of the mortgagor.

All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular owner guilty of a breach of warranty, act, omission, negligence or non-compliance of any provision of such policy, including payment of the insurance premium applicable to that owner's interest, or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy, but the insurance under any such policy, as to the interests of all other insured owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

A condominium unit owner may obtain whatever additional insurance he desires; it shall, however, be the individual responsibility of each owner to provide, as he sees fit, homeowner's liability insurance, theft and other insurance covering personal property damage and loss, and payment for the premiums therefor and renewal thereof shall be the sole responsibility of such owner and not of the Association.

XIV. ASSOCIATION ATTORNEY-IN-FACT

This Declaration does hereby make mandatory the irrevocable appointment of an attorney-in-fact to deal with the property upon its destruction or obsolescence.

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 from the Declarant or from any owner shall constitute appointment of the attorney-in-fact herein provided. All of the owners irrevocably constitute and appoint the Association their true and lawful attorney in their name, place and stead for the purpose of dealing with the property upon its destruction or obsolescence as is hereafter provided. As attorney-in-fact, the Association, by its president and secretary, shall have full and complete authorization, right and power to make, execute and deliver to itself or a third person any contract, deed or any other instrument with respect to the interest of a condominium unit owner which are necessary and appropriate to exercise the powers herein granted. Repair and reconstruction of the improvement as used in the succeeding paragraphs mean restoring the improvement to substantially the same condition in which it existed prior to damage, with each condominium unit and the general and limited common elements having the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be available to the Association as set forth in Paragraph XV below.

Such power of attorney includes a power to subject a unit owner's condominium interest and/or percentage ownership to whatever rights are necessary (including entry of a unit in an emergency) to permit proper maintenance, repair and improvements to the condominium building and common areas by the Association, or by the Managing Agent.

XV. DISPOSITION OF DESTROYED OR DAMAGED UNIT

A. In the event of damage or destruction due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct the improvement, shall be applied by the Association, as attorney-in-fact, to such reconstruction, and

the improvement 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.

B. If the insurance proceeds are insufficient to repair and reconstruct the improvement, and if such damage is not more than sixty per cent (60%) of all of the condominium units (the whole property), 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 an assessment to be made against all of the owners and their condominium units. Such deficiency assessment shall be a common expense and made pro-rata according to each owner's percentage interest in the general common elements and shall be due and payable within thirty days after written notice thereof. The Association shall have full authority, right and power, as attorney-in-fact, to cause the repair or restoration of the improvement 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 paragraph VII. 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 paragraph. The delinquent owner shall be required to pay to the Association the costs and expenses for filing the notices, interest at the rate of eighteen per cent (18%) 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:

- (1) For payment of taxes and special assessment liens in favor of any assessing entity and the customary expense of sale;
- (2) For payment of the balance of the lien of any first mortgage;
- (3) For payment of unpaid common expenses and all costs, expenses and fees incurred by the Association;
- (4) For payment of junior liens and encumbrances in the order of and to the extent of their priority; and
- (5) The balance remaining, if any, shall be paid to the condominium unit owner.

C. If the insurance proceeds are insufficient to repair and reconstruct the damaged improvement, and if such damage is more than sixty per cent (60%) of all of the condominium units (the whole property), not including land, and if the owners representing an aggregate ownership interest of fifty-one per cent (51%), or more, of the general common elements do not voluntarily, within one hundred (100) days thereafter, make provisions for reconstruction, which plan must have the unanimous approval or consent of every first mortgagee, the Association shall forthwith record a notice setting forth such facts or facts, and upon the recording of such notice by the Association's President and Secretary or Assistant Secretary, the entire remaining premises shall be sold by the Association pursuant to the provisions contained in this Declaration, the Plat and the By-Laws. The insurance settlement proceeds shall be collected by the Association, and such proceeds shall be divided by the Association according to each owner's percentage interest in the general 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 each 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 account to another, toward the partial or full payment of the lien of any first mortgage against the condominium unit represented by such separate account. 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 percentage interest in the general 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 subparagraph B (1) through (5) of this paragraph.

D. If the owners representing an aggregate ownership interest of fifty-one per cent (51%), or more, of the general common elements adopt a plan for reconstruction, which plan has the unanimous approval of all first mortgagees, then all of the owners shall be bound by the terms and other provisions of such plan. Any assessment made in connection with such plan shall be a common expense and made pro-rata according to each owner's percentage interest in the general common elements and shall be due and payable as provided by the terms of such plan, but not sooner than thirty (30) days after written notice thereof. The Association shall have full authority, right and power, as attorney-in-fact, to cause the repair or restoration of improvements 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 paragraph VII. 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 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 and the costs and expenses for filing the notices, interest at the rate of eighteen per cent (18%) 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, for the same purposes and in the same order as is provided in subparagraph B (1) through (5) of this paragraph.

XVI. EASEMENT FOR MINOR ENCROACHMENTS

The owners of the respective condominium units agree that if any portion of the common areas and facilities encroaches upon the condominium units, or if any portion of a unit encroaches upon the general common elements, or upon an adjoining unit or units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. In the event a structure is partially or totally destroyed, and then rebuilt, the owners of condominium units therein agree that minor encroachment of parts of the common areas and facilities due to construction shall be permitted and that valid easement for said encroachment and the maintenance thereof shall exist. None of such encroachments or easements shall be considered or determined to be encumbrances either on the general common elements or on the units.

There is hereby created a blanket easement upon, across, over and under the above-described premises for ingress, egress, installation, replacing, repairing and maintaining all utilities, including, but not limited to, water, sewers, gas, telephones and electricity, and a master television antenna-cable system. By virtue of this easement, it shall be expressly permissible for an electrical and/or telephone company to erect and maintain necessary equipment on said property and to affix and maintain electrical and/or telephone wires, circuits and conduits on, above, across and under the roofs and exterior walls of said condominium units. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines or other utilities may be installed or relocated on said premises except as initially programmed and approved by Declarant or thereafter approved by said Declarant or the Association's Board of Directors. This easement shall in no way affect any other recorded easement on said premises.

An easement is also reserved in, on and over each condominium unit to permit the Association or its designees to effect any desired or necessary maintenance or repairs to a building.

XVII. PARTITION PROHIBITED

No condominium unit owner shall bring any action for partition or division of his undivided interest in the land underlying the condominium unit or property or in any common element or condominium building in which he owns an undivided interest. Any covenant or agreement to the contrary shall be null and void.

XVIII. REVOCATION OF OR AMENDMENT TO DECLARATION

This Declaration shall not be revoked nor shall any of the provisions herein be amended unless the owners representing an aggregate ownership interest of seventy-five per cent (75%), or more, of the general common elements, and all of the holders of any recorded mortgage or deed of trust covering or affecting any or all condominium units unanimously consent and agree to such revocation or amendment by instrument(s) duly recorded; provided, however, that the percentage of the undivided interest in the general common elements appurtenant to each unit, as expressed in this Declaration, shall have a permanent character and shall not be altered without the consent of all of the unit owners expressed in an amended Declaration duly recorded.

XIX. SEVERABILITY

If any provisions of this Declaration or any section, sentence, clause, phrase or word, or the application thereof in any circumstance, is held invalid, the validity of the remainder of the Declaration and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

XX. MAILING OF NOTICES

Each Owner shall register his mailing address with the Managing Agent and all notices of any kind given pursuant to this Declaration intended to be served upon any Owner shall be sent by certified mail, return receipt requested, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notices or demands intended to be served upon the Association or Managing Agent shall be given by certified mail, return receipt requested, postage prepaid, to the address thereof. All notices or demands to be served on Mortgagees pursuant hereto shall be sent by certified mail, return receipt requested, postage prepaid, addressed in the name of the Mortgagee at such address as the Mortgagee may have furnished to the Managing Agent in writing. Unless the Mortgagee so furnished such address, the Mortgagee shall be entitled to receive none of the notices provided for in this Declaration. Any notice referred to in this Section shall be deemed given when deposited in the United States mail in the form provided for in this Section. No notice of any kind shall be effective unless such notice conforms to the requirements of this paragraph.

XXI. ATTORNEY'S FEES

It is agreed that if any action is brought in a court of law by any party to this Declaration as to the enforcement or interpretation or construction of this Declaration or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorney's fees as well as all costs incurred in the prosecution or defense of such action. Additionally, all expenses incurred including reasonable attorney's fees, incurred in collecting delinquent assessments shall be paid by the defaulting Owner, and, until paid, shall be a debt of the applicable owner and a lien on his condominium unit, and may be enforced and collected as provided in paragraph VII.

XXII. BINDING AGREEMENT

The provisions of this Declaration, and all subsequent agreements and determinations lawfully made by the Managing Agent or Association shall, be binding upon all Owners of Units, their representatives, heirs, successors and assigns.

28th IN WITNESS WHEREOF, these Declarations have been duly executed this day of SEPTEMBER, 1979.

SHERWOOD INVESTMENT COMPANY,
a Colorado partnership

By: Norman E. Sherwood
Norman E. Sherwood, Partner

By: Mary N. Sherwood
Mary N. Sherwood, Partner

STATE OF COLORADO)
) ss.
COUNTY OF GUNNISON)

The foregoing Condominium Declaration of the Ore Bucket Commercial Center Condominiums was acknowledged before me this 28th day of SEPTEMBER, 1979, by Norman E. Sherwood and by Mary N. Sherwood, as the partners in Sherwood Investment Company, a Colorado partnership.

Witness my hand and official seal.

My Commission Expires: JUNE 6, 1982



Richard T. Paynter Jr.
Notary Public