

Summit County Clerk and Recorder:

Index in grantee's index under "Beaver Run" and "Beaver Run Homeowners Association" and in the grantor's index under "Beaver Run Homeowners Association" and the names of each person executing this Declaration.

**AMENDED AND RESTATED CONDOMINIUM DECLARATION
FOR
BEAVER RUN**

TABLE OF CONTENTS

ARTICLE 1.	NAME	2
SECTION 1.1	NAME AND TYPE	2
SECTION 1.2	PURPOSE	2
ARTICLE 2.	DEFINITIONS	2
SECTION 2.1	GENERAL	2
ARTICLE 3.	LOCATION, UNIT BOUNDARIES, COMMON AND LIMITED COMMON ELEMENTS AND EASEMENTS	5
SECTION 3.1	LOCATION	5
SECTION 3.2	UNITS AND BOUNDARIES	5
SECTION 3.3	COMMON ELEMENTS	6
SECTION 3.4	LIMITED COMMON ELEMENTS	6
SECTION 3.5	ASSIGNMENT AND REASSIGNMENT OF LIMITED COMMON ELEMENTS	6
SECTION 3.6	EASEMENTS FOR USE AND ENJOYMENT	7
SECTION 3.7	EASEMENT FOR ENTRY	7
SECTION 3.8	SUPPORT	7
SECTION 3.9	ENCROACHMENTS	7
SECTION 3.10	UTILITIES	8
ARTICLE 4.	ASSOCIATION MEMBERSHIP AND ALLOCATION OF INTERESTS	8
SECTION 4.1	MEMBERSHIP	8
SECTION 4.2	ALLOCATED INTERESTS	8
ARTICLE 5.	ASSESSMENTS	8
SECTION 5.1	PURPOSE OF ASSESSMENT	8
SECTION 5.2	PERSONAL OBLIGATION FOR ASSESSMENTS	8
SECTION 5.3	LIEN	8
SECTION 5.4	PAYMENT OF ASSESSMENTS	9
SECTION 5.5	SPECIFIC UNIT ASSESSMENTS	9
SECTION 5.6	TIME SHARE ASSESSMENTS	9
SECTION 5.7	DELINQUENT ASSESSMENTS	9
SECTION 5.8	BUDGET AND ASSESSMENT	10
SECTION 5.9	SPECIAL ASSESSMENTS	11
SECTION 5.10	CAPITAL CONTRIBUTION	11
SECTION 5.11	STATEMENT OF ACCOUNT	11
SECTION 5.12	SURPLUS FUNDS AND COMMON PROFITS	12
SECTION 5.13	BORROWING	12
ARTICLE 6.	MAINTENANCE RESPONSIBILITY	12
SECTION 6.1	BY THE OWNER	12
SECTION 6.2	ADDITIONAL OWNER RESPONSIBILITIES	13
SECTION 6.3	BY THE ASSOCIATION	13
SECTION 6.4	LIABILITY FOR DAMAGE	14
SECTION 6.5	ADDITIONAL ASSOCIATION MAINTENANCE	15
SECTION 6.6	OWNER MAINTENANCE RELATED TO INSURANCE PURCHASED BY THE ASSOCIATION	15
SECTION 6.7	MOLD AND/OR MILDEW	15
SECTION 6.8	RADON	15

SECTION 6.9	FAILURE TO MAINTAIN	16
ARTICLE 7.	COVENANTS AND USE RESTRICTIONS	16
SECTION 7.1	OWNER RESPONSIBILITY FOR COMPLIANCE	16
SECTION 7.2	USE OF UNITS	16
SECTION 7.3	LEASE OF CONDOMINIUM UNIT	17
SECTION 7.4	RENTAL PROGRAM.	18
SECTION 7.5	ON-SITE SERVICE EXPENSES.	18
SECTION 7.6	UNIT CHECK-IN PROCEDURES.....	18
SECTION 7.7	RESTRICTIONS ON EXTERIOR BUILDING CHANGES, STRUCTURAL ALTERATIONS, IMPROVEMENTS, PENETRATIONS, AND CUT-OUTS.....	18
SECTION 7.8	USE OF COMMON ELEMENTS	19
SECTION 7.9	USE OF LIMITED COMMON ELEMENTS AND PATIOS, DECKS OR BALCONIES.....	19
SECTION 7.10	COMPLIANCE WITH LAWS AND INSURANCE REQUIREMENTS	19
SECTION 7.11	PROHIBITION OF NUISANCE.....	19
SECTION 7.12	NO DAMAGE OR WASTE	20
SECTION 7.13	PETS.....	20
SECTION 7.14	VEHICLES AND PARKING	21
SECTION 7.15	VEHICLE REPAIR.....	22
SECTION 7.16	HEATING OF UNITS IN COLDER MONTHS	22
SECTION 7.17	SIGNS	22
SECTION 7.18	TRASH AND GARBAGE	22
SECTION 7.19	UNSIGHTLY OR UNKEMPT CONDITIONS.	22
SECTION 7.20	ANTENNAS AND SATELLITE DISHES.....	22
SECTION 7.21	GRILLING	23
SECTION 7.22	PERSONAL PROPERTY ON COMMON ELEMENTS	23
SECTION 7.23	RESTRICTION ON MARIJUANA USE, GROWTH, AND DISTRIBUTION	23
SECTION 7.24	RULES AND REGULATIONS.....	23
SECTION 7.25	USE OF THE WORDS BEAVER RUN, BEAVER RUN RESORT, BEAVER RUN RESORT AND CONFERENCE CENTER, AND BEAVER RUN HOMEOWNERS ASSOCIATION.....	23
ARTICLE 8.	ARCHITECTURAL CONTROLS	24
SECTION 8.1	ARCHITECTURAL COVENANTS	24
SECTION 8.2	ALTERATION OF UNITS	24
SECTION 8.3	ARCHITECTURAL STANDARDS.....	26
SECTION 8.4	AUTHORITY OF ASSOCIATION TO ENGAGE CONSULTANTS	26
SECTION 8.5	ENCROACHMENTS ONTO COMMON ELEMENTS	26
SECTION 8.6	CONDITIONS OF APPROVAL	26
SECTION 8.7	REQUIRED ACTION BY THE ASSOCIATION.....	26
SECTION 8.8	COMMENCEMENT AND COMPLETION OF CONSTRUCTION.....	26
SECTION 8.9	LIMITATION OF LIABILITY	27
SECTION 8.10	NO WAIVER OF FUTURE APPROVALS	27
SECTION 8.11	ENFORCEMENT.	27
ARTICLE 9.	INSURANCE	27
SECTION 9.1	ASSOCIATION’S PROPERTY INSURANCE	27
SECTION 9.2	OTHER ASSOCIATION INSURANCE	28
SECTION 9.3	STANDARDS FOR ASSOCIATION POLICIES.....	28
SECTION 9.4	INSURANCE DEDUCTIBLES	29
SECTION 9.5	OWNERS’ INSURANCE.	29
SECTION 9.6	OWNER’S RIGHT TO REVIEW ASSOCIATION INSURANCE POLICIES.....	29

SECTION 9.7	SOURCE AND ALLOCATION OF PROCEEDS	29
SECTION 9.8	REPAIR AND RECONSTRUCTION REQUIREMENTS	30
SECTION 9.9	CONSTRUCTION FUND.....	30
ARTICLE 10.	MORTGAGE HOLDER'S RIGHTS	30
SECTION 10.1	ABANDONMENT OR TERMINATION	30
SECTION 10.2	LIABILITY FOR ASSESSMENTS.....	30
SECTION 10.3	NOTICE TO ELIGIBLE MORTGAGE HOLDERS	30
SECTION 10.4	NO PRIORITY.....	31
SECTION 10.5	NOTICE TO ASSOCIATION	31
SECTION 10.6	FAILURE OF ELIGIBLE MORTGAGE HOLDER TO RESPOND.	31
SECTION 10.7	CONSTRUCTION OF THIS ARTICLE.....	31
ARTICLE 11.	TIME SHARE UNITS	31
SECTION 11.1	DESIGNATION OF TIMES SHARE UNITS.....	31
SECTION 11.2	TIME SHARE INSTRUMENTS	31
SECTION 11.3	ASSOCIATION LIEN ON TIME SHARE ESTATES	32
SECTION 11.4	TIME SHARE ESTATE OWNERS	32
SECTION 11.5	COMMENCEMENT OF TIME SHARE UNIT.....	32
ARTICLE 12.	AUTHORITY AND ENFORCEMENT	32
SECTION 12.1	COMPLIANCE WITH AND ENFORCEMENT OF GOVERNING DOCUMENTS	32
SECTION 12.2	FAILURE TO ENFORCE.....	33
ARTICLE 13.	AMENDMENTS	34
SECTION 13.1	AMENDMENT BY OWNERS	34
SECTION 13.2	ELIGIBLE MORTGAGE HOLDER APPROVAL FOR MATERIAL AMENDMENTS.....	34
SECTION 13.3	AMENDMENTS BY BOARD OF DIRECTORS	34
SECTION 13.4	VALIDITY	34
ARTICLE 14.	GENERAL PROVISIONS	34
SECTION 14.1	SECURITY.....	34
SECTION 14.2	IMPLIED RIGHTS.....	34
SECTION 14.3	INTERPRETATION.....	34
SECTION 14.4	ELECTRONIC RECORDS, NOTICES, AND SIGNATURES	35
SECTION 14.5	DURATION	35
SECTION 14.6	SEVERABILITY	35
SECTION 14.7	PUBLIC IN GENERAL	35
SECTION 14.8	CONFLICTS.....	35
SECTION 14.9	CAPTIONS.....	35
SECTION 14.10	SINGULAR INCLUDES THE PLURAL; GENDER	35

EXHIBITS

LEGAL DESCRIPTION	"A"
ALLOCATED INTERESTS.....	"B"
DESIGNATION OF TIME SHARE UNITS AND CONSENT	"C"

**AMENDED AND RESTATED CONDOMINIUM DECLARATION
FOR
BEAVER RUN**

This Amended and Restated Condominium Declaration for Beaver Run ("Declaration") is effective upon recording.

RECITALS

A. The Declaration of Condominium for Beaver Run was recorded on February 5, 1980, at Reception No. 202979, et seq., Summit County Clerk and Recorder.

B. The Original Declaration has been amended by those amendments and supplements recorded at the Summit County Clerk and Recorder, as follows:

<u>Recording Date</u>	<u>Reception No.</u>
First Amendment - October 9, 1980	213059
Second Amendment - February 25, 1981	220275
Designation of Timeshare Units - April 21, 1983	253776
Third Amendment - November 12, 1986	327184
Fourth Amendment – June 18, 2019	1200695

and any others of record (collectively referred to as the "Original Declaration").

C. Article XVII, Section 2 of the Fourth Amendment provides that the Declaration may be amended with the approval of the Owners holding at least 67% of the total Association vote.

D. Article XVIII, Section 1 of the Fourth Amendment states that amendments of a material adverse nature to First Mortgagees must be approved by First Mortgagees who represent at least 51% of the votes of Units that are subject to First Mortgages held by First Mortgagees. Notice of the this Declaration was given to First Mortgagees in accordance with the procedures outlined in Article XVIII, Section 1(c) of the Fourth Amendment.

E. This Declaration does not alter the undivided interest of the Units and does not terminate the Condominium.

F. The purposes of the amendments in this Amended and Restated Declaration include, but are not limited to the following:

- to update the Original Declaration to comply with current state law;
- to clarify the allocation of maintenance responsibilities and insurance between the Association and the Owners;
- to delete declarant rights and responsibilities that are no longer applicable;
- to change restrictions in the Community;
- to update provisions so as to allow the Association to efficiently operate the Community and deal with Community concerns; and
- to add provisions that provide tools for the Association to effectively solve problems and enforce the Declaration, Bylaws and Rules and Regulations.

G. There is only one Class Membership remaining as Declarant's Class B membership has terminated and converted into a Class A membership.

H. Class Members holding at least 67% of the total Association vote and 51% of the First Mortgagees of the Condominium Units desire to amend the Original Declaration, have approved this Declaration in writing, and have determined this Declaration to be reasonable and not burdensome.

The Original Declaration, as amended, is replaced by this Declaration, provided that this does not replace the legal description in the Original Declaration and any supplements or annexations.

ARTICLE 1. NAME

Section 1.1 Name and Type. The type of common interest community is a condominium community. The condominium community's name is Beaver Run. The Association's name is Beaver Run Homeowners Association.

Section 1.2 Purpose. One of the Association's goals is to preserve the value and desirability of the Community and the Units and to further the interests of the Community's Residents and the Association's Members.

ARTICLE 2. DEFINITIONS

Section 2.1 General. Terms used in these Governing Documents, as defined below, have their normal, generally accepted meanings or the meanings given in the Colorado Common Interest Ownership Act or the Colorado Revised Nonprofit Corporation Act.

(a) Act means the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101, et seq., as may be amended from time to time, to the extent it applies to communities created prior to July 1, 1992.

(b) Association means Beaver Run Homeowners Association, a Colorado nonprofit corporation and its successors. Unless a particular power is expressly reserved to the Owners, all powers of the Association will be exercised by, and the business and affairs of the Association will be conducted and managed by the Board of Directors.

(c) Board or Board of Directors means the body responsible for management and operation of the Association. The term has the same meaning as executive board is defined in the Act.

(d) Bylaws mean the Bylaws of the Association.

(e) Common Elements means those portions of the property subject to this Declaration and the Map that are co-owned by the Owners as tenants-in-common, but does not include the Units (regardless of whether title to a particular Unit is vested in an Owner or the Association).

(f) Common Expenses mean the expenses and liabilities incurred or anticipated to be incurred by the Association including, but not limited to, those expenses incurred for maintaining, repairing, replacing, and operating the Common Elements, and for fulfilling any of the Association's obligations.

(g) Common Furnishings means furniture and furnishings for a Unit or other personal property from time to time owned or held for use in common by all Owners of a Unit.

(h) Community means all that property as more particularly described in Exhibit "A" attached hereto and incorporated herein by reference which is submitted to the provisions of the Act by this Declaration. If there is any discrepancy between the description of the property in the Original Declaration, as amended, and Exhibit "A," the description in the Original Declaration will control.

(i) Daily Occupancy Fee means the daily fee charged to Owners who rent their Unit outside the Rental Program to cover their pro-rata share of On-Site Service Expenses provided to their guests and tenants for the length of the lease or tenancy. The Daily Occupancy Fee will be established annually by the Association.

(j) Declaration means this Amended and Restated Declaration, as may be amended and supplemented from time to time.

(k) Eligible Mortgage Holder means a First Mortgage Holder who: (1) is also a bank, commercial lender, insurance company, real estate mortgage investment trust pension fund, mortgage banker, an agency of the United States government, or the Federal National Mortgage Association ("FNMA" or "Fannie Mae"), the Federal Home Loan Mortgage Corporation ("FHLMC"), or any other lender generally recognized as an institutional lender or any insurer or governmental guarantor including the Federal Housing Administration ("FHA") and the Department of Veterans Affairs ("VA"); and (2) has notified the Association, in writing, of its name and address, and that it holds a First Mortgage on one or more Unit. The notice must include the legal description, unit number of the Unit, and address on which it has such security interest and a request to be given the information, notice and afforded the rights described in this Declaration.

(l) First Mortgage means a Mortgage that has priority of record over all other recorded liens except those governmental liens and Common Expense Assessment liens made superior by statute.

(m) First Mortgage Holder means a holder of a First Mortgage.

(n) Governing Documents mean this Declaration and all exhibits hereto, the Association's Articles of Incorporation, Bylaws, Map, Rules and Regulations, and Policies and Procedures, all as may be supplemented or amended from time to time.

(o) Limited Common Elements means portions of the Common Elements reserved for the exclusive use of those entitled to occupy one or more, but less than all, Units, as more particularly set forth in this Declaration.

(p) Majority Vote of Time Share Estate Owners means the Owners owning an undivided 75% or more interests in the Time Share Unit.

(q) Map means the condominium maps for the Community as recorded, which maps are a part of this Declaration.

(r) Mortgage means any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation including, but not limited to, a transfer or conveyance of fee title for such purpose.

(s) Mortgage Holder means the holder of any Mortgage.

(t) On-Site Services means, but is not limited to, front desk services, reservations, bell desk service, room administration, Management Information System ("MIS"), and PBX phone system

access provided to the guests and tenants of an Owner who rents their Unit. By resolution or rule, the Association may further supplement this section to outline additional services that meet these criteria.

(u) On-Site Service Expenses means expenses for On-Site Services provided by the Association to guests and tenants of an Owner who rents their Unit. Owners who rent their Unit are charged a pro-rata share of the On-Site Service Expenses either directly through the Rental Program contract or through payment of the Daily Occupancy Fee pursuant to this Declaration.

(v) Owner or Unit Owner means the record titleholder of a Unit within the Community, but does not include a Mortgage Holder. With respect to a Unit for which a Time Share Estate has been created, the term "Owner" will mean the Owner of an undivided one-fourth (1/4) interest in the Time Share Unit, and in the event more than one person or entity owns a Time Share Estate in a Unit, "Owner" shall mean all of such persons or entities who jointly own in the aggregate at least a one-fourth interest in the Unit.

(w) Parking Space means and refers to the Parking Spaces, whether they are in open spaces or enclosed in garages, to be used for the purpose of parking one motor vehicle, as may be shown on the Map.

(x) Person means any individual, corporation, limited liability company, firm, association, partnership, trust, or other legal entity.

(y) Policies and Procedures mean any instrument, however denominated, as a part of any of the Governing Documents, and/or separately adopted by the Association, as required under the Act as responsible governance policies, and other policies as may be adopted by the Association. The definition of Policies and Procedures may include Rules and Regulations.

(z) Private Street means that part of the General Common Elements which is a paved road provided for vehicular traffic as shown on the recorded plat or Map that is not dedicated to a public governmental entity as a public street and is not designated as a Limited Common Element.

(aa) Rental Program means the voluntary rental program that an Owner may elect to participate by a separate written agreement with the Association which authorizes the Association to rent and provide interior maintenance of the Unit on behalf of the Owner.

(bb) Resident means any Person staying overnight in a Unit for a total of more than 60 days, either consecutive or nonconsecutive, in any calendar year, and includes tenants.

(cc) Rules and Regulations mean any instrument, however denominated, adopted by the Association, as allowed for under this Declaration and the Act, for the regulation and management of the Community and/or Units, including any amendments or revisions.

(dd) Time Share Agent means that agent and attorney-in-fact appointed by the Owners of a Time Share Unit as required by this Declaration.

(ee) Time Share Estate means one of the following:

(i) Interval Estate, which shall be

1. An estate for years terminating on a date certain, during which years title to a Time Share Unit circulates among the interval Owners in accordance with a fixed schedule, vesting in each such interval Owner in turn for a period of

time established by the said schedule, with the series thus established recurring annually until the arrival of the date certain; and

2. A vested future interest in the same Time Share Unit, consisting of an undivided interest in the remainder in fee simple, the magnitude of the future interest having been established by the time of the creation of the interval estate by the Time Share Instruments and where the estate for years shall not be deemed to merge with the future interest, but neither the estate for years nor the future interest shall be conveyed or encumbered separately from the other;

or

(ii) Time-Span Estate, which shall be:

1. An undivided interest in a present estate in fee simple in a Time Share Unit, the magnitude of the interest having been established by the time of the creation of the Time-Span estate by the Time Share Instruments; and
2. An exclusive right to possession and occupancy of the Time Share Unit during an annually recurring period of time established by a recorded schedule set forth or referred to in the deed conveying the Time-Span Estate.

In no event shall an Interval Estate or Time-Span Estate with respect to a Condominium Unit created hereunder be created for less than 13 weeks duration.

(ff) Time Share Instruments means those covenants, restrictions and agreements, whether contained in deeds to the Owners of Time Share Units or in separate instruments, which govern the rights and obligations of the Owners of a Time Share Unit in addition to this Declaration, and all amendments to the same.

(gg) Time Share Unit means a Unit in which the legal title has been divided into Time Share Estates.

(hh) Unit means that portion of the Community intended for individual ownership and use as more particularly described in this Declaration and includes the undivided ownership in the Common Elements assigned to the Unit by this Declaration.

ARTICLE 3. LOCATION, UNIT BOUNDARIES, COMMON AND LIMITED COMMON ELEMENTS AND EASEMENTS

Section 3.1 Location. The Community subject to this Declaration and the Act is located in Summit County, Colorado, and as more particularly provided in the Original Declaration or in Exhibit "A" to this Declaration.

Section 3.2 Units and Boundaries. The Community consists of Units, Common Elements and Limited Common Elements and each Unit's allocated interest in the Common Elements. Each Unit is conveyed as a separately designated and legally described Unit subject to the Act and the Governing Documents. Each Unit includes that part of the structure, which lies within the following boundaries:

- (a) Residential Unit Boundaries.

(i) Vertical Boundaries. Each Unit's vertical boundaries are the vertical planes formed by the unfinished interior surfaces of the perimeter or vertical walls.

(ii) Horizontal Boundaries. The Unit's horizontal boundaries are the unfinished interior surfaces of the floors (or the lowermost floors, if the Unit is located on two or more contiguous floors) and ceilings (or uppermost ceilings, if the Unit is located on two or more contiguous floors).

(iii) Additional Information to Interpret Unit Boundaries. All lath, furring, wallboard, plasterboard, plaster, paneling, tiles, surface texture, wallpaper, paint, finished flooring, and any other materials constituting the finished surfaces are part of the Unit and all other portions of the floors, walls and ceilings are part of the Common Elements. Each Unit includes the spaces and improvements lying within the boundaries of the Unit, including windows, window frames, doors, and doorframes.

(b) Parking Space Boundaries. Each Parking Space's boundaries are the perimeter boundaries as depicted on the Map extended vertically from the ground surface to a height of six (6) feet above the floor surface.

(c) Existing Physical Boundaries. In interpreting deeds and the Map, the existing physical boundaries of a Unit as originally constructed or of a Unit reconstructed in substantial accordance with the original Map thereof are conclusively presumed to be its boundaries rather than the metes and bounds expressed in any deed or the Map, regardless of settling or lateral movement of the building in which the Unit was located, and regardless of minor variances between the boundaries shown on the Map or in a deed and those of the Unit.

Section 3.3 Common Elements. The Common Elements will remain undivided, and no Owner or any other Person may bring any action for partition or division of the whole or any part. However, the creation of any Time Share Unit in compliance with this Declaration shall not be deemed a violation of this section.

Section 3.4 Limited Common Elements. The Limited Common Elements include:

(a) any portions of the Common Elements depicted on the Map as a Limited Common Element;

(b) any fireplaces, decks, balconies, porches, patios, stoops, walkways, stairways, skylights, exterior doors and windows, window wells, enclosed yards, enclosed courtyards, storage spaces, attics, crawlspaces, furnaces, hot water heaters, air conditioning units and associated lines, and sump pumps serving a Unit; and

(c) any chute, flue, pipe, duct, wire, conduit, bearing wall, bearing column or other fixture which lies partially within and partially outside the boundaries of a Unit, the portion serving only the Unit is a Limited Common Element allocated solely to that Unit, and any portion serving more than one Unit is a Limited Common Element to those Units. Any portion serving only the Common Elements is part of the Common Elements.

Section 3.5 Assignment and Reassignment of Limited Common Elements.

A Common Element not previously assigned as a Limited Common Element may be so assigned and a Limited Common Element may be reassigned by the Association, without the need for a vote of the Owners, upon written application to the Association by the Owner or Owners for whose exclusive use the Common Element is requested or whose use of the Limited Common Element previously assigned is

directly affected. Upon application, the Association will prepare and execute an amendment to the Declaration assigning the Common Element as a Limited Common Element or reassigning the Limited Common Element, which amendment will be executed by the Owner or Owners making the application.

Section 3.6 Easements for Use and Enjoyment. Owners and Residents have a right and non-exclusive irrevocable and reciprocal easement of ingress and egress, and use and enjoyment in and to all the Common Elements depicted on the Maps, including but not limited to, the use of sidewalks, pathways, driveways, recreational facilities, parking spaces within parking structures, which is appurtenant to and passes with the title to the Unit, subject to the following provisions:

- (a) the Owners' rights to the exclusive use of the Limited Common Elements assigned to their respective Units;
- (b) the Association's right to have access to the Units and Limited Common Elements assigned to a Unit to discharge its rights and obligations, under the Governing Documents, including without limitation, the Association's maintenance responsibility;
- (c) the Association's right to suspend an Owner's rights to use the recreational facilities for any period during which any assessment or charge against his Unit remains unpaid and for a reasonable period of time (not to exceed 60 days or for the duration of the violation, whichever is greater) for an infraction of the Declaration, Bylaws, or Rules and Regulations;
- (d) the Association's right to grant easements, leases and licenses across the Common Elements, including the right to license parking spaces;
- (e) the Association's right to dedicate or transfer all or any portion of the Common Elements subject to approval of Owners holding 67% of the total Association vote; and
- (f) the Association's right to change the use of portions of the Common Elements or to close portions of the Common Elements, provided that permanent closure of any recreational facilities will require the affirmative vote of a majority of Members voting at properly called Member meeting.

Any Owner may delegate his rights of use and enjoyment in and to the Common Elements and facilities located thereon to the members of his family, or other Residents and guests. If the Unit is leased, the Owner will be deemed to have delegated these rights to the Residents of his Unit.

Section 3.7 Easement for Entry. The Association has an easement to enter into Units for maintenance, emergency, security, or safety purposes. Except in an emergency situation, entry will be only during reasonable hours and after reasonable notice to the Owner or Resident of the Unit. For the purposes of this section, an emergency justifying immediate entry into a Unit includes, but is not limited to, the following situations: a water or other utility leak, fire, strong foul odor, obvious insect infestation or sounds indicating that a Person or animal might be injured or sick and require immediate medical attention. The failure to exercise the easement rights in the event of emergency, security, or safety purposes does not create liability to the Association, it being agreed that no duty to enter a Unit for such purposes exists.

Section 3.8 Support. Every portion of a Unit and all Common Elements contributing to the support of an abutting Unit are burdened with a non-exclusive easement of support for the benefit of the abutting Unit.

Section 3.9 Encroachments. To the extent that any Unit or Common Element encroaches on any other Unit or Common Element, a valid easement for the encroachment exists. This easement does not relieve an Owner of liability in case of willful misconduct.

Section 3.10 Utilities. To the extent that any utility line, pipe, wire, or conduit serving any Unit(s) or the Common Elements lies wholly or partially within the boundaries of another Unit or the Common Elements, the other Unit(s) or the Common Elements are burdened with a non-exclusive easement for the use, maintenance, repair and replacement of the utility line, pipe, wire or conduit, the non-exclusive easement to be in favor of the Unit(s) or Common Elements served by the same and of the Association.

ARTICLE 4. ASSOCIATION MEMBERSHIP AND ALLOCATION OF INTERESTS

Section 4.1 Membership. Every Person who is a record Owner of a fee interest in any Unit subject to this Declaration is a Member of the Association. Membership is appurtenant to and may not be separated from ownership of any Unit. Ownership of a Unit is the sole qualification for membership. No Owner, whether one or more Persons, will have more than one membership per Unit owned. Membership is not intended to include Persons who hold an interest merely as security for the performance of an obligation, but the giving of a security interest will not terminate the Owner's membership.

Section 4.2 Allocated Interests.

(a) **Voting.** Each Unit is entitled to cast one equally weighted vote. Any Unit that is combined with another contiguous Unit is treated as if each Unit is still separately subdivided and retains one vote per Unit as originally allocated. Except as set forth herein with respect to Owners of Time Share Estates, an Owner or collective Owners of a Unit is entitled to cast the vote for the Unit. When more than one Person holds an ownership interest in any Unit, the vote for the Unit will be exercised as those Owners determine among themselves, otherwise the Unit's vote will be suspended if more than one Person seeks to exercise it; provided however, the appointed Time Share Agent will cast the vote on behalf of the Time Share Estate Owners for a particular Time Share Unit.

(b) **Common Expenses.** Except as provided elsewhere in the Governing Documents, the amount of all Common Expenses will be assessed against all the Units in accordance with the table set forth in Exhibit "B."

(c) **Interests in the Common Elements.** The ownership interest in the Common Elements is divided between the Units as shown on Exhibit "B."

ARTICLE 5. ASSESSMENTS

Section 5.1 Purpose of Assessment. The Association has the power to levy assessments. The assessments for Common Expenses are used to fulfill the Association's obligations pursuant to this Declaration and to promote the common benefit and enjoyment of the Owners and Residents in the Community as may be more specifically defined and authorized from time to time by the Association.

Section 5.2 Personal Obligation for Assessments. Each Owner is deemed to covenant and agrees to pay to the Association: (a) annual assessments or charges; (b) special assessments; (c) specific unit assessments; and (d) time share assessments (against the Time Share Units only) all of which are established pursuant to the terms of this Declaration. These amounts are also the personal obligation of the Person who was the Owner of the Unit at the time when the assessment fell due. The personal obligation to pay any past due sums to the Association will not pass to a successor in title unless expressly assumed by him.

Section 5.3 Lien. All assessments, together with charges, interest, costs, and reasonable attorney's fees actually incurred (including post-judgment attorney fees, costs and expenses), up to the maximum amount permitted by law, will be a charge on the Unit and a continuing lien upon the Unit

against which each assessment is made. Additional considerations for the Association's lien on Time Share Estates are set forth in Article 11. The Association has the authority to record a notice of lien in the Summit County, Colorado real property records evidencing the lien created under this Declaration. The Association's lien under this article is not subject to the provision of any homestead exemption as allowed under state or federal law. The lien has the priority as set forth in the Act.

Section 5.4 Payment of Assessments. Assessments will be paid in the manner and on the dates as may be fixed by the Association. Unless otherwise provided by resolution, the annual assessments will be paid in equal monthly installments due on the first day of each calendar month. No Owner may exempt himself from liability for or otherwise withhold payment of assessments for any reason whatsoever, including, but not limited to, nonuse of the Common Elements, the Association's failure to provide services or perform its obligations required hereunder, or inconvenience or discomfort arising from the Association's performance of its duties.

Section 5.5 Specific Unit Assessments. The Association has the power to levy specific unit assessments against Units pursuant to this section, as it deems appropriate.

(a) Any expense or liability incurred by the Association as a result of the willful, negligent, or wrongful act of an Owner, Resident, family member, guest, or invitee, or any breach by any of these parties of any of the provisions of the Governing Documents, may be an assessment against the Unit.

(b) Any expense associated with the maintenance, repair, or replacement of a Limited Common Element may be assessed against the Unit(s) to which that Limited Common Element is assigned, equally or in any other equitable proportion as determined by the Association.

(c) Any expense benefiting fewer than all of the Units, or significantly disproportionately benefiting all Units, may be assessed equitably against those Units benefited according to the benefit received. Except as provided in subsection (a) above, expenses incurred for the maintenance, repair or replacement of the Common Elements (but not the Limited Common Elements) will not be assessed as specific unit assessment.

(d) Any expense related to utilities, including but not limited to water, sewer, gas and electricity, may be specifically assessed equitably among the Units in proportion to use rather than in proportion to the percentage interests in the Common Elements, if use can be reasonably determined or estimated through means such as, but not limited to, separate metering or evaluation by an independent entity with expertise in making these determinations.

(e) Any expense related to insurance premiums may be assessed against Units in proportion to risk.

Section 5.6 Time Share Assessments. The Association has the power to levy time share assessments against the Time Share Units for additional expenses incurred due to the nature of their status as Time Share Units. The time share assessment is an additional assessment and levied equally against all Time Share Units; provided however, the additional cost may not exceed 25% of the annual assessment levied to all Units.

Section 5.7 Delinquent Assessments. All assessments and related charges not paid on or before the due date will be delinquent, and the Owner will be in default.

(a) If the annual assessment, any part or installment thereof or any other fine, special assessment or charge is not paid in full within ten days of the due date, or any later date as may be set forth in the Association's collection policy:

(i) a late charge in an amount set forth in the Association's collection policy may be imposed without further notice or warning to the delinquent Owner;

(ii) interest at the rate set forth in the Association's collection policy, not to exceed the maximum amount permitted by Colorado law, may be imposed without further notice or warning to the delinquent Owner; and

(iii) upon 30 days written notice to the Owner, the Association may accelerate and declare immediately due all of that Owner's unpaid installments. Upon acceleration, that Owner loses the privilege of paying any and all assessments and charges in installments for that fiscal year, unless the privilege is otherwise reinstated in the Association's sole discretion.

(b) If assessments, fines or other charges, or any part thereof, remain unpaid more than 30 days after the assessment payments first become delinquent, the Owner's right to vote and right to use the recreational facilities, including the rights of family members, other Residents, and guests, will be automatically suspended until all amounts owed are paid in full, and the Association may institute suit to collect all amounts due pursuant to the provisions of the Declaration, the Bylaws, and Colorado law, including reasonable attorney's fees actually incurred. Enforcement under this section is not dependent upon or related to other restrictions and/or other actions.

(c) If partial payment of assessments or other charges are made, the amount received will be applied as specified in the Association's collection policy.

(d) Further, the Association may bring an action at law or in equity, or both, against any Owner personally obligated to pay the overdue assessments or related charges, or monthly or other installments thereof, and may also proceed to foreclose its lien against the Owner's Unit. An action at law or in equity by the Association against an Owner to recover a money judgment for unpaid assessments or related charges, or monthly or other installments thereof, may be commenced and pursued by the Association without foreclosing, or in any way waiving, the Association's lien against the Unit.

(e) The Association's foreclosure or attempted foreclosure of its lien will not be deemed to preclude the Association from thereafter again foreclosing or attempting to foreclose its lien for any subsequent assessment or related charges, or monthly or other installments thereof, which are not fully paid when due. The Association has the power and right to bid on or purchase any Unit at foreclosure or other legal sale, and to acquire and hold, lease, mortgage, convey or otherwise deal with the same. If a foreclosure action is filed to foreclose any assessment lien, and an Owner abandons or leaves vacant his Unit, the Association may take possession and rent said Unit or apply for the appointment of a receiver for the Unit without prior notice to the Owner. The rights of the Association are expressly subordinate to the rights of any holder of a first lien security interest as set forth in its deed of trust or mortgage (including any assignment of rents), to the extent permitted under the Act.

Section 5.8 Budget and Assessment. Prior to the beginning of each fiscal year, the Association will prepare a budget covering the estimated costs of operating the Community during the coming year, including an annual reserve contribution for replacement of improvements that are the Association's responsibility, and establish the annual assessment or installments for the coming year. The Association will deliver a summary of the budget to each Owner within 90 days after adopting the budget and set a date for a meeting of the Owners to consider the budget, which meeting will occur within a reasonable time after delivery of the budget summary. The budget and the assessment will become effective unless disapproved at a duly called Association meeting by 67% of the total Association vote; provided, however, if a quorum is not obtained at the annual or other meeting called to ratify the budget, the budget will become effective even though a vote to disapprove the budget could not be called at this meeting.

If the membership disapproves the proposed budget or the Association fails for any reason to determine the budget for the succeeding year, then and until a new budget is determined, the budget in effect for the current year will continue for the succeeding year. In such case, the Association may propose a new budget at any time during the year. The approval procedure set forth in this section for budgets will also apply to a new budget proposed by the Association.

Section 5.9 Special Assessments. In addition to the annual assessment provided for above, the Association may, at any time, and in addition to any other rights it may have, propose a special assessment against all Owners to meet any unanticipated or unexpected expenses. Special assessments in a total amount of \$50,000.00 or less may be approved by majority vote of the Board. Any special assessment in a total amount over \$50,000.00 (except as provided in this Declaration regarding repair or reconstruction of casualty damage to or destruction of all or part of the Community) will become effective upon the affirmative vote Owners holding 2/3 of the votes cast, in person or by proxy, at a meeting called for such purpose at which a quorum is present or by mail ballot. The special assessment may be payable in installments, as determined by the Association, and/or may provide for a discount for a lump sum payment.

Section 5.10 Capital Contribution. Each Owner, upon transfer of a Unit to that Owner, must pay to the Association at the time of the closing of the transfer, a capital contribution in an amount equal to three months of the annual assessment to which the Unit is subject at the time of the transfer. The statement of assessments prepared in accordance with the Act may include the amount of this capital contribution to be due and payable to the Association from the Owner taking title to a Unit at the time of the transfer of the Unit to the Owner. The Association will deposit the capital contribution in its reserve account. This capital contribution is a lien on the Unit and, if not paid at the closing of the Unit, may be collected in accordance with the terms of this Declaration. This capital contribution does not apply to the following:

- (a) a transfer by a co-Owner to another co-Owner;
- (b) a transfer to the estate of an Owner, a transfer to the surviving spouse of an Owner or a transfer to child of an Owner following the Owner's death;
- (c) a transfer to an entity wholly owned by the grantor, provided that, upon any subsequent transfer of an ownership interest in the entity, the capital contribution will become due;
- (d) a transfer to a trust of which the Owner is the beneficiary; provided, that upon any subsequent transfer of the Unit to a party other than the Owner, the capital contribution will become due;
- (e) a transfer in lieu of foreclosure or foreclosure of a deed of trust; provided that upon the subsequent transfer to a third party, the capital contribution will become due.

Section 5.11 Statement of Account. The Association will furnish to an Owner or the Owner's designee or to a holder of a security interest or its designee a statement setting forth the amount of unpaid assessments then levied against the Unit in which the Owner, designee, or holder of a security interest has an interest. The Association will deliver the statement personally or by certified mail, first class postage prepaid, return receipt requested to the inquiring party within 14 calendar days after the Association's registered agent receives the request by personal delivery or by certified mail, first class postage prepaid, return receipt requested. The information contained in the statement, when signed by the Association's treasurer or managing agent, if any, will bind the Association, the Board, and every Owner as to the Person(s) to whom the statement is issued and who rely on it in good faith. The Association may establish a reasonable fee relating to the statement, which may incorporate any fees imposed by a managing agent.

Section 5.12 Surplus Funds and Common Profits. Surplus funds from whatever source will be applied to the payment of Common Expenses. Any funds remaining after application will, at the Association's option, be: (a) added to the Association's capital reserve account; (b) distributed to the Owners; or (c) credited to the next assessment chargeable to the Owners in proportion to the liability for Common Expenses attributable to each Unit.

Section 5.13 Borrowing. The Association has the power to borrow money and assign future income, including the right to assign its right to receive Common Expense assessments.

ARTICLE 6. MAINTENANCE RESPONSIBILITY

Section 6.1 By the Owner. Each Owner is obligated to maintain and keep in good repair all portions of his Unit, except any portion of a Unit which is expressly made the Association's maintenance obligation as set forth below. This maintenance responsibility includes the responsibility to maintain, repair, replace, or improve the following:

- (a) the materials making up the finished surfaces of the walls, floors and ceilings, including, but not limited to plaster, drywall, paneling, wallpaper, paint, wall and floor tile, carpet and flooring (but not including the sub-flooring in the lowermost floor of the Unit);
- (b) all glass surfaces (except periodic exterior cleaning of window glass performed by the Association);
- (c) windows, window frames, casings and locks (including caulking of windows) and screens;
- (d) all doors, doorways, door frames, and hardware that are part of the entry system of the Unit, including patio and balcony doors, (except for periodic painting or staining of the exterior surface of the front entry doors and door frames by the Association);
- (e) all pipes, lines, ducts, conduits, or other apparatus which serve only the Unit from the point where the lines enter the Unit (including all electricity, water, or sewer pipes, lines, ducts, conduits, or other apparatus serving only the Unit);
- (f) any fireplace (including the chimney, flue and firebox, but excluding chimney caps) that serves only the Unit;
- (g) all communications, television, telephone, cable and electrical lines, receptacles and boxes which serve only the Unit from the point where the lines enter the Unit;
- (h) enclosed yards appurtenant to Unit;
- (i) fence enclosing patios or decks appurtenant to Unit;
- (j) wall enclosing patios or decks appurtenant to Unit;
- (k) patios or deck appurtenant to Unit;
- (l) balcony decking and balcony railing appurtenant to Unit, but not structural integrity of the balcony;
- (m) enclosed courtyard appurtenant to Unit;

- (n) storage areas appurtenant to Unit;
- (o) crawlspace appurtenant to Unit;
- (p) attic appurtenant to Unit;
- (q) hot water systems and associated pipes, lines, ducts, conduits or other apparatus from the point that these enter the Unit;
- (r) parking space appurtenant to Unit;
- (s) any light fixtures and light bulbs on the rear patio area or on the balcony;
- (t) any portion of a heating or cooling system, including compressors, fans or coils, from the point these enter the Unit; and
- (u) any improvements to the Unit and/or the Common Elements made by the Owner or the Owner's predecessor. Every Owner is responsible to determine what improvements have been made to the Unit and/or associated Common Elements by any predecessor-in-interest.

Section 6.2 Additional Owner Responsibilities. In addition, each Owner will have the responsibility:

- (a) to keep in a neat, clean and sanitary condition any Limited Common Elements serving his Unit, including keeping the patio appurtenant to the Unit free and clear of snow, ice, and any accumulation of water or other debris;
- (b) to perform his responsibility in a manner so as not to unreasonably disturb other Persons in other Units;
- (c) to promptly report to the Association or its agent any defect or need for repairs for which the Association is responsible;
- (d) to pay for the cost of repairing, replacing, or cleaning up any component of the Community which, although the responsibility of the Association or another Owner, is necessitated by reason of the willful, negligent or wrongful act of the Owner, Resident, family member, guest or invitee, with the cost thereof to be added to and become part of the Owner's assessment obligation;
- (e) to repair incidental damage to another Unit or the Common Elements, resulting from performance of work that is the Owner's responsibility. Such repair and subsequent cleaning will be performed based upon a reasonableness standard.

Subject to the maintenance responsibilities herein provided, any maintenance or repair performed on or to the Common Elements by an Owner or Resident which is the Association's responsibility (including, but not limited to landscaping of Common Elements) will be performed at the Owner's or Resident's sole expense and the Owner or Resident will not be entitled to reimbursement from the Association even if the Association accepts the maintenance or repair.

Section 6.3 By the Association. Except as provided above, the Association will maintain, replace, and improve as a Common Expense all Common Elements, including any Limited Common Elements, but excluding any improvements made to a Limited Common Element by the Owner or the Owner's predecessor. This responsibility will include:

- (a) structural integrity of the buildings, including foundations;
- (b) siding on the exterior of the buildings;
- (c) roofs, roof decking, roof trusses, skylights, gutters and downspouts;
- (d) structural integrity of the balcony;
- (e) painting or staining of the exterior surfaces of the patio or balcony wall;
- (f) painting or staining of the exterior surface of front entry doors and door frames;
- (g) all pipes, lines, ducts, conduits or other apparatus until the lines enter a Unit; and
- (h) all communications, television, telephone, cable and electrical lines, receptacles and boxes until the lines enter the Unit.

The foregoing maintenance will be performed consistent with the community-wide standard.

If, during the course of performing its maintenance responsibilities, the Association discovers that maintenance, repair or replacement is required of an item which is the Owner's responsibility, and the maintenance, repair or replacement must be performed for the Association to properly complete its maintenance project, then the Association may perform the work on behalf of the Owner and at the Owner's sole expense, without prior notice to the Owner, the maintenance repair or replacement being deemed an emergency situation.

If the Association determines that the need for maintenance or repair of the Common Elements is caused through the willful or negligent act of any Owner, or Resident or his family, guests, lessees, or invitees, then the Association may assess the cost of the maintenance, repair, or replacement against the Owner's or Resident's Unit, which also will become the Owner's personal obligation, a lien against the Unit, and will be collected as provided in this Declaration for the collection of assessments.

Section 6.4 Liability for Damage. The Association will repair incidental damage to any Unit resulting from performance of work that is the Association's responsibility. As finish levels can have varying degrees, the repairs will be complete only to the extent of being "paint-ready." The repair and subsequent cleaning will be performed based on a reasonableness standard. In performing its responsibilities hereunder, the Association will have the authority to delegate any of its duties to Persons, firms or corporations it chooses.

The Association will not be liable for injury or damage to Person or property caused by the elements or by any Owner, or any other Person, or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain, except for injuries or damages arising after the Owner of a Unit has put the Association on notice of a specific leak or flow from any portion of the Common Elements and the Association has failed to exercise due care to correct the leak or flow within a reasonable time thereafter. The Association will not be liable to any Owner, or any Owner's Resident, guest or family for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this article where the damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities. No diminution or abatement of assessments will be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of repairs or improvements which are the Association's responsibility, or from any action

taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

Section 6.5 Additional Association Maintenance.

(a) At the Association's sole expense, without need for a membership vote, and without the consent of any affected Owner, the Association, on behalf of the Owner can relocate any portion of the heating, cooling, plumbing, ventilating, exhaust or electrical system serving a particular Unit, provided that after relocation, the system serving the Unit functions at least as well and at no greater cost to the Owner as existed prior to the relocation.

(b) The Association has the right, with the approval of a majority of those Members voting in person or by proxy at a meeting called for such purpose, to assume additional maintenance, repair, or replacement responsibilities on any limited basis it determines, as a Common Expense. By way of example, with the requisite approval the Association may undertake a Community-wide window replacement without assuming the future responsibility for window maintenance, repair, and replacement.

Section 6.6 Owner Maintenance Related to Insurance Purchased by the Association.

(a) To decrease the possibility of fire or other damage in the Community, reduce the insurance premium paid by the Association for any insurance coverage, or otherwise assist the Association in procuring or maintaining insurance coverage, the Association, by resolution, may require all or any Owner(s) to do any act or perform any work involving portions of the Community which are the Owner's maintenance responsibility. This authority includes any measures as the Association may reasonably require so long as the cost of the work does not exceed three times the monthly assessment of the Unit in any 12-month period.

(b) The Association's rights under this section are in addition to, and not in limitation of, any other rights the Association may have. If any Owner does not comply with any requirement made by the Association pursuant to this section, the Association, upon 15 days written notice (during which period the Owner may perform the required act or work without further liability), may perform the required act or work at the Owner's sole cost. The cost will be added to and become a part of the assessment to which the Owner is subject and will be the personal obligation of the Owner and a lien against the Unit, and will be collected as provided in this Declaration for the collection of assessments.

(c) The Association has all rights necessary to implement the requirements mandated by the Association pursuant to this section, including, but not limited to, a right of entry during reasonable hours and after reasonable notice to the Owner or Resident of the Unit, except that access may be had at any time without notice in an emergency situation.

Section 6.7 Mold and/or Mildew. Mold and/or mildew can grow in any portion of the Community that is exposed to a regular source of moisture. Therefore, the Association and the Owners agree to: (a) promptly investigate to determine the source of the problem and the extent of the condition upon the discovery of any water leaks; (b) repair any leaks in their respective areas of maintenance responsibility in a good and workmanlike condition; (c) ensure that any building material which has absorbed water or moisture as a result of a water leak and has not been completely dried as part of the repair of the water or moisture damage is removed and replaced; and (d) clean any area where mold and/or mildew appears with industry-accepted product designed to inhibit the growth of mold and/or mildew.

Section 6.8 Radon. The U.S. Environmental Protection Agency ("EPA") states that exposure to elevated levels of radon gas can be injurious. Any test to measure the level of radon gas can only show the level at a particular time under the circumstances occurring at the time of testing. Owners may

wish to test for the presence of radon gas and to purchase or install devices that may be recommended by qualified radon specialists. If the devices require exterior modifications to the Unit, prior written consent in accordance with the terms of this Declaration is required. Each Owner agrees to hold the Association harmless from any claim or liability with respect to radon gas and related matters.

Section 6.9 Failure to Maintain. If the Association determines that any Owner has failed or refused to discharge properly his obligation with regard to the maintenance, repair, or replacement of items for which he is responsible hereunder, then it may give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair, or replacement at the Owner's sole cost and expense. The notice will set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Association.

Unless the Association determines that an emergency exists, the Owner will have ten days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within this time period, to commence replacement or repair within ten days. If the Association determines that: (a) an emergency exists, or (b) that an Owner has not complied with the demand given by the Association, then the Association may perform the maintenance, repair, or replacement at the Owner's sole cost and expense, and the costs will be added to and become a part of the assessment to which the Owner is subject, will become the personal obligation of the Owner and a lien against the Unit, and will be collected as provided in this Declaration for the collection of assessments.

ARTICLE 7. COVENANTS AND USE RESTRICTIONS

Section 7.1 Owner Responsibility for Compliance. Each Owner is responsible for ensuring that the Owner's family, guests, and Residents comply with all provisions of the Governing Documents. Each Owner and Resident will always endeavor to observe and promote the cooperative purposes for which the Association was established. In addition to any rights the Association may have against the Owner's family, guests, or Residents as a result of the Person's violation of the Governing Documents, the Association may take action under this Declaration against the Owner as if the Owner committed the violation in conjunction with the Owner's family, guests, or Residents.

Section 7.2 Use of Units.

(a) Residential/Business Use. Each Unit will be used for residential purposes only. No trade or business of any kind may be conducted in or from a Unit or any part of the Community, except that the Owner, residing in the Unit, or Resident may conduct ancillary business activities within the Unit so long as the business activity:

(i) is not apparent or detectable by sight, sound, or smell from outside of the Unit;

(ii) does not involve visitation of the Unit by employees, clients, customers, suppliers or other business invitees in greater volume than would normally be expected for guest visitation to a residential Unit without business activity;

(iii) is legal and conforms to all zoning requirements for the Community;

(iv) does not increase traffic in the Community in excess of what would normally be expected for residential Units in the Community without business activity (other than by a reasonable number of deliveries by couriers, express mail carriers, parcel delivery services and other similar delivery services);

(v) does not increase the insurance premium paid by the Association or otherwise negatively affect the Association's ability to obtain insurance coverage;

(vi) is consistent with the Community's residential character, and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other Residents, as determined by the Association; and

(vii) does not result in a materially greater use of Common Element facilities or Association services.

The terms "business" and "trade," as used in this section, have their ordinary, generally accepted meanings, and include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to Persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) the activity is engaged in full or part-time; (ii) the activity is intended to or does generate a profit; or (iii) a license is required for the activity.

(b) Occupancy. If an Owner is a corporation, partnership, trust or other legal entity which is not a natural person, the entity will designate in writing to the Association the name(s) of the natural person(s) who will occupy the Unit. The designated natural person(s) to occupy the Unit may not be changed more frequently than once every twelve months without the express written consent of the Association. The Association may adopt additional Rules and Regulations to supplement this section and to establish a maximum number of natural person(s) allowed to occupy any Unit.

Section 7.3 Lease of Condominium Unit. The community is intended to be an owner-occupied and a resort destination community. The restrictions in this section are intended to support this intention and to enhance and preserve the value of the Units.

(a) "Leasing" or "Renting" for the purposes of this Declaration is defined as regular, exclusive occupancy of a Unit by any Person other than the Owner.

(b) Occupancies, rentals or deed restrictions imposed upon a Unit for the purpose of establishing employee workforce or other similar affordable housing restrictions is prohibited, without the Association's prior written approval.

(c) All leases or rental agreements will be in writing and will provide that the leases or rental agreements are subject to all terms of the Association's Governing Documents. Owners are required to provide Residents with copies of the current Declaration and any Rules and Regulations of the Association. All leases and rental agreements will state that the failure of the resident or guests to comply with the terms of the Governing Documents is a default of the lease or rental agreement and this Declaration.

(d) Each Owner who leases his Unit will provide the Association, upon request, a copy of the current lease (rental amount may be redacted) and tenant information, including the names of all Residents, and vehicle descriptions, including license plate numbers.

(e) All leases and rental agreements are subject to the Association's right to remove and/or evict the resident for failure to comply with the terms of the Governing Documents. If the Association requests that the Owner evict the resident based on the terms of this Declaration, and the Owner fails to commence action within 30 days of the date of the Association's request and notice, the Association may commence eviction proceedings. Upon the Owner's failure to comply with the Association's request to evict, the Owner delegates and assigns to the Association the power and authority to evict the Resident as attorney-in-fact on behalf of and for the benefit of the Owner. If the

Association evicts the Resident, any costs, including but not limited to reasonable attorney fees actually incurred and court costs associated with the eviction, will be an assessment and lien against the Unit.

(f) All Owners who reside at a place other than the Unit will provide to the Association an address and phone number(s) where the Owner can be reached in the case of emergency or other Association business. The Owner is solely responsible to keep this information current.

(g) If a Unit is leased or occupied in violation of this section or if the Owner or resident violates the Governing Documents, the Association will be authorized, in addition to all other available remedies, to levy fines against the tenant and/or Owner, and to suspend all voting and/or recreational facilities use privileges of the Owner.

Section 7.4 Rental Program.

(a) The Association may offer and operate a voluntary Rental Program to its Owners. To participate in the Rental Program, the Owner must enter into a separate written contract with the Association appointing the Association as the Owner's exclusive agent for the purposes of providing rental management and interior maintenance service to the Owner's Unit.

(b) An Owner that does not participate in the Rental Program may self-manage the rental of their Unit or select and appoint any property management agent to provide rental management or other services to the Owner's Unit upon terms and conditions the Owner deems advisable.

(c) The Association has the option to run food and beverage, spa, and conference center services, and should it do so, the Association may allocate all or a portion of the expenses and revenues to the Rental Program and/or to the Association as determined by the Board.

Section 7.5 On-Site Service Expenses. On-Site Services are provided to the guests and tenants of Owners regardless of whether the Owner participates in the Rental Program or not. However, On-Site Service Expenses are not included in the Common Expense Budget and the Assessments levied against all Owners. Rental Program Owners are required to pay a pro-rata share of the On-Site Service Expense in accordance with the terms and conditions of the Rental Program agreement. Owners who rent their Unit, but do not participate in the Rental Program, are required to pay a pro-rata share of the On-Site Service Expenses equal to the Daily Occupancy Fee multiplied by the number of days the Unit is rented. The Daily Occupancy Fee is not charged to Owners during their occupancy of the Unit, but is only charged when the Unit is occupied by tenants and guests of Owners that do not participate in the Rental Program. The Daily Occupancy Fee will be billed monthly by the Association and payable by the date specified on the invoice. The Daily Occupancy Fee is the Owner's personal obligation and will be collected as provided in the Declaration for the collection of assessments. If not paid, a lien will be placed against the Unit rented outside the Rental Program.

Section 7.6 Unit Check-In Procedures. Upon arrival to the Community, the Owner (or the Owner's family member, other Resident, or guest) must check-in with the front desk to register and obtain a key to the Unit. By resolution or rule, the Association may further supplement this section to outline additional check-in procedures and requirements.

Section 7.7 Restrictions on Exterior Building Changes, Structural Alterations, Improvements, Penetrations, and Cut-Outs. No Owner may make any change to the building's exterior, or make structural alterations to any Unit or to any portion of the Common Elements or Limited Common Elements without the Association's prior written approval as provided for in this Declaration. This restriction extends to and includes a restriction on penetrations or cut-outs into Common Elements walls, Limited Common Elements, or other portions of the Community.

Section 7.8 Use of Common Elements. There will be no obstruction of the Common Elements, nor will anything be kept, parked, or stored on or removed from any part of the Common Elements without the Association's prior written consent, except as specifically provided for in the Governing Documents. The Association will not be liable to the Owner or his Residents, guests, family members and invitees, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Elements.

Section 7.9 Use of Limited Common Elements and Patios, Decks or Balconies. Except as otherwise provided, the use of the Limited Common Elements is restricted exclusively to the Owner of the Unit to which the Limited Common Elements are assigned, and the Owner's Residents, guests, family members and invitees. The Limited Common Elements are reserved for exclusive use, but will not be construed or interpreted to be separate and apart from the Common Elements in general. The restrictions applicable to the Common Elements also apply to the Limited Common Elements.

Except as the Association may authorize, objects other than patio furniture will not be placed on a patio, deck, or balcony. Objects will not be permitted to hang over or be attached to any fence, railing, or wall or otherwise protrude above or outside the vertical plane formed by the exterior surface of the fence, railing, or wall.

Section 7.10 Compliance with Laws and Insurance Requirements. Nothing may be done or kept in the Community, or any part thereof, that would increase the rate of insurance on the Community or any Unit or part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit, or other validly imposed requirements of any governmental body, or which would increase the Common Expenses.

Section 7.11 Prohibition of Nuisance. The Units in the Community are built in close proximity to one another, resulting in the sharing of common walls, floors, and ceilings. As a result, noise and vibration may be detectable between Units or between Units and the Common Elements. Therefore, an Owner or Resident may not conduct activities within a Unit or use a Unit in a manner that unreasonably interferes with or causes unreasonable disruption to another Owner's or Resident's use and quiet enjoyment of the Unit.

Noxious, destructive, offensive, or unsanitary activity may not be carried on within the Community. No Owner or Resident may use or allow the use of the Unit or any portion of the Community at any time, in any way, which may endanger persons or property, unreasonably annoy, disturb or cause embarrassment or discomfort to other Owners or Residents, or constitute a nuisance.

The intention of this provision is to grant the Association and aggrieved Owners and Residents a right of redress for actions, activities or conduct which unreasonably disturbs or impairs the peaceful and safe enjoyment by Owners and Residents. Nothing in this section will be construed to affect the rights of an aggrieved Owner or Resident to proceed individually against a violator hereof for relief from interference with his property or personal rights, and the Board may, in its discretion, require aggrieved individuals to seek redress personally for interference with their rights before the Association intervenes and commences enforcement action hereunder. No claim for any loss, damage or otherwise will exist by an aggrieved Owner or Resident against the Association for failure to enforce the provisions hereof if the aggrieved Owner or Resident has not personally pursued all available remedies against the violator for redress provided under Colorado law.

Specific unauthorized and unreasonable annoyances or disturbances include, but are not limited to, the following:

(a) fighting, screaming, shouting, excessively loud talking, or playing of music or television, raucous behavior or insobriety either outside a Unit at any time or within a Unit if the conduct can be heard in another Unit;

(b) the use of any alarm, equipment, or device, mechanical or otherwise, which creates or produces excessively loud sounds or any vibrations either outside a Unit at any time or within a Unit if such sounds can be heard or vibrations felt in another Unit; except for a security alarm that automatically shuts off after 15 minutes;

(c) threatening or intimidating conduct towards any Owner, Resident, guest or pet in the Community;

(d) conduct which creates any danger or risk of injury to others or of damage to property in the Community;

(e) excessively loud activities either outside a Unit at any time or within a Unit if the conduct can be heard in another Unit;

(f) conduct which creates any noxious or offensive odor if the odors can be detected in another Unit;

(g) incessant or excessive pet noises, including dog barking, if the conduct can be heard in another Unit;

(h) construction or similar activities in a Unit that can be heard in another Unit between the hours of 6:00 p.m. and 8:00 a.m.; provided however, the Association, or its agent, may limit permissible dates for construction projects, and further restrict loud construction activities to occur between the hours of 10:00 a.m. to 4:00 p.m. on weekdays and 12:00 p.m. to 4:00 p.m. on weekends;

(i) using or allowing the use of the Unit or the Common Elements in any manner which creates noise between the hours of 11:00 p.m. and 7:30 a.m. which can be heard in another Unit that will unreasonably interfere with the rights, comfort or convenience of any other Owner, members of his family, guests, or Residents; or

(j) similar action or activity outside a Unit or which occurs inside a Unit but which interferes with the peaceful use and enjoyment of another Unit or the Common Elements by any other Owner, members of his family, guests, invitees, or Residents.

Section 7.12 No Damage or Waste. No Owner, Resident, or agent of either may do any work which would jeopardize the soundness or safety of any structure within the Community, or would impair any easement or other interest in the Community, without prior written consent of all Association Members and their Eligible Mortgage Holders.

No damage to or waste of any portion of the Common Elements will be permitted by any Owner or any Resident, or the Owner's or Resident's guest, family member or invitee. Each Owner and Resident will indemnify and hold the Association and the other Owners harmless against all loss to the Association or other Owners resulting from any such damage or waste caused by the Owner or Resident, or the Owner's or Resident's guest, family member or invitee.

Section 7.13 Pets.

(a) Domesticated dogs or cats are the only pets allowed in the Community. The pet owner or other person responsible for the pet must follow all governmental ordinances concerning the

animal, including but not limited to, keeping required licenses and rabies inoculations up-to-date. An Owner may keep a maximum of two dogs or cats in any combination in the Unit, i.e. two dogs, or two cats, or one dog and one cat. Tenants are allowed to keep up to a maximum of two dogs in the Unit, but are not allowed to keep cats. Any exception to the maximum number of allowed pets must be approved by the Association. The Association may adopt additional Rules and Regulations to supplement this section.

(b) No Owner or Resident may keep, breed, or maintain any pet for any commercial purpose. No structure for the care, housing, or confinement of any pet may be constructed or maintained on any part of the Common Elements, including Limited Common Elements. Dogs must be kept on a leash and be under the physical control of a responsible Person at all times while on the Common Elements provided, however, dogs need not be leashed when within fenced patio or deck areas when attended. Cats must be leashed or transported by carrier at all times while on the Common Elements. Feces left by pets upon the Common Elements, Limited Common Elements, or in Units, including the pet owner's Unit, must be removed promptly by the pet Owner or other Person responsible for the pet.

(c) Following notice and an opportunity for a hearing, the Association may require that any pet which, in its opinion, endangers the health of any Owner or Resident or creates a nuisance or unreasonable disturbance, be permanently removed from the Community upon ten days written notice.

(d) Any Owner or Resident who keeps or maintains any pet within the Community is deemed to have agreed to indemnify and hold the Association, its directors, officers, and agents free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining the pet within the Community.

Section 7.14 Vehicles and Parking.

(a) General. Parking is subject to the Rules and Regulations adopted by the Board. The Association has the authority to assign a parking space to a particular Unit. Parking spaces are restricted to parking permitted vehicles only and are not to be used for storage.

(b) Prohibited Vehicles. Boats, trailers, jet-skis and trailers for same, oversized trailers, hauling trailers, panel trucks, buses, and vans (excluding vans used by handicapped persons, mini-vans, or sport utility vehicles used as passenger vehicles) are prohibited. Vehicles with commercial writings on their exteriors may be parked on the Common Elements only with the prior written approval of the Board. Emergency vehicles, as defined in the Act, are permitted in the Community. Notwithstanding the above, otherwise prohibited vehicles are allowed temporarily on the Common Elements during normal business hours for the purpose of serving any Unit or the Common Elements; provided, however, no such vehicle may remain on the Common Elements overnight or for any other purpose unless prior written consent of the Board is first obtained.

No unlicensed vehicles may be parked on the Common Elements. No stored or abandoned or inoperable vehicles of any kind may be stored or parked on the Common Elements. An "abandoned or inoperable vehicle" is defined as any passenger car, truck, motorcycle, boat, trailer, camper house trailer, self-contained motorized recreational vehicle, or other similar vehicle, which for a period of 14 days or longer, does not have an operable propulsion system installed therein, has one or more flat tires or has another condition preventing the regular and normal operation and movement of the vehicle. A vehicle will be considered "stored" if it remains in the same location in the Community for 14 consecutive days or longer without prior written Board permission.

(c) Enforcement. If any vehicle is parked on any portion of the Community in violation of this section or in violation of the Rules and Regulations, the Board or agent of the Association may place a notice on the vehicle specifying the nature of the violation and stating that after 24 hours the

vehicle may be towed. The notice will include the name and telephone number of the person or entity that will do the towing and the name and telephone number of a person to contact regarding the alleged violation. If 24 hours after such notice is placed on the vehicle the violation continues, or occurs again within six months of such notice, the Board or agent of the Association may have the vehicle towed in accordance with the notice, without further notice to the vehicle owner or user.

If a vehicle located in the Community is blocking another vehicle or access to another Owner's parking space, is obstructing the flow of traffic, is parked on any grassy area, is parked in a designated handicapped space without the proper state-issued identification, is parked within 30 feet of US Postal Service mailboxes or any trash enclosure, or otherwise creates a hazardous condition, no notice will be required and the vehicle may be towed immediately in accordance with the governmental regulations.

If a vehicle is towed in accordance with this section, neither the Association nor any director, officer or agent of the Association will be liable to any Person for any claim of damage as a result of the towing. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow.

Section 7.15 Vehicle Repair. Maintenance, repair, rebuilding, dismantling, repainting, or any kind of servicing of vehicles, trailers, or boats may not be performed or conducted in the Community. This restriction will not be deemed to prevent washing and polishing of any motor vehicle or motor-driven cycle together with those activities normally incident and necessary to washing and polishing.

Section 7.16 Heating of Units in Colder Months. To prevent water pipes from breaking during colder months of the year resulting in damage to the Community, increased Common Expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within the Units must be maintained with the heat in an "on" position and at a minimum temperature setting of 55° Fahrenheit (except during power failures or periods when heating equipment is being repaired) whenever the temperature is forecasted to or does reach 32° Fahrenheit or below. Owners and Residents must take all reasonable steps on a timely basis to keep heating equipment, including, but not limited to, the thermostat, in good working order and repair. At any time during the colder months when the heating equipment is not working properly, the Owner or Resident must immediately inform the Association of the equipment's failure and of the time needed to repair the equipment. The Association may fine any Owner up to three times the monthly assessment of the Unit in addition to any other remedies of the Association.

Section 7.17 Signs. Except as may be provided for in this Declaration or as may be required by state law or legal proceedings, no signs, advertising posters, political placards or billboards of any kind may be erected, placed, or permitted to remain in the Community without the Association's prior written consent, except political signs as allowed by Colorado law. The Association has the right to erect reasonable and appropriate signs on its behalf.

Section 7.18 Trash and Garbage. All rubbish, trash, and garbage must be regularly removed from the Unit and will not be allowed to accumulate therein. Garbage or trash must not be placed on the Common Elements or Limited Common Elements outside the Unit, temporarily or otherwise. Trash and garbage must be disposed of in appropriate sealed bags and either placed in the trashcans, dumpsters or proper receptacles designated by the Association for collection or removed from the Community.

Section 7.19 Unightly or Unkempt Conditions. Activities which cause disorderly, unsightly, or unkempt conditions must not be pursued or undertaken on any part of the Common Elements.

Section 7.20 Antennas and Satellite Dishes. Satellite dishes, antennae or other devices for the transmission or reception of television signals, radio signals or any form of electromagnetic wave or radiation will not be erected, used or maintained by Owners or Residents on any portion of the Common

Elements, including the Limited Common Elements except as allowed by federal law. However, the Association has the right to erect, construct, and maintain these devices on the General Common Elements.

Section 7.21 Grilling. The use of outdoor grills in any portion of the Community is governed by applicable state laws and local ordinances having jurisdiction over the Community. No grilling is allowed on patios, balconies, or other Limited Common Elements.

Section 7.22 Personal Property on Common Elements. Personal property (other than vehicles as otherwise permitted in this Declaration) may not be stored, kept, or allowed to remain for more than 24 hours upon any portion of the Common Elements, other than on a Limited Common Element, without prior written Association permission. If the Association determines that a violation exists, then, after two days written notice is placed on the personal property and/or on the front door of the property owner's Unit, if known, the Association may remove and either discard or store the personal property in a location which the Association or its agent may determine. Neither the Association nor its agent has any obligation to return, replace, or reimburse the owner of the property. The notice will include the name and telephone number of the person or entity who will remove the property and the name and telephone number of a person to contact regarding the alleged violation.

The Association, in its discretion, may determine that an emergency situation exists and may exercise its removal rights hereunder without prior notice to the property owner. In this case, the Board will give the property owner, if known, notice of the removal of the property and the location of the property within three days after the property is removed.

Neither the Association nor its directors, officers or agent will be liable to an Owner or Resident, guest, or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Elements or for any claim of damage resulting from the removal activity in accordance with this section. The Association may elect to impose fines or use other available remedies, rather than exercise its authority to remove property hereunder.

Section 7.23 Restriction on Marijuana Use, Growth, and Distribution. Except for the growth and use of medical marijuana for personal use by the Resident as permitted by Colorado law, no Owner, Resident, or other Person may use the Unit or any portion of the Unit to smoke marijuana or for the purpose of growing or distributing marijuana. No Owner or Resident may grow medical marijuana for another person who is not a Resident of that Unit. No Unit may be used for the production or use of hash oil, whether for personal use or distribution. The restrictions in this section may be further clarified by the Board through Rules and Regulations. Owners will be responsible for any costs or damages resulting from a violation of this section.

Section 7.24 Rules and Regulations. The Association may adopt, amend, and repeal Rules and Regulations concerning and governing the Units, Common Elements, and Limited Common Elements in furtherance of the provisions of this Declaration. The Rules may include a limitation on the number of guests an Owner may bring to use the recreational facilities and impose a reasonable admission charge or other fee for the use of the recreational facilities.

Section 7.25 Use of the words Beaver Run, Beaver Run Resort, Beaver Run Resort and Conference Center, and Beaver Run Homeowners Association. Owners or Residents will not use the words Beaver Run, Beaver Run Resort, Beaver Run Resort and Conference Center, Beaver Run Homeowners Association, or the logo of the Community or Association, if any, or any derivative thereof, use of which is likely to cause confusion, mistake, or deception, without the prior written consent of the Association.

ARTICLE 8. ARCHITECTURAL CONTROLS

Section 8.1 Architectural Covenants. Except as otherwise provided herein, by the Rules and Regulations or by law, no Owner, Resident, or any other Person may, without first obtaining the Association's written approval:

- (a) make any changes which may affect the structural integrity of any building or affect the utilities, as more fully described in this article;
- (b) make any encroachment onto the Common Elements or Limited Common Elements; or
- (c) make any exterior change, alteration, or construction (including painting and landscaping).

Section 8.2 Alteration of Units. Subject to the provisions of the Act and this Declaration, alterations to the interiors of Units, relocation of the boundaries between adjoining Units, and subdivision of Units are subject to the following restrictions:

(a) Alterations to the Interiors of the Units.

(i) Changes Affecting Common Elements and Load Bearing Portions of Units. All Owners desiring to make any interior modifications or alterations to a Unit affecting the Common Elements or structure or load bearing portions of a Unit must make application to the Association as described in this article in order for the Association to make the determination of whether its approval is required. No Owner or Resident may make any alteration within a Unit which involves connecting to Common Element pipes, lines, conduits and/or other apparatus for access to common utilities without prior written Association approval. No Owner or Resident will make any interior modifications to or place an excessive load on any structural or load bearing portions of a Unit without first obtaining the prior written Association approval. Approval will not be granted unless the Owner has presented to the Association a report or drawing prepared by a licensed structural engineer showing that compensating measures will be taken to ensure the structural integrity of the Unit and the Community. All building code requirements must be complied with and necessary permits and approvals secured for any modifications.

(ii) Replacing Carpet with Tile or Hardwood Floors. No Owner, Resident, or any other Person may replace carpeting with a tile, marble, vinyl, hardwood floor, or other hard surfaced flooring material, on the interior floor of a Unit which is located immediately above another Unit without first obtaining written approval of the Association. Among other factors, the Association may consider whether the change will cause noise to any Unit below which will exceed the average noise level in Units below Units with carpeted floors and that the weight of the proposed flooring is appropriate and will not cause problems to the structure or subflooring.

(b) Combining Units. Owners have the right, with written approval from the Association, after acquiring an adjoining Unit or an adjoining part of an adjoining Unit, to remove or alter any intervening partition or create apertures or doorways therein, even if the partition in whole or in part is a Common Element, all as provided for in this Section, provided the alterations and modifications can and do not impair the structural integrity, electrical systems, mechanical systems or utilities or lessen the support of any portion of the Community.

(i) Agreement May Be Required. The Association may require the Owner's written agreement (in the form approved by the Association) providing for any or all of the following:

(A) for the Owner to be responsible, now and/or in the future, for any structural deficiencies or problems, electrical deficiencies or problems, mechanical structural integrity, electrical systems, utility or mechanical deficiencies or problems or problems associated with a lessening of support of any portion of the Community, or for violations of any of the provisions of this Section, all as may reasonably be determined by the Association;

(B) for the Owner to be responsible for ongoing maintenance, repair, replacement and improvement of any or all of the proposed additions/modifications of the Owner. The Association may require Owners to be responsible for all or some of the maintenance, repair, replacement and improvement of the proposed modifications;

(C) for the Owner's payment of the fees and costs of the Association, together with a deposit against fees and costs which the Association will incur in reviewing and effectuating the application, in an amount reasonably estimated by the Association, in advance of any billing for costs and expenses of the Association;

(D) for reasonable advance notice by the Owner for the work to be performed, from the Owner or from the Owner's contractor; and

(E) the satisfaction of all conditions as may be reasonably imposed by the Association.

(ii) Requirements for Units Combined Prior to the Effective Date of this Declaration. The Association acknowledges and confirms that certain adjoining Units, as set forth on Exhibit B, were previously combined by Owners prior to the effective date of this Declaration. Unless required by the applicable governmental authority, the Owners of any previously combined Units have the option of preparing and submitting a condominium map amendment to the Association for approval to document the previously combined Units. The Owner is responsible for all attorney fees and costs which the Association will incur in the reviewing and effectuating the approval of the condominium map amendment.

(iii) Requirements for Units Combined after the Effective Date of this Declaration. After the effective date of this Declaration, any Owner who desires to combine adjoining Units must submit an application to the Association for approval which must include a proposed amendment to the Declaration. Unless required by the applicable governmental authority, the Owner of the proposed combined Units has the option of preparing a condominium map amendment to document the combined Units. The Owner is responsible for all attorney fees and costs which the Association will incur in the reviewing and effectuating the approval of the proposed declaration amendment and the condominium map amendment.

(iv) Transfer and Voting of Combined Units. Any contiguous Units that are combined may be sold, conveyed, transferred, encumbered, or leased only together and not separately although they may be legally described as if each Unit was separate. For voting purposes, any Unit that is combined with another contiguous Unit is treated as if each Unit is still separately subdivided and retains one vote per Unit as originally allocated. The Common Expense assessment for combined Units equals the sum of the allocations assigned to each of the combined Units on Exhibit "B."

(c) Subdivision of Units. Except for the division of the current Time Share Units into Time Share Estates, no Unit will be subdivided into a smaller Unit or Units. However, with written approval from the Association, Units that were previously combined under the authority of this Section may be restored to the original Unit configurations subject to the same conditions and requirements required for the combining of Units set forth in this Declaration and the Act.

Section 8.3 Architectural Standards. Interpretation, application, and enforcement of the architectural standards may vary as members of the Board change. The standard for approval of improvements includes, but is limited to: (a) aesthetic consideration; (b) materials to be used; (c) compliance with the community-wide standard, this Declaration, or the design guidelines which may be adopted by the Association, if any; (d) harmony with the external design of the existing building, Units and structures, and the location in relation to surrounding structures and topography; (e) visibility and location of the proposed modification in the Community; and (f) any other matter the committee deems to be relevant or appropriate.

Section 8.4 Authority of Association to Engage Consultants. The Association has the authority to select and engage professional consultants to assist in reviewing applications and/or to inspect any of the work performed. The costs of any consultants are to be paid by the submitting Owner whether or not the application is approved. Prior to incurring consultant costs, the Association will notify the Owner of its belief that review and/or inspections by consultations are necessary. The Owner will then have the right to withdraw the submission. The Association may require payment of costs prior to approval.

Section 8.5 Encroachments onto Common Elements. The Association may provide written consent to allow Owners to make encroachments onto the Common Elements only in areas that are directly appurtenant to their Unit. Notwithstanding the foregoing, the Board shall not authorize any encroachment onto any Common Element that may be accessed by or shared by another Unit. Any unauthorized exterior change, alteration, or construction (including landscaping) upon the Common Elements is at the Owner's sole cost and expense. The Association may require that any unapproved change, alteration, or construction be removed or that it remain on the Common Elements or Limited Common Elements without reimbursement to the Owner or Resident for any expense he may have incurred in making the change, alteration, or construction.

Section 8.6 Conditions of Approval. As a condition of approval for a requested architectural change, modification, addition, or alteration, an Owner, on behalf of himself and his successors-in-interest, assumes all responsibilities for maintenance, repair, replacement and insurance of the change, modification, addition, or alteration, unless the Association otherwise agrees in writing. As a further condition of approval, an Owner may be required to execute an agreement setting forth the conditions of approval to be recorded in the records of the Summit County real property records.

Section 8.7 Required Action by the Association. The Association is the sole arbiter of the application and may withhold approval for any reason, including purely aesthetic considerations, provided the Association's decision may not be arbitrary or capricious. Applications for approval of architectural modifications must be in writing and provide any information as the Association reasonably requires. If the Association fails to approve or to disapprove the application within 60 days after the application and all required supplemental information have been submitted, then the submitting Owner may send written notice to the Association president and the Association's managing agent, regarding the Owner's intent to proceed with the modification as identified in the application. Unless the Association issues a written disapproval of the application within ten days of receipt of the Owner's notice, this section's requirements are satisfied and the approval is not be required as to the items specifically identified in the application. However, no Owner may construct or maintain any structure or improvement that otherwise violates the Declaration, the design guidelines, or the Rules and Regulations, or any applicable governmental requirements or laws.

Section 8.8 Commencement and Completion of Construction. All changes, modifications and improvements approved by the Association must be commenced within six months from the date of approval unless the Association otherwise agrees. If not commenced within this time, then approval will be deemed revoked, unless the Association gives a written extension for commencing the work. All work approved by the Association must be completed in its entirety within 90 days from the date of commencement, unless the Association otherwise agrees in writing. All approved changes,

modifications, and improvements must be completed in their entirety. The Association, or its agent, may limit permissible dates for construction project occurrence and restrict acceptable times for construction activities in accordance with this Declaration or as further clarified by the Board through Rules and Regulations.

Section 8.9 Limitation of Liability. Neither the Association nor its directors, officers, committee members or agents will bear any responsibility for the design, quality, structural integrity or soundness of approved construction or modifications, nor for compliance with building codes, zoning regulations, and other governmental requirements. The Association, its directors, officers, committee members, and agents are not liable for any injury, damages, or loss arising out of the manner, design, or quality of approved construction on or to modifications to any Unit. No lawsuit, action, or claim may be brought against any of the foregoing for any injury, damage, or loss.

Section 8.10 No Waiver of Future Approvals. The Association's approval of any proposals, plans and specifications for any work done or proposed, or in connection with any other matter requiring the Association's approval, is not a waiver of any right to withhold approval as to any similar proposals, plans, and specifications.

Section 8.11 Enforcement. The Association is entitled to stop any construction that does not conform to the approved plans. The Association is further entitled to stop any construction if the Owner fails to submit plans and specifications and/or obtain written approval prior to commencing construction. The Association may require any Owner to remove any improvement or modification, whether partial or completed, and restore the property to its prior condition, if the Owner fails to obtain prior written approval or constructs in a manner that does not conform to the approved plans. These remedies are in addition to all other remedies available, including the authority to levy a fine.

ARTICLE 9. INSURANCE

Section 9.1 Association's Property Insurance. The Association will obtain and maintain at all times, as a Common Expense, property insurance as required in this Declaration. The Association will use reasonable efforts to secure a blanket hazard insurance policy providing "special form" coverage in an amount equal to full replacement cost, before application of deductibles. If "special form" coverage is not reasonably available at reasonable cost, the Association will obtain, at a minimum, broad form covered causes of loss, in like amounts.

The Association's insurance will cover the Common Elements. As to the Units, the Association's insurance policy will be a bare walls policy that will rebuild the building structures. The Association's insurance policy will exclude the finished surfaces of perimeter and partition walls, floors, and ceilings within the Unit (i.e., paint, wallpaper, paneling, other wall coverings and window coverings, tile, carpet and any floor covering). The Association's policy will also exclude appliances and improvements and betterments made by Owners. The Association has the right to increase the level of coverage under its policy from the standard outlined in this Section by written Board resolution. If the level of coverage is changed, the Association will make such information available to all Owners by posting the information on the Association's website, if any or by other written correspondence to the Owners.

All property insurance purchased by the Association will run to the benefit of the Association, the Board of Directors, officers, all agents and employees of the Association, the Owners and their respective Mortgage Holders, and all other Persons entitled to occupy any Unit as their interests may appear.

All insurance coverage for the Association will be written in the name of the Association as first named insured and each of the Owners as additional insureds. The Association will periodically review the insurance to determine if the policy in force is adequate to meet its needs.

Section 9.2 Other Association Insurance. In addition to the insurance required above, the Association will obtain as a Common Expense:

- (a) Workers' compensation insurance if and to the extent necessary to meet the requirements of law;
- (b) General liability insurance in amounts no less than \$1,000,000.00, and directors' and officers' liability insurance in such amounts as the Board may determine. The general liability insurance will contain a cross liability endorsement;
- (c) Fidelity insurance if reasonably available, covering officers, directors, employees, and other persons who handle or are responsible for handling Association funds in an amount as required by law, or if no such requirements, consistent with the Board of Directors' best business judgment; and
- (d) Other insurance as the Board of Directors may determine to be necessary or desirable.

Section 9.3 Standards for Association Policies.

- (a) The Association will use reasonable efforts to obtain policies that provide the following:
 - (i) each Owner is an insured person under the policy with respect to liability arising out of the Owner's interest in the Common Elements or membership in the Association;
 - (ii) the insurer's waiver of subrogation of claims against directors, officers, the managing agent, the individual Owners and their respective household members;
 - (iii) no act or omission by any Owner not under the Association's control will void the policy or be a condition to recovery under the policy;
 - (iv) ordinance or law coverage, demolition cost coverage and increased cost of construction coverage;
 - (v) any "other insurance" clause contained in the master policy will expressly exclude individual Owners' policies from its operation;
 - (vi) the master policy may not be canceled, substantially modified, or subjected to non-renewal without at least 30 days prior notice in writing to the Association and all Mortgage Holders of Units, except in instances of nonpayment of premiums, which will require at least ten days prior written notice;
 - (vii) the casualty insurance may not contain a "co-insurance" provision;
 - (viii) all insurance policies of the Association are primary over other insurance in the Owner's name;
 - (ix) an inflation guard endorsement.
- (b) All insurance policies will be written with a company licensed to do business in Colorado. The company will provide insurance certificates to each Owner and Mortgage Holder upon request. The Association's Board of Directors has the exclusive authority to adjust losses under the

Association's policies. However, no Mortgage Holder having an interest in any losses may be prohibited from participating in the settlement negotiations, if any.

(c) The Association's insurance is not required to include liability insurance for individual Owners for liability arising within the Unit.

Section 9.4 Insurance Deductibles. Unless otherwise specified in written guidelines or a written Board resolution, any required deductible on the Association's policy will be a maintenance expense to be paid by the person(s) who would be responsible for the repair or maintenance of the loss in the absence of insurance. If the loss affects more than one Unit or a Unit and the Common Elements, the Board may equitably apportion the cost of the deductible among the parties suffering loss in proportion to the total cost of repair. However, if the insurance policy provides that the deductible will apply to each Unit separately or to each occurrence, each Owner will be responsible for paying the deductible pertaining to his Unit, if any. If any Owner(s) fail to pay the deductible when required under this Section, then the Association may pay the deductible and assess the cost to the Owner pursuant to Article 5 of this Declaration.

Section 9.5 Owners' Insurance.

(a) Every Owner is obligated to obtain and maintain at all times insurance covering those portions of the Unit to the extent not insured by the Association's policies, including, but not limited to, finished surfaces (of walls, floors and ceilings), flooring, cabinetry, fixtures, and appliances, betterments and improvements. Each Owner is also responsible for insuring all improvements to the Unit or to the Limited Common Elements or Common Elements added by the Owner or the Owner's predecessors-in-title. Each Unit Owner is also responsible for obtaining insurance covering his personal property and coverage for liability arising within the Unit and on or within the Limited Common Elements. Such liability insurance shall include a waiver of subrogation in favor of the Association, its directors, officers, and employees.

(b) At the Association's sole discretion, it may arrange for issuance of the insurance coverage for the individual Unit which complies with the requirements of this section on behalf of and insuring the Unit Owner. In such case, the Association may assess the policy premiums to such Owner as either a Common Expense or Specific Unit Assessment. The Association is not responsible for the adequacy of such insurance coverage and Owner agrees to hold the Association harmless for any alleged inadequacy. The Owner remains responsible for confirming that any Association arranged insurance policy is acceptable and adequately meets the individual Owner's needs, including but not limited to, policy limits, coverage, terms, conditions, and endorsements.

(c) If the Association does not exercise the right to arrange issuance of insurance on the Owner's Unit, then the Owner will furnish a copy of the required insurance policies to the Association.

Section 9.6 Owner's Right to Review Association Insurance Policies. The Association will make a copy of its insurance policies available for review by Owners to assess their personal insurance needs. Each Owner has the right to obtain additional coverage at his own expense.

Section 9.7 Source and Allocation of Proceeds. If the Association's insurance proceeds are not sufficient to defray the costs of reconstruction and repair (due to failure of the Association to maintain coverage as provided in this Declaration, or due to the insurance policy's deductible) the additional cost will be a Common Expense. If, for any other reason, the proceeds of insurance are not sufficient to defray the costs of reconstruction and repair, as determined by the Association, the additional costs will be assessed against the Owners of the Unit(s) damaged in proportion to the damage to the Units or against all Owners, in the case of insufficient funds to cover damage to the Common Elements. These assessments are not considered a special assessment as provided in this Declaration. If there are

surplus funds after repair and reconstruction is completed, those funds will be common funds of the Association to be used as directed by the Association.

Section 9.8 Repair and Reconstruction Requirements. In the event of damage to or destruction of all or any part of the Community as a result of fire or other casualty, the Association will arrange for and supervise the prompt repair and restoration of the structure unless Owners holding at least 67% of the total Association vote, including the Owner(s) of any damaged Unit(s) and Eligible Mortgage Holders that represent at least 51% of the votes of Units that are subject to mortgages held by Eligible Mortgage Holders, vote not to proceed with the reconstruction and repair of the structure. In the event of substantial damage or destruction, each Eligible Mortgage Holder will be entitled to written notice of the damage, and nothing in these documents will be construed to afford a priority to any Owner with respect to the distribution of proceeds to any such Unit.

Section 9.9 Construction Fund. The net insurance proceeds collected on account of a casualty and the funds collected by the Association from assessments against Owners on account of the casualty will constitute a construction fund. The Association will disburse the funds to pay the cost of reconstruction and repair in appropriate progress payments to the contractor(s), supplier(s), and personnel performing the work or supplying materials or services.

ARTICLE 10. MORTGAGE HOLDER'S RIGHTS

Section 10.1 Abandonment or Termination. Unless Eligible Mortgage Holders representing at least 51% of the votes of the Units subject to a First Mortgage and Owners holding at least 67% of the total Association vote give their consent, the Association or the membership will not by act or omission seek to abandon or terminate the Community (except in the case of substantial destruction, as governed by this Declaration).

Section 10.2 Liability for Assessments. Where the First Mortgage Holder or other purchaser of a Unit obtains title pursuant to judicial or non-judicial foreclosure of the Mortgage, it is not liable, nor will the Unit be subject to a lien, for the share of the Common Expenses or assessments by the Association chargeable to the Unit which became due prior to acquisition of title except as provided in the Act. The acquirer is responsible for all charges accruing subsequent to the passage of title, including, but not limited to, all charges for the month in which title is passed. Any unpaid share of Common Expenses or assessments is deemed to be Common Expenses collectible from Owners of all the Units, including the acquirer, its successors, and assigns.

Section 10.3 Notice to Eligible Mortgage Holders. Upon written request to the Association, identifying the name and address of the holder and the legal description, unit number of the Unit and address, any Eligible Mortgage Holder will be entitled to timely written notice of:

- (a) any condemnation loss or any casualty loss which affects a material portion of the Community or any Unit on which there is a First Mortgage held by the Eligible Mortgage Holder;
- (b) any delinquency in the payment of assessments or charges owed by an Owner of a Unit subject to a First Mortgage held by the Eligible Mortgage Holder which remains unsatisfied for a period of 60 days, and any default in the performance by an individual Owner of any other obligation under the Governing Documents which is not cured within 60 days;
- (c) any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or
- (d) any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders, as specified herein.

Section 10.4 No Priority. No provision of this Declaration or of the Bylaws gives or will be construed as giving any Owner or other party priority over any rights of the First Mortgage Holder in the case of distribution to an Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Elements.

Section 10.5 Notice to Association. Upon request, each Owner is obligated to furnish to the Association the name and address of any First Mortgage Holder encumbering the Owner's Unit.

Section 10.6 Failure of Eligible Mortgage Holder to Respond. Any Eligible Mortgage Holder who receives a written request from the Association to respond to any action is deemed to have approved the action if the Association does not receive a written response from the Eligible Mortgage Holder within 60 days of the date of the Association's request, provided the request is delivered to the Eligible Mortgage Holder by certified or registered mail, return receipt requested.

Section 10.7 Construction of this Article. Nothing contained in this article will be construed to reduce the percentage vote that must otherwise be obtained under the Governing Documents or Colorado law for any of the actions set forth in this article.

ARTICLE 11. TIME SHARE UNITS

Section 11.1 Designation of Times Share Units. In accordance with the Original Declaration, the original developer recorded that certain Designation of Time Share Units and Consent ("Time Share Designation"), attached hereto as Exhibit "C" and incorporated herein by reference, which created the ability to establish and designate certain Units in Building 3 as Time Share Units. As of the recording date of this Declaration, only Units 438, 635, 835 in Building 3 have been designated as Time Share Units in accordance with the procedural requirements of the Time Share Designation. No additional Units may be established as Time Share Units (including those Units listed on the Time Share Designation which currently are not a Time Share Unit) unless prior written approval is obtained by the Association and approved by Owners holding at least 67% of the total Association vote.

Section 11.2 Time Share Instruments. The Time Share Instruments must provide for the following:

(a) The appointment as Time Share Agent of a Colorado corporation, having its registered office in Breckenridge, Colorado, the name and address of which shall be set forth in the Time Share Instruments, as agent and attorney in fact for all of the Owners of the Time Share Estates such Time Share Unit and that said appointment may not be revoked or amended without the prior written consent of the Association, and the simultaneous appointment of a substitute Time Share Agent. There shall be only one Time Share Agent for a Time Share Unit at any one time.

(b) Any obligation whatsoever of the Association to deliver any notice, statement, or any other communication to an Owner or holder of a deed of trust, with respect to a Time Share Unit, shall be satisfied upon the mailing thereof to the appropriate Time Share Agent, notwithstanding any notice from any such Owner or holder of a deed of trust to the contrary.

(c) Each Owner of a Time Share Estate shall have a right of contribution and indemnification against any loss or damage suffered as the result of the failure of another Owner to pay the designated share of any regular or special assessment or any fines levied by the Association, as that share may be described in the Time Share Instruments, or to otherwise comply with the terms of the Declaration, the Articles of Incorporation, Bylaws and Rules of the Association, or the Time Share Instruments.

(d) The Time Share Agent shall have full authority on behalf of all Owners of a Time

Share Unit and their respective Mortgage Holders to:

(i) receive all communications, including notices of levy of assessments, from the Association or any other Owner, which may be due to any individual Owner of a Time Share Estate in the Time Share Unit;

(ii) be the sole entity which may exercise the one vote allocated to the Time Share Unit; and

(iii) be the sole entity which may exercise any consent or disapproval required of an Owner or Mortgage Holder by this Declaration or the Association for any matter.

(e) The Time Share Instruments may contain any provisions in addition to those required herein, which are not in conflict with any provision of this Declaration or the Articles of Incorporation and Bylaws of the Association. In the event of any conflict, the provisions of this Declaration and the Articles of Incorporation and Bylaws shall control.

Section 11.3 Association Lien on Time Share Estates. The lien of the Association for unpaid assessments as set forth in this Declaration shall apply to the individual Time Share Estate. The Association may foreclose a Time Share Estate as allowed by the Act. The lien granted the Association for the failure of a Time Share Estate Owner to make any payment required by this Declaration has the priority as set forth in the Act, and any obligation of the Association to deliver any notice, statement or other correspondence to an Owner or Mortgage Holder encumbering a Time Share Estate shall be satisfied upon the mailing thereof to the appropriate Time Share Agent.

Section 11.4 Time Share Estate Owners. An Owner of a Time Share Estate may exercise the rights of an Owner of a Condominium Unit as set forth in this Declaration except as expressly limited in this Article 11 only during the period of time in which such Owner is entitled to the exclusive possession of the Time Share Unit. The Association shall have the right at all times to deal with all the Owners of a Time Share Unit as one Owner, by and through their Time Share Agent. All of the Time Share Estate Owners of one Time Share Unit shall be deemed to be one Owner, and all respective Mortgage Holders to be one Mortgage Holder, with respect to any consents, approvals, or disapprovals required by this Declaration or the Association. Unless the appointment of the Time Share Agent is properly revoked as set forth herein, any act of the Time Share Agent shall be binding upon the Owners and Mortgage Holders of the Time Share Estates so represented, and the Association shall have not responsibility to verify the authority of the Time Share Agent. No dispute between the Time Share Estate Owners or their Time Share Agent shall affect any obligation of such Owners of the Time Share Agent to the Association or to any other Owner, and shall not impair any lien of the Association granted herein.

Section 11.5 Commencement of Time Share Unit. A Unit shall be deemed to be a Time Share Unit only upon the recording either of the first deed from the original developer conveying less than all of the Time Share Estates in the Time Share Unit or the First Mortgage encumbering less than all of the Time Share Estates in the Time Share Unit, whichever occurs first.

ARTICLE 12. AUTHORITY AND ENFORCEMENT

Section 12.1 Compliance With and Enforcement of Governing Documents.

(a) **Compliance Required.** Every Owner and Resident will comply with the applicable provisions of the Governing Documents. Any aggrieved Owner has the right to take action to enforce the terms of the Governing Documents against another Owner or Resident.

(b) Association Remedies. The Association may enforce all applicable provisions of the Governing Documents and may impose sanctions for their violation. Sanctions may include, without limitation:

- (i) imposing reasonable monetary fines, after notice and opportunity for a hearing, which will be a lien upon the violator's Unit;
- (ii) suspending the right to vote;
- (iii) suspending the Owner's rights to use the recreational facilities (as well as the rights of the Owner's family, guests and Residents to use the recreational facilities);
- (iv) suspending any services provided by the Association to an Owner or the Owner's Unit if the Owner is more than 30 days delinquent in paying any Assessment or other charge owed to the Association;
- (v) exercising self-help or action to abate any violation of the Governing Documents in a non-emergency situation, subject to any requirements as may be set forth in this Declaration, including those related to maintenance, repair or replacement;
- (vi) requiring an Owner, at the Owner's expense, to remove any structure or improvement in the Unit or the Common Elements in violation of the Governing Documents and to restore the Unit or Common Elements to its previous condition and, upon the Owner's failure to do so, the Association has the right to enter the Unit or Common Elements, remove the violation and restore the Unit or Common Elements to substantially the same condition as previously existed and any action is not deemed a trespass;
- (vii) recording in the real property records a notice of violation identifying any uncured violation of the Governing Documents; and
- (viii) other remedies provided for in this Declaration or by applicable law.

(c) Emergencies and Legal Action. In addition, the Association may take the following enforcement procedures to seek compliance with the Governing Documents:

- (i) exercise self-help in any emergency situation (specifically including, but not limited to, towing vehicles that are in violation of any parking Rules and Regulations); and/or
- (ii) institute any civil action to enjoin any violation or to recover monetary damages or both.

(d) Remedies Are Cumulative. All remedies set forth in the Governing Documents are cumulative of any remedies available at law or in equity.

(e) Costs Incurred By Association. If the Association exercises any of its rights pursuant to this section, all costs will be assessed against the violating Owner or Resident and will be a lien against the Unit. Additionally, subject to the Act, the Association will also be entitled to reasonable attorney fees actually incurred, which will be collected as an assessment.

Section 12.2 Failure to Enforce. The Association has the discretion to pursue enforcement action in any particular case, except that the Association may not be arbitrary and capricious. The Association's failure to enforce any provision of the Governing Documents is not deemed a waiver of its right to do so thereafter. No claim or right of action exists against the Association for failure of enforcement

where: (a) the Association determines that its position is not strong enough to justify taking enforcement action; (b) a particular violation is not of such a material nature as to be objectionable to a reasonable person or justify the expense and resources to pursue; or (c) the Owner or party requesting enforcement possesses an independent right to bring an enforcement action at law or in equity and has failed to do so.

ARTICLE 13. AMENDMENTS

Section 13.1 Amendment by Owners. This Declaration may be amended by the affirmative vote, written agreement, or any combination of affirmative vote and written agreement of the Owners holding at least 67% of the total Association vote.

If a proposed amendment will be considered at a Member meeting, notice of the meeting will state the general subject matter of the proposed amendment. No amendment will be effective until certified by the Association's president and secretary and recorded in the real property records.

Section 13.2 Eligible Mortgage Holder Approval for Material Amendments. In addition to the above, no amendments to this Declaration of a material adverse nature to Eligible Mortgage Holders may be made without the prior written consent of at least 51% of the Eligible Mortgage Holders (based upon one vote for each Eligible First Mortgage held). Approval of any proposed amendment by an Eligible Mortgage Holder is deemed implied and consented to if the Eligible Mortgage Holder fails to submit a response to any written proposal for an amendment as provided in this Declaration.

Section 13.3 Amendments by Board of Directors. The Board of Directors, without the necessity of a vote by the Owners, may amend this Declaration to correct any scrivener's errors, to comply with any applicable local, state or federal law, and/or to bring the Community into compliance with applicable rules and regulations of the Federal National Mortgage Association ("Fannie Mae"), Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA") or any successor governmental agencies pursuant to federal law.

Section 13.4 Validity. Any action to challenge an amendment's validity must be brought within one year of the effective date of the amendment.

ARTICLE 14. GENERAL PROVISIONS

Section 14.1 Security. The Association may, but is not required to, from time to time, provide measures or take actions which directly or indirectly improve security in the Community. However, each Owner, for himself and his Residents, guests, tenants, licensees, and invitees, acknowledges and agrees that the Association is not a provider of security and the Association does not have a duty to provide security in the Community. Furthermore, the Association does not guarantee that non-Owners and non-Residents will not gain access to the Community and commit criminal acts in the Community nor does the Association guarantee that criminal acts in the Community will not be committed by other Owners or Residents. Each Owner is responsible to protect his person and property and all responsibility to provide security lies solely with each Owner. The Association is not liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of measures undertaken.

Section 14.2 Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration, the Bylaws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it or reasonably necessary to effectuate any of its rights or privileges.

Section 14.3 Interpretation. The provisions of this Declaration will be liberally construed to effectuate their purposes of providing a uniform plan for the Community and of promoting and effectuating

the fundamental concepts set forth in the recitals of this Declaration. This Declaration will be construed and governed under the laws of the State of Colorado.

Section 14.4 Electronic Records, Notices, and Signatures. Notwithstanding any other portion of this Declaration, records, signatures, and notices will not be denied validity or effectiveness hereunder solely on the grounds that they are transmitted, stored, made, or presented electronically. The relevant provisions of the Bylaws will govern the giving of all notices required by this Declaration.

Section 14.5 Duration. The covenants and restrictions of this Declaration run with and bind the Community perpetually unless otherwise terminated as provided in C.R.S. § 38-33.3-218.

Section 14.6 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order or otherwise will in no way affect the application of the provision to other circumstances or affect any other provision(s), which will remain in full force and effect.

Section 14.7 Public in General. The rights and burdens created in this Declaration do not, are not intended to, and will not be construed to create any rights and burdens in or for the benefit of the general public.

Section 14.8 Conflicts. In case of any conflict between this Declaration and the Articles of Incorporation or Bylaws of the Association, this Declaration shall control. In case of any conflict between the Articles of Incorporation and the Bylaws of the Association, the Articles of Incorporation shall control.

Section 14.9 Captions. All captions and titles used in this Declaration are intended solely for convenience of reference and do not enlarge, limit or otherwise affect that which is set forth in any paragraph, section, or article.

Section 14.10 Singular Includes the Plural; Gender. Unless the context otherwise requires, the singular includes the plural, and the plural includes the singular, and each gender referral is deemed to include the masculine, feminine and neuter.

IN WITNESS WHEREOF, the undersigned officers of Beaver Run Homeowners Association, hereby certify that this Amended and Restated Declaration was duly adopted by the Members of the Association or that the District Court of Summit County has entered an order approving this Amended and Restated Declaration.

This _____ day of _____, 20____.

BEAVER RUN HOMEOWNERS ASSOCIATION

By: _____

Print
Name: _____

Title: President

By: _____

Print
Name: _____

Title: Secretary

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing Declaration was acknowledged before me by _____, as President of the Beaver Run Homeowners Association, on this _____ day of _____, 20____.

Notary Public

My commission expires: _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing Declaration was acknowledged before me by _____, as Secretary of the Beaver Run Homeowners Association, on this _____ day of _____, 20____.

Notary Public

My commission expires: _____

EXHIBIT A

Legal Description of Condominium

Condominium Map for Beaver Run Condominium Building One, recorded February 5, 1980 at Reception No. 202978;

Condominium Map for Beaver Run Condominium Building 2, recorded October 9, 1980 at Reception No. 213058;

Condominium Map for Beaver Run Condominium Building 3, recorded February 25, 1981 at Reception No. 220274;

Condominium Map for Beaver Run Condominium Building 4 / Condominium Map for Building Four at Beaver Run Condominiums, recorded November 12, 1986 at Reception No. 327183; and

including any amendments and supplements thereof,

County of Summit
State of Colorado

EXHIBIT B

Allocation of Interests in Common Elements and Common Expenses

Building	Unit #	Unit Square Footage	Ownership % of CE on Building 1 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 1	101	764	1.757	0.207	
Building 1	102	717	1.649	0.194	
Building 1	103	1096	2.521	0.297	
Building 1	104	1037	2.385	0.281	
Building 1	105	1096	2.521	0.297	
Building 1	106	1037	2.385	0.281	
Building 1	107	764	1.757	0.207	
Building 1	108	717	1.649	0.194	
Building 1	201	764	1.757	0.207	
Building 1	202	717	1.649	0.194	
Building 1	203	1096	2.521	0.297	
Building 1	204	1037	2.385	0.281	
Building 1	205	1096	2.521	0.297	
Building 1	206	1037	2.385	0.281	
Building 1	207	764	1.757	0.207	
Building 1	208	717	1.649	0.194	
Building 1	301	1089	2.505	0.295	
Building 1	302	717	1.649	0.194	
Building 1	303	1089	2.505	0.295	
Building 1	304	1037	2.385	0.281	
Building 1	305	1089	2.505	0.295	
Building 1	306	1089	2.505	0.295	
Building 1	307	1194	2.746	0.323	
Building 1	308	1194	2.746	0.323	
Building 1	309	1089	2.505	0.295	
Building 1	310	1037	2.385	0.281	
Building 1	311	1089	2.505	0.295	
Building 1	312	1089	2.505	0.295	

Building	Unit #	Unit Square Footage	Ownership % of CE on Building 1 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 1	313	1089	2.505	0.295	
Building 1	314	717	1.649	0.194	
Building 1	501	1739	4.000	0.471	
Building 1	502	1089	2.505	0.295	
Building 1	503	1414	3.255	0.383	
Building 1	504	1089	2.505	0.295	
Building 1	505	1194	2.746	0.323	Combined w/Unit 507
Building 1	506	1037	2.385	0.281	
Building 1	507	1194	2.746	0.323	Combined w/Unit 505
Building 1	508	1089	2.505	0.295	
Building 1	509	1739	4.000	0.471	
Building 1	510	1089	2.505	0.295	
Building 1	511	1739	4.000	0.471	
Building 1 Totals		43,476	100	11.779	

Building	Unit #	Unit Square Footage	Ownership % of CE on Building 2 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 2	115	774	0.816	0.210	
Building 2	116	726	0.765	0.197	
Building 2	117	774	0.816	0.210	
Building 2	118	726	0.765	0.197	
Building 2	119	774	0.816	0.210	
Building 2	120	726	0.765	0.197	
Building 2	121	774	0.816	0.210	
Building 2	122	726	0.765	0.197	
Building 2	123	774	0.816	0.210	
Building 2	124	726	0.765	0.197	
Building 2	125	774	0.816	0.210	
Building 2	126	726	0.765	0.197	
Building 2	127	774	0.816	0.210	
Building 2	128	726	0.765	0.197	
Building 2	215	1161	1.223	0.315	
Building 2	216	1089	1.147	0.295	
Building 2	217	1161	1.223	0.315	
Building 2	218	1089	1.147	0.295	
Building 2	219	774	0.816	0.210	
Building 2	220	726	0.765	0.197	
Building 2	221	1161	1.223	0.315	
Building 2	222	1089	1.147	0.295	
Building 2	223	1161	1.223	0.315	
Building 2	224	1089	1.147	0.295	
Building 2	315	1161	1.223	0.315	
Building 2	316	1089	1.147	0.295	
Building 2	317	1161	1.223	0.315	
Building 2	318	1089	1.147	0.295	
Building 2	319	774	0.816	0.210	
Building 2	320	726	0.765	0.197	
Building 2	321	1161	1.223	0.315	
Building 2	322	1089	1.147	0.295	
Building 2	323	1161	1.223	0.315	

Building	Unit #	Unit Square Footage	Ownership % of CE on Building 2 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 2	324	1089	1.147	0.295	
Building 2	415	1127	1.188	0.305	
Building 2	416	1089	1.147	0.295	
Building 2	417	1127	1.188	0.305	
Building 2	418	1127	1.188	0.305	
Building 2	419	1490	1.570	0.404	
Building 2	420	1089	1.147	0.295	
Building 2	421	1230	1.295	0.333	
Building 2	422	1230	1.295	0.333	
Building 2	423	1127	1.188	0.305	
Building 2	424	1127	1.188	0.305	
Building 2	425	1230	1.295	0.333	
Building 2	426	1089	1.147	0.295	
Building 2	427	1230	1.295	0.333	
Building 2	428	1490	1.570	0.404	
Building 2	429	1127	1.188	0.305	
Building 2	430	1127	1.188	0.305	
Building 2	431	1127	1.188	0.305	
Building 2	432	1089	1.147	0.295	
Building 2	615	1127	1.188	0.305	
Building 2	616	1089	1.147	0.295	
Building 2	617	1127	1.188	0.305	
Building 2	618	1127	1.188	0.305	
Building 2	619	1490	1.570	0.404	
Building 2	620	1089	1.147	0.295	
Building 2	621	1230	1.295	0.333	
Building 2	622	1230	1.295	0.333	
Building 2	623	1127	1.188	0.305	
Building 2	624	1127	1.188	0.305	
Building 2	625	1230	1.295	0.333	
Building 2	626	1089	1.147	0.295	
Building 2	627	1230	1.295	0.333	
Building 2	628	1490	1.570	0.404	
Building 2	629	1127	1.188	0.305	

Building	Unit #	Unit Square Footage	Ownership % of CE on Building 2 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 2	630	1127	1.188	0.305	
Building 2	631	1127	1.188	0.305	
Building 2	632	1089	1.147	0.295	
Building 2	815	1853	1.953	0.502	
Building 2	816	1127	1.188	0.305	
Building 2	817	1853	1.953	0.502	
Building 2	818	1127	1.188	0.305	
Building 2	819	1127	1.188	0.305	Combined w/Unit 821
Building 2	820	726	0.765	0.197	
Building 2	821	1127	1.188	0.305	Combined w/Unit 819
Building 2	822	1853	1.953	0.502	
Building 2	823	1127	1.188	0.305	
Building 2	824	1127	1.188	0.305	
Building 2	825	1127	1.188	0.305	
Building 2	826	726	0.765	0.197	
Building 2	827	1127	1.188	0.305	
Building 2	828	1853	1.953	0.502	
Building 2	829	1127	1.188	0.305	
Building 2	830	1853	1.953	0.502	
Building 2 Totals		94,904	100	25.713	

Building	Unit #	Unit Square Footage	Ownership % of CE on Building 3 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 3	133	774	0.816	0.210	
Building 3	134	726	0.765	0.197	
Building 3	135	774	0.816	0.210	
Building 3	136	726	0.765	0.197	
Building 3	137	774	0.816	0.210	
Building 3	138	726	0.765	0.197	
Building 3	139	774	0.816	0.210	
Building 3	140	726	0.765	0.197	
Building 3	141	774	0.816	0.210	
Building 3	142	726	0.765	0.197	
Building 3	143	774	0.816	0.210	
Building 3	144	726	0.765	0.197	
Building 3	145	774	0.816	0.210	
Building 3	146	726	0.765	0.197	
Building 3	233	1161	1.223	0.315	
Building 3	234	1089	1.147	0.295	
Building 3	235	1161	1.223	0.315	
Building 3	236	1089	1.147	0.295	
Building 3	237	774	0.816	0.210	
Building 3	238	726	0.765	0.197	
Building 3	239	1161	1.223	0.315	
Building 3	240	1089	1.147	0.295	
Building 3	241	1161	1.223	0.315	
Building 3	242	1089	1.147	0.295	
Building 3	333	1161	1.223	0.315	
Building 3	334	1089	1.147	0.295	
Building 3	335	1161	1.223	0.315	
Building 3	336	1089	1.147	0.295	
Building 3	337	774	0.816	0.210	
Building 3	338	726	0.765	0.197	
Building 3	339	1161	1.223	0.315	
Building 3	340	1089	1.147	0.295	

Building	Unit #	Unit Square Footage	Ownership % of CE on Building 3 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 3	341	1161	1.223	0.315	
Building 3	342	1089	1.147	0.295	
Building 3	433	1127	1.188	0.305	
Building 3	434	1089	1.147	0.295	
Building 3	435	1127	1.188	0.305	
Building 3	436	1127	1.188	0.305	
Building 3	437	1490	1.570	0.404	
Building 3	438	1089	1.147	0.295	
Building 3	439	1230	1.295	0.333	
Building 3	440	1230	1.295	0.333	
Building 3	441	1127	1.188	0.305	
Building 3	442	1127	1.188	0.305	
Building 3	443	1230	1.295	0.333	
Building 3	444	1089	1.147	0.295	
Building 3	445	1230	1.295	0.333	
Building 3	446	1490	1.570	0.404	
Building 3	447	1127	1.188	0.305	
Building 3	448	1127	1.188	0.305	
Building 3	449	1127	1.188	0.305	
Building 3	450	1089	1.147	0.295	
Building 3	633	1127	1.188	0.305	
Building 3	634	1089	1.147	0.295	
Building 3	635	1127	1.188	0.305	
Building 3	636	1127	1.188	0.305	
Building 3	637	1490	1.570	0.404	
Building 3	638	1089	1.147	0.295	
Building 3	639	1230	1.295	0.333	
Building 3	640	1230	1.295	0.333	
Building 3	641	1127	1.188	0.305	
Building 3	642	1127	1.188	0.305	
Building 3	643	1230	1.295	0.333	
Building 3	644	1089	1.147	0.295	
Building 3	645	1230	1.295	0.333	

Building	Unit #	Unit Square Footage	Ownership % of CE on Building 3 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 3	646	1490	1.570	0.404	
Building 3	647	1127	1.188	0.305	
Building 3	648	1127	1.188	0.305	
Building 3	649	1127	1.188	0.305	
Building 3	650	1089	1.147	0.295	
Building 3	833	1853	1.953	0.502	Combined w/Unit 834
Building 3	834	1127	1.188	0.305	Combined w/Unit 833
Building 3	835	1853	1.953	0.502	
Building 3	836	1127	1.188	0.305	
Building 3	837	1127	1.188	0.305	
Building 3	838	1127	1.188	0.305	
Building 3	839	726	0.765	0.197	
Building 3	840	1127	1.188	0.305	
Building 3	841	1853	1.953	0.502	
Building 3	842	1127	1.188	0.305	
Building 3	843	1127	1.188	0.305	
Building 3	844	726	0.765	0.197	
Building 3	845	1127	1.188	0.305	Combined w/Unit 846
Building 3	846	1853	1.953	0.502	Combined w/Unit 845
Building 3	847	1127	1.188	0.305	
Building 3	848	1853	1.953	0.502	
Building 3 Totals		94,904	100	25.713	

Building	Unit #	Unit Square Footage	Fractional Ownership Interest Common Elements on Building 4 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 4	4021	617	0.0045	0.167	
Building 4	4023	507	0.0037	0.137	
Building 4	4025	462	0.0034	0.125	
Building 4	4026	462	0.0034	0.125	
Building 4	4028	507	0.0037	0.137	
Building 4	4030	617	0.0045	0.167	
Building 4	4031	617	0.0045	0.167	
Building 4	4033	507	0.0037	0.137	
Building 4	4035	462	0.0034	0.125	
Building 4	4040	617	0.0045	0.167	
Building 4	4041	507	0.0037	0.137	
Building 4	4042	462	0.0034	0.125	
Building 4	4044	462	0.0034	0.125	
Building 4	4045	507	0.0037	0.137	
Building 4	4046	617	0.0045	0.167	
Building 4	4101	617	0.0045	0.167	
Building 4	4103	507	0.0037	0.137	
Building 4	4104	1125	0.0085	0.305	
Building 4	4105	462	0.0034	0.125	
Building 4	4106	516	0.0038	0.140	
Building 4	4107	462	0.0034	0.125	
Building 4	4108	755	0.0056	0.205	
Building 4	4110	714	0.0054	0.193	
Building 4	4111	617	0.0045	0.167	
Building 4	4112	516	0.0038	0.140	
Building 4	4113	617	0.0045	0.167	
Building 4	4114	509	0.0037	0.138	
Building 4	4115	507	0.0037	0.137	
Building 4	4116	617	0.0045	0.167	
Building 4	4117	462	0.0034	0.125	
Building 4	4118	617	0.0045	0.167	
Building 4	4119	462	0.0034	0.125	
Building 4	4120	509	0.0037	0.138	

Building	Unit #	Unit Square Footage	Fractional Ownership Interest Common Elements on Building 4 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 4	4121	507	0.0037	0.137	
Building 4	4122	516	0.0038	0.140	
Building 4	4123	617	0.0045	0.167	
Building 4	4124	516	0.0038	0.140	
Building 4	4125	617	0.0045	0.167	
Building 4	4126	509	0.0037	0.138	
Building 4	4127	507	0.0037	0.137	
Building 4	4128	617	0.0045	0.167	
Building 4	4129	462	0.0034	0.125	
Building 4	4130	1344	0.0098	0.364	
Building 4	4131	617	0.0045	0.167	
Building 4	4132	507	0.0037	0.137	
Building 4	4133	462	0.0034	0.125	
Building 4	4134	462	0.0034	0.125	
Building 4	4135	507	0.0037	0.137	
Building 4	4136	617	0.0045	0.167	
Building 4	4137	714	0.0054	0.193	
Building 4	4201	617	0.0045	0.167	
Building 4	4203	507	0.0037	0.137	
Building 4	4204	1125	0.0085	0.305	
Building 4	4205	462	0.0034	0.125	
Building 4	4206	516	0.0038	0.140	
Building 4	4207	462	0.0034	0.125	
Building 4	4208	755	0.0056	0.205	
Building 4	4209	1125	0.0085	0.305	
Building 4	4210	714	0.0054	0.193	
Building 4	4212	516	0.0038	0.140	
Building 4	4213	617	0.0045	0.167	
Building 4	4214	509	0.0037	0.138	
Building 4	4215	507	0.0037	0.137	
Building 4	4216	617	0.0045	0.167	
Building 4	4217	462	0.0034	0.125	
Building 4	4218	617	0.0045	0.167	
Building 4	4219	462	0.0034	0.125	

Building	Unit #	Unit Square Footage	Fractional Ownership Interest Common Elements on Building 4 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 4	4220	509	0.0037	0.138	
Building 4	4221	507	0.0037	0.137	
Building 4	4222	516	0.0038	0.140	
Building 4	4223	617	0.0045	0.167	
Building 4	4224	516	0.0038	0.140	
Building 4	4225	617	0.0045	0.167	
Building 4	4226	509	0.0037	0.138	
Building 4	4227	507	0.0037	0.137	
Building 4	4228	617	0.0045	0.167	
Building 4	4229	462	0.0034	0.125	
Building 4	4230	1344	0.0098	0.364	
Building 4	4231	617	0.0045	0.167	
Building 4	4232	507	0.0037	0.137	
Building 4	4233	462	0.0034	0.125	
Building 4	4234	462	0.0034	0.125	
Building 4	4235	507	0.0037	0.137	Combined w/Unit 4236
Building 4	4236	617	0.0045	0.167	Combined w/Unit 4235
Building 4	4237	714	0.0054	0.193	
Building 4	4301	617	0.0045	0.167	
Building 4	4303	507	0.0037	0.137	
Building 4	4304	1125	0.0085	0.305	
Building 4	4305	462	0.0034	0.125	
Building 4	4306	516	0.0038	0.140	
Building 4	4307	462	0.0034	0.125	
Building 4	4308	755	0.0056	0.205	
Building 4	4309	1125	0.0085	0.305	
Building 4	4310	714	0.0054	0.193	
Building 4	4312	516	0.0038	0.140	
Building 4	4313	617	0.0045	0.167	
Building 4	4314	509	0.0037	0.138	
Building 4	4315	507	0.0037	0.137	

Building	Unit #	Unit Square Footage	Fractional Ownership Interest Common Elements on Building 4 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 4	4316	617	0.0045	0.167	
Building 4	4317	462	0.0034	0.125	
Building 4	4318	617	0.0045	0.167	
Building 4	4319	462	0.0034	0.125	
Building 4	4320	509	0.0037	0.138	
Building 4	4321	507	0.0037	0.137	
Building 4	4322	516	0.0038	0.140	
Building 4	4323	617	0.0045	0.167	
Building 4	4324	516	0.0038	0.140	
Building 4	4325	617	0.0045	0.167	
Building 4	4326	509	0.0037	0.138	
Building 4	4327	507	0.0037	0.137	
Building 4	4328	617	0.0045	0.167	
Building 4	4329	462	0.0034	0.125	
Building 4	4330	1344	0.0098	0.364	
Building 4	4331	617	0.0045	0.167	
Building 4	4332	507	0.0037	0.137	
Building 4	4333	462	0.0034	0.125	
Building 4	4334	462	0.0034	0.125	
Building 4	4335	507	0.0037	0.137	
Building 4	4336	617	0.0045	0.167	
Building 4	4337	714	0.0054	0.193	
Building 4	4401	617	0.0045	0.167	
Building 4	4403	507	0.0037	0.137	
Building 4	4404	1125	0.0085	0.305	
Building 4	4405	462	0.0034	0.125	
Building 4	4406	516	0.0038	0.140	
Building 4	4407	462	0.0034	0.125	
Building 4	4408	755	0.0056	0.205	
Building 4	4409	1125	0.0085	0.305	
Building 4	4410	714	0.0054	0.193	
Building 4	4412	516	0.0038	0.140	
Building 4	4413	617	0.0045	0.167	
Building 4	4414	509	0.0037	0.138	

Building	Unit #	Unit Square Footage	Fractional Ownership Interest Common Elements on Building 4 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 4	4415	507	0.0037	0.137	
Building 4	4416	617	0.0045	0.167	
Building 4	4417	462	0.0034	0.125	
Building 4	4418	617	0.0045	0.167	
Building 4	4419	462	0.0034	0.125	
Building 4	4420	509	0.0037	0.138	
Building 4	4421	507	0.0037	0.137	
Building 4	4422	516	0.0038	0.140	
Building 4	4423	617	0.0045	0.167	
Building 4	4424	516	0.0038	0.140	
Building 4	4425	617	0.0045	0.167	
Building 4	4426	509	0.0037	0.138	
Building 4	4427	507	0.0037	0.137	
Building 4	4428	617	0.0045	0.167	
Building 4	4429	462	0.0034	0.125	
Building 4	4430	1344	0.0098	0.364	Combined w/ Unit 4431
Building 4	4431	617	0.0045	0.167	Combined w/Unit 4430
Building 4	4432	507	0.0037	0.137	
Building 4	4433	462	0.0034	0.125	
Building 4	4501	617	0.0045	0.167	
Building 4	4503	507	0.0037	0.137	
Building 4	4504	1125	0.0085	0.305	
Building 4	4505	462	0.0034	0.125	
Building 4	4506	516	0.0038	0.140	
Building 4	4507	462	0.0034	0.125	
Building 4	4508	755	0.0056	0.205	
Building 4	4509	1125	0.0085	0.305	
Building 4	4510	714	0.0054	0.193	
Building 4	4512	516	0.0038	0.140	
Building 4	4513	617	0.0045	0.167	
Building 4	4514	509	0.0037	0.138	

Building	Unit #	Unit Square Footage	Fractional Ownership Interest Common Elements on Building 4 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 4	4515	507	0.0037	0.137	
Building 4	4516	617	0.0045	0.167	
Building 4	4517	462	0.0034	0.125	
Building 4	4518	617	0.0045	0.167	
Building 4	4519	462	0.0034	0.125	
Building 4	4520	509	0.0037	0.138	
Building 4	4521	507	0.0037	0.137	
Building 4	4522	516	0.0038	0.140	
Building 4	4523	617	0.0045	0.167	
Building 4	4524	516	0.0038	0.140	
Building 4	4525	617	0.0045	0.167	
Building 4	4526	509	0.0037	0.138	
Building 4	4527	507	0.0037	0.137	
Building 4	4528	617	0.0045	0.167	
Building 4	4529	462	0.0034	0.125	
Building 4	4530	1344	0.0098	0.364	
Building 4	4531	617	0.0045	0.167	
Building 4	4532	507	0.0037	0.137	Combined w/4533
Building 4	4533	462	0.0034	0.125	Combined w/4532
Building 4	4601	617	0.0045	0.167	
Building 4	4603	507	0.0037	0.137	
Building 4	4604	1125	0.0085	0.305	
Building 4	4605	462	0.0034	0.125	
Building 4	4606	516	0.0038	0.140	
Building 4	4607	462	0.0034	0.125	
Building 4	4608	755	0.0056	0.205	
Building 4	4609	1125	0.0085	0.305	
Building 4	4610	714	0.0054	0.193	
Building 4	4612	516	0.0038	0.140	
Building 4	4613	617	0.0045	0.167	
Building 4	4614	509	0.0037	0.138	
Building 4	4615	507	0.0037	0.137	
Building 4	4616	617	0.0045	0.167	

Building	Unit #	Unit Square Footage	Fractional Ownership Interest Common Elements on Building 4 Condo Map	% Common Expense Assessment Allocation Based upon 369,096 Total Square Footage of All Units Buildings 1-4	Note
Building 4	4617	462	0.0034	0.125	
Building 4	4618	617	0.0045	0.167	
Building 4	4619	462	0.0034	0.125	
Building 4	4620	509	0.0037	0.138	
Building 4	4621	507	0.0037	0.137	
Building 4	4622	516	0.0038	0.140	
Building 4	4623	617	0.0045	0.167	
Building 4	4624	516	0.0038	0.140	
Building 4	4625	617	0.0045	0.167	
Building 4	4626	509	0.0037	0.138	Combined w/4628
Building 4	4627	507	0.0037	0.137	
Building 4	4628	617	0.0045	0.167	Combined w/4626
Building 4	4629	462	0.0034	0.125	
Building 4	4701	617	0.0045	0.167	
Building 4	4703	407	0.0037	0.110	
Building 4	4704	1125	0.0085	0.305	
Building 4	4705	462	0.0034	0.125	
Building 4	4706	516	0.0038	0.140	
Building 4	4707	462	0.0034	0.125	
Building 4	4708	755	0.0056	0.205	
Building 4	4709	1125	0.0085	0.305	
Building 4	4801	617	0.0045	0.167	
Building 4	4803	507	0.0037	0.137	
Building 4	4804	1125	0.0085	0.305	
Building 4	4805	462	0.0034	0.125	
Building 4	4806	516	0.0038	0.140	
Building 4	4807	462	0.0034	0.125	
Building 4	4808	755	0.0056	0.205	
Building 4	4809	1125	0.0085	0.305	
Building 4 Totals		135,812	1	36.796	

EXHIBIT C

9.00

Summit County
Clerk and Recorder
21 10 56 AM '83
68073
C-11

253776

**DESIGNATION OF TIME SHARE UNITS
AND CONSENT**

THIS DESIGNATION made as of December 28, 1982 by
Beaver Run Developments, a partnership, hereinafter referred to
as Declarant.

W I T N E S S E T H:

WHEREAS, Declarant is the owner of the Condominium
Units as described on Exhibit A attached hereto and made a part
hereof by this reference; and

WHEREAS, Declarant executed a Declaration of Condom-
inium for Beaver Run ("Original Declaration") dated September
26, 1979 and recorded in the records of the Clerk and Recorder
of Summit County, Colorado on February 5, 1980 at Reception No.
202979, which Declaration reserved to Declarant the right to
designate any condominium unit as a Time Share Unit; and

WHEREAS, Declarant executed a Second Amendment to
Declaration of Condominium for Beaver Run ("Second Amendment")
dated February 20, 1981 and recorded in the records of the Clerk
and Recorder of Summit County, Colorado, on February 25, 1981 at
Reception No. 220275; which Second Amendment subjected the Con-
dominium Units shown on the Condominium Map for Beaver Run Con-
dominium Building 3 to the Original Declaration and provided
that no such Condominium Unit in Building 3 may be designated as
a Time Share Unit unless such designation is consented to by all
Holders of Deeds of Trust encumbering the Condominium Units
located in said Building 3; and

WHEREAS, Declarant desires to designate one or more of
the following described Condominium Units as a Time Share Unit
and all Holders of Deeds of Trust encumbering Condominium Units
in Building 3 have agreed to consent to such designation.

NOW, THEREFORE, Declarant hereby designates the
Condominium Units described in Exhibit A as Time Share Units.
Such Time Share Units may be divided into Interval Estates or
Time-Share Estates, provided no single unit may be divided into
more than 13 such Estates. However, this designation of any
Condominium Unit described on Exhibit A hereto as a Time Share
Unit shall be effective only in the event the deed conveying any
such Unit which is executed and delivered by Declarant, as the
Grantor, to one more of its purchasers, as grantee, includes
after the legal description of such Unit the provision that:
"The Condominium Unit herein described is hereby designated by
Beaver Run Developments as a Time Share Unit in accordance with
the Designation of Time Share Units and Consent dated as of
December 28, 1982 and recorded on _____, 1983 at Reception
No. _____ of the Summit County, Colorado records." In
the event Beaver Run Developments conveys any Unit described on
Exhibit A by a deed which fails to include the provision, as
provided in the preceding sentence, that such Unit is designated
as a Time Share Unit, Declarant shall be conclusively deemed to
have not elected to designate such Unit as a Time Share Unit.

The undersigned, constituting all existing Holders of
Deeds of Trust encumbering the Condominium Units described on
the Condominium Map for Beaver Run Condominium Building 3, by

executing a counterpart of this instrument, hereby acknowledge their consent to Declarant's designation of the Condominium Units described in Exhibit A, or any one or more of such Units, as Time Share Units in accordance with the terms of this instrument.

This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which shall constitute one instrument.

All capitalized terms used in this instrument, unless otherwise expressly defined herein shall have the meaning set forth in the original Declaration.

IN WITNESS WHEREOF, the Declarant has caused this Designation to be executed on the 9 day of FEB., 1983.

BEAVER RUN DEVELOPMENTS, a
partnership

By 48036 Manitoba Ltd., a
general partner

By Paul Albrechtsen
Its President

ATTEST:

Benny Rasmussen
Assistant Secretary

STATE OF COLORADO)

) ss.

COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this 9 day of February, 1983 by Paul Albrechtsen, as President, and Benny Rasmussen, as Assistant Secretary of 48036 Manitoba Ltd., a general partner of Beaver Run Developments.

Witness my hand and official seal. My Commission Expires June 3, 1985.
3773 Cherry Creek North Drive
Suite 880
Denver, Colorado 80209

My commission expires: _____

777.22 M. W.
Notary Public

The undersigned holders of deeds of trust encumbering the Condominium Units shown on the Condominium Map for Beaver Run Condominium Building 3 hereby consent to the foregoing designation.

COLUMBIA SAVINGS AND LOAN
ASSOCIATION

By _____

WORLD SAVINGS AND LOAN ASSOCIATION,
formerly known as Majestic Savings
and Loan Association

By _____

EXHIBIT A

Declarant reserves the right, in accordance with the attached Designation of Time Share Units and Consent, to designate any one or more of the following Condominium Units as a Time Share Unit.

Each of the following Condominium Unit Numbers, Building 3, Beaver Run, in accordance with the Condominium Declaration recorded February 5, 1980, at Reception No. 202979, and the Second Amendment thereto recorded February 25, 1981 at Reception No. 220275, and Condominium Map for Beaver Run Condominium Building 3 recorded February 25, 1981, at Reception No. 220274, of the Summit County, Colorado records:

Unit Numbers

234	438	641
236	439	642
240	440	644
334	442	648
336	443	834
340	445	835
342	447	837
433	447	841
434	450	843
435	633	945
436	635	846
437	639	848